

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF SOUTH DAKOTA**

IN THE MATTER OF THE APPLICATION OF)
PAY TEL COMMUNICATIONS, Inc. FOR A)
CERTIFICATE OF AUTHORITY TO PROVIDE)
ALTERNATIVE OPERATOR SERVICES)
SERVICES IN SOUTH DAKOTA)

Docket No. _____

APPLICATION

PAY TEL COMMUNICATIONS, INC. ("Applicant") hereby submits this application for certificate of authority to provide alternative operator telecommunications service within the State of South Dakota on a resale basis. In support of its application, Applicant provides the following information:

§20:10:24:02. Certificate of authority for alternative operator services.

- 1. The name, address, telephone number, facsimile number, web page URL, and E-Mail Address:**

Pay Tel Communications, Inc.
4230 Beechwood Drive
Greensboro, NC 27410
Telephone: (336) 346-1678
Facsimile: (335) 346-1127
Email: vtownsend@paytel.com
Website: www.paytel.com

- 2. A description of the legal and organizational structure of the applicant's company.**

The Applicant is a North Carolina corporation established on August 23, 1989.

3. The name under which the applicant will provide interexchange services if different than in subdivision (1) of this section;

The Applicant will provide alternative operator services to correctional facilities, under its legal name Pay Tel Communications, Inc.

4. A copy of the applicant's certificate of authority to transact business in South Dakota from the Secretary of State.

The Certificate of Authority from the South Dakota Secretary of State is attached as **Exhibit A**.

5. The location of the applicant's principal office, if any, in this state and the name and address of its current registered agent, if applicable.

The Company will not have any offices in South Dakota. The Company's registered agent in South Dakota is:

Corporation Service Company
503 South Pierre Street
Pierre, SD 57501

6. A list and specific description of the telecommunications services the applicant intends to offer:

The Applicant proposes to offer automated operator assisted calling services to inmates and other incarcerated persons in correctional facilities within the State of South Dakota. All network services are provided by Applicant's underlying carrier.

7. A detailed statement of how the applicant will provide its services:

The Applicant proposes to provide automated collect calling services to inmates of confinement institutions throughout the state of South Dakota. All services will be offered twenty-four (24) hours per day, seven (7) days a week. Detailed information regarding these services along with proposed rates are provided in the tariff included as an attachment to this Application. The Company will provide correctional and confinement institutions with sophisticated premises equipment that permits inmates to make outgoing, collect-only calls without the assistance of a live operator. The system provides a number of controls and restrictions that serve to reduce or eliminate fraudulent use of telephone systems.

8. A service area map or narrative description indicating with particularity the geographic area proposed to be served by the applicant.

The Applicant will offer alternative operator services to correctional facilities on a

statewide basis in South Dakota.

9. Financial information for the most recent 12 month period including balance sheet, income statement, and cash flow statement.

Current financial statements for the Applicant, including balance sheet and income statements, are attached as **Exhibit B**. As a privately held company, the Applicant does not have annual reports or reports to stockholders.

The Applicant is submitting Exhibit B as confidential and under seal for the use of the Commission, pursuant to SDCL 49-1-11(6) and SDR 20:10:01:41 only for the following reasons;

- A. Pay Tel is not a publicly traded company and therefore does not file financial statements with the SEC;
- B. The statements contain sensitive financial information which Pay Tel protects from disclosure. This information is not generally available to those inside the Company without specific need-to-know, and the Company keeps it in a secure location to prevent disclosure.
- C. Public disclosure of the information would cause undue harm to Pay tel and would prove detrimental to Pay Tel's competitive position in the marketplace. The confidential information is being provided for the sole use of the Commission in exercising their respective governmental functions by examining the Application.

10. The name, address, telephone number, fax number, e-mail address, and toll free number of the Applicant's representative to whom all inquiries must be made regarding complaints and regulatory matters:

Regulatory Matters:
Tim Smith, Directory of Regulatory Affairs
4230 Beechwood Drive
Greensboro, NC 27410
Telephone: (336) 346-1678
Facsimile: (335) 346-1127
Toll Free: (866) 729-8352 x 246
Email: tsmith@paytel.com
Website: www.paytel.com

Customer Complaints:
Debbie Jones, Customer Service Manager
4230 Beechwood Drive
Greensboro, NC 27410
Telephone: (336) 346-1678
Facsimile: (335) 346-1127
Toll Free: (866) 729-8352 x 225
Email: djones@paytel.com
Website: www.paytel.com

The Applicant's customer service matters are handle in-house by its Customer Service representatives. Each customer service representative is trained and authorized to resolve customer service issues.

11. Information concerning how the applicant plans to bill and collect charges from customers.

The Applicant has direct billing and collection agreements with various underlying carriers. Calls to other areas will be billed through a clearinghouse, BSG Clearing.

Collect calls placed to local service providers who do not bill calls for other carriers will be billed directly by Pay-Tel to credit-worthy customers, or will be billed through prepaid accounts when customers do not have a satisfactory credit score.

12. Information on the Applicant's policies relating to new customer solicitation, and a description of the efforts to prevent unauthorized switching of interexchange customers.

The Applicant will market its services to correctional facilities by using print advertising. The Applicant does not engage in multilevel marketing. The Applicant currently has enclosed sample brochures available for use in the sale of services as **Exhibit C**.

The Applicant will provide operator services through contractual agreements between the inmate facilities and payphone services providers. Traditional interexchange services will not be provided to end-user customers.

13. Information concerning how the applicant will make available to any person the rates, terms and conditions for all of its telecommunications services.

A copy of the Applicant's tariff containing the terms and conditions of service is attached as **Exhibit D**.

- 14. Information concerning how the applicant will notify the customer of any materially adverse change to any rate, term or condition of any telecommunications service being provided to the customer.**

The Applicant provides its operator services through contractual agreements with the inmate facility.

- 15. A list of the states in which the applicant is registered to provide telecommunications services, whether the applicant has been denied registration, and a statement of good standing in the states where it is registered.**

The Applicant is currently authorized to provide alternative operator services in Alabama, Florida, Georgia, Kentucky, Louisiana, North Carolina, New York, South Carolina, Tennessee, Virginia and West Virginia. Applicant is currently in the process of applying for authority in approximately thirty (30) additional states. The Applicant has not been denied authority to operate in any state. The company is in good standing with the regulatory agencies of all states where it is registered/certified.

- 16. Description of how applicant intends to market its services, its target market, whether applicant engages in any multilevel marketing, and copies of any company brochures.**

See 12 above.

- 17. List applicant's federal tax identification number and South Dakota Sales Tax License number.**

The Applicant's federal tax identification number is 56-1528852. The Applicant's South Dakota Sales Tax License Number is 1021-5343-ST.

- 18. The number and nature of complaints filed against the applicant with any state or federal regulatory commission regarding unauthorized switching of a customer's telecommunications provider and the act of charging customers for services that have not been ordered.**

No complaints have been made against the Applicant with any state or federal commission regarding the unauthorized switching of a customer's telecommunications provider or for charging of customers for services that have not been ordered.

- 19. Request for waiver of rules the applicant believes to be inapplicable.**

In the interest of protecting the public at large, and to comply with the security and safety requirements of correctional facility personnel, inmate service providers;

- 1) Do not post information on the phones accessible to inmates;
- 2) Block access to the operator, directory assistance, 911 and to other interexchange carriers.

Therefore, Pay Tel requests a wavier of those portions of the Commission's Alternative Operator Service Rules that require posting, access to 911 and that prohibit call blocking (20:10:24:05 (4), (6) & (7)).

20. Other information:

The Applicant's representative to whom all correspondence regarding this application should be addressed is:

Leon Nowalsky, Attorney
Nowalsky, Bronston & Gothard, APLLC
1420 Veterans Blvd.
Metairie, LA 70005
Phone: (504) 832-1984
Fax: (504) 831-0892
E-Mail: lnowalsky@nbglaw.com

The Applicant asserts that it will not collect any traditional advance payments, and will not collect deposits from customers. Certain customers will be offered a prepaid debit product as outlined in the tariff. Should a performance bond as required under Section 20:10:24:04.05 be required, the Applicant will comply.

The Applicant possesses the technical and managerial ability to provide service within the State of South Dakota. As a reseller, the Applicant relies on the technical reputation and support of its underlying carriers. Additionally, Applicant's in house management team is well qualified to oversee the operations of a telecommunications service provider. Resumes of key personnel are attached as **Exhibit E**.

WHEREFORE, Pay Tel Communications, Inc. respectfully requests that the Commission Grant Applicant a Certificate of Public Convenience and Necessity, giving Applicant authority to provide resold alternative operator services, effective upon approval of this Application.

Respectfully submitted this 8th day of April, 2009/10

By: Leon Nowalsky
Leon Nowalsky, Attorney
Nowalsky, Bronston & Gothard, APLLC
1420 Veterans Blvd.
Metairie, LA 70005
Phone: (504) 832-1984
E-Mail: lnowalsky@nbglaw.com

Verification of Application

I, J. Vincent Townsend, President of Pay Tel Communications, Inc., Applicant in the foregoing application, do hereby attest that I have reviewed the information contained in the application and Exhibits and all information is true and correct to the best of my knowledge and belief.

Dated this 1st day of May 2009.

Pay Tel Communications, Inc.

By: J. Vincent Townsend
J. Vincent Townsend, President
Pay Tel Communications, Inc.
4230 Beechwood Drive
Greensboro, NC 27410

Sworn to and subscribed before me this 1st day of May 2009.

Brenda P. Peeden
Notary Public



EXHIBIT A

CERTIFICATE OF AUTHORITY

State of South Dakota



OFFICE OF THE SECRETARY OF STATE

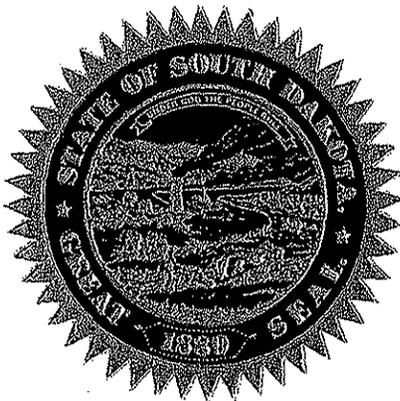
Certificate of Authority

ORGANIZATIONAL ID #: FB033520

I, **Chris Nelson**, Secretary of State of the State of South Dakota, hereby certify that the Application for a Certificate of Authority of **PAY TEL COMMUNICATIONS, INC. (NC)** 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 Certificate of Authority and attach hereto a duplicate of the application to transact business in this state.

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 May 26, 2009.



Chris Nelson

Chris Nelson
Secretary of State

Secretary of State Office
500 E Capitol Ave
Pierre, SD 57501
(605)773-4845

APPLICATION FOR CERTIFICATE OF AUTHORITY FOREIGN BUSINESS CORPORATION

Please Type or Print Clearly in Ink

Please submit one Original and one Photocopy

FILING FEE: \$550 payable to SECRETARY OF STATE

RECEIVED
MAY 26 2009
S.D. SEC. OF STATE

Filed this 26th day of May, 2009
Chris Nelson
SECRETARY OF STATE

Telephone # _____
FAX # _____

Application must be accompanied by a one page original certificate of existence issued by the Secretary of State or other official having custody of the corporate records in the state or country under whose law it is incorporated.

1. The name of the corporation is Pay Tel Communications, Inc.

Note: The name must include the term corporation, incorporated, company, limited or the applicable abbreviation.

2. State where incorporated North Carolina

3. Date of its incorporation is 8/12/86

4. The period of its duration perpetual

5. The address of its principal office (this is the address of the executive offices of the corporation),

4230 Beechwood Drive, Greensboro, NC 27410

Street Address City State ZIP+4

PO Box 8179, Greensboro, NC 27410

Mailing Address (Optional) City State ZIP+4

6. The South Dakota Registered Agent name Corporation Service Company

503 South Pierre Street, Pierre, SD 57501

Street Address (Required to be a South Dakota Address) City State ZIP+4

Mailing Address (Optional - Required to be a South Dakota Address) City State ZIP+4

When listing a Commercial Registered Agent, please state their CRA #. This number can be obtained from the Commercial Registered Agent.	CR000003
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7. The names and business addresses of its principal officers and directors. Please place a check mark next to the name if the principal officer serves as a director.

<input checked="" type="checkbox"/>	J. Vincent Townsend	4230 Beechwood Drive, Greensboro, NC 27410			
	President	Street Address	City	State	ZIP+4
<input type="checkbox"/>	Rebecca H. Townsend	4230 Beechwood Drive, Greensboro, NC 27410			
	Vice President	Street Address	City	State	ZIP+4
<input type="checkbox"/>	Rebecca H. Townsend	4230 Beechwood Drive, Greensboro, NC 27410			
	Secretary	Street Address	City	State	ZIP+4
<input checked="" type="checkbox"/>	Amy Reeves	4230 Beechwood Drive, Greensboro, NC 27410			
	Treasurer	Street Address	City	State	ZIP+4
<input type="checkbox"/>	Mike Crews	4230 Beechwood Drive, Greensboro, NC 27410			
	Director	Street Address	City	State	ZIP+4
<input type="checkbox"/>					
	Director	Street Address	City	State	ZIP+4
<input type="checkbox"/>					
	Director	Street Address	City	State	ZIP+4

The application must be signed by an authorized officer of the corporation.

Dated 5/1/09

J. Vincent Townsend
 (Signature of an authorized officer)
J. VINCENT TOWNSEND
 (Printed Name)
PRESIDENT
 (Title)



NORTH CAROLINA

Department of The Secretary of State

CERTIFICATE OF EXISTENCE

I, ELAINE F. MARSHALL, Secretary of State of the State of North Carolina, do hereby certify that

PAY TEL COMMUNICATIONS, INC.

is a corporation duly incorporated under the laws of the State of North Carolina, having been incorporated on the 12th day of August, 1986, with its period of duration being Perpetual.

I FURTHER certify that, as of the date set forth hereunder, the said corporation's articles of incorporation are not suspended for failure to comply with the Revenue Act of the State of North Carolina; that the said corporation is not administratively dissolved for failure to comply with the provisions of the North Carolina Business Corporation Act; that its most recent annual report required by N.C.G.S. 55-16-22 has been delivered to the Secretary of State; and that the said corporation has not filed articles of dissolution as of the date of this certificate.



IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at the City of Raleigh, this 19th day of May, 2009.

Elaine F. Marshall

Secretary of State

EXHIBIT B

FINANCIAL STATEMENTS

Submitted under seal under separate cover

EXHIBIT C

SAMPLE BROCHURES

SOLVING THE PUZZLE

By Putting All the Pieces Together



Pay-Tel puts all the pieces of the inmate phone system puzzle together!

ALL INCLUSIVE SYSTEMS

A State-of-the-Art system with the latest administrative, investigative and communication features. The Pay-Tel Inmate Call Processor (ICP) is a full-featured call processing system providing total facility control with automated investigative tools. The system has a variety of features that can be integrated to meet the specifications of each facility.

FACILITY SUPPORT

Our Technical Support Center is dedicated to providing your facility with the finest in service and support 24-hours day, 7 days a week. Our toll-free number is 800-729-0644. You may email our Technical Support Staff at paytelops@paytel.com or access Pay-Tel's website and enter a Service Ticket.

INVESTIGATIVE TOOLS

Investigator's time is at a premium. Pay-Tel is dedicated to providing the most effective automated investigative tools available today. With easy to use tools accessible from any location, we can save your investigators time and help them be more effective.

EMERGING TECHNOLOGY

Pay-Tel's Research and Development Department has developed numerous industry firsts in Customer Service and Inmate Calling Technology. Pay-Tel will continue to identify investigative needs with the input of our Facility User Group and develop real solutions - that work.

CUSTOMER SERVICE

Pay-Tel is dedicated to providing the highest quality and most dependable telecommunications service to the facilities in which we operate and to the people they serve. Outstanding Customer Service is the cornerstone of our business. Pay-Tel has its own in-house Customer Service and Billing Department operated by full-time Pay-Tel employees dedicated to providing outstanding service to the inmates' family and friends.

CALLING PLANS

Pay-Tel has led the industry in developing programs specifically designed to provide Customer Friendly Calling Plans for inmates and their families and friends. As more and more customers choose alternative phone services, Pay-Tel has developed multiple billing options to enable these customers to accept calls from facilities. Our Customer Friendly Calling Plans are maximizing facility revenues and eliminating complaints from inmates and customers to the facility.

EXPERIENCE

Pay-Tel's management team has an average of over 15 years of experience in the inmate phone service industry, working for Pay-Tel. Founder and President, Vincent Townsend is a recognized leader on the state, regional and national level in the inmate phone service industry.

TRUST n. (trust)

- Total confidence in the integrity, ability and good character of another.
- The condition and resulting obligation of having confidence placed in one.

Pay-Tel takes seriously its obligation to deliver on its commitments.



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ALL INCLUSIVE SYSTEMS

Fully Intergrational Inmate Phones



A State-of-the-Art system with the latest administrative, investigative and communication features.

The Pay-Tel Inmate Call Processor (ICP) is a full-featured call processing system providing total facility control with automated investigative tools. The system has a variety of features that can be integrated to meet the specifications of each facility.

ADMINISTRATIVE CONTROL

- Windows based platform
- Password protected workstations
- Workstations provide complete control of the system
- Simultaneous system access by multiple workstations

JAIL MANAGEMENT

Pay-Tel works closely with several jail management companies to exchange data over our inmate phones. Our interface with these companies allows for seamless entry of an inmate's name, PIN number, and other information into our phone system. This behind the scenes, automatic data transfer simplifies the process for facilities. Pay-Tel will work with any jail management system in the areas we serve.

COMMISSARY SERVICES

Traditionally, detention facilities have had one or more officers who are responsible for taking commissary orders from inmates. Pay-Tel now offers commissary services integrated into our phone system. Working in conjunction with commissary companies in the facilities we serve allows an inmate to place his commissary order using the Pay-Tel inmate phone. This more efficient ordering process frees valuable hours for other more important officer tasks.

VIDEO VISITATION

As more facilities install video visitation systems, Pay-Tel is adaptable to this new technology. Our phone systems can easily be integrated into video visitation stations. When connected with these stations, Pay-Tel offers monitoring and recording of video visits to help identify any suspicious activity that warrants further investigation.

INVESTIGATIVE TOOLS

- Hot Number Alert
- PINS (Personal Identification Numbers)
- Monitoring and Recording of all calls
- Monitoring and Recording of Visitation Phones
- Remote monitoring of inmate calls
- 3-Way Call Detection

EMERGING TECHNOLOGIES

Pay-Tel through its Facility User Group is committed to working with selected officers to identify investigative needs and develop innovative solutions.

FRAUD PREVENTION

Our Technical Support Center staff constantly monitors call traffic to identify any activity that may need further investigation for facility officers. By working with officers we can prevent fraudulent calling and improve overall facility security.

SYSTEM INTERFACES

Our system is designed to interface with numerous existing databases to provide for the sharing of data.

WEBSITE – FACILITY ACCESS

Pay-Tel's website provides for password protected Facility Access where officers can access call records, recordings, service tickets, etc. via any PC/laptop with internet access.



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FACILITY SUPPORT

Our Commitment to You



Our Technical Support Center is dedicated to providing your facility with the finest in service and support 24-hours day, 7 days a week. Our toll-free number is 1-800-729-0644. You may email our Technical Support Staff at paytelops@paytel.com or access Pay-Tel's website and enter a Service Ticket.

SERVICE AND SUPPORT

Pay-Tel's exclusive Service and Support program is comprised of several different components that keep our inmate phone systems working at peak efficiency. State-of-the-Art technology coupled with an experienced staff, complete officer training, service ticket tracking on our website, and a convenient toll-free phone number for officer use, which has created a support program unrivaled in the industry.

TRAINING

All training is provided by experienced Pay-Tel Service Technicians on site or training is available at Pay-Tel Corporate Office and Technical Support Center in Greensboro, NC. Training on Pay-Tel's inmate telephone system is provided anytime during the contract period at no cost to the client. The training emphasizes hands on demonstrations to familiarize each person with the functions that pertain to their areas of need. In addition to a user manual, the system provides online help to assist the user.

INDUSTRY FIRST – SERVICE LIAISON - 1994

The on-site Service Liaison is Pay-Tel's front line support to immediately address minor repair issues and identify problems that need to be addressed by Pay-Tel Technical Support Center. Historically the Service Liaison, a facility officer, has been able to immediately address 90% of the problems identified. Pay-Tel's Technical Support Center staff has extensive experience in the Inmate Telecommunications Industry and are ready 24-hours a day to respond to any problems not cleared by the Service Liaison.

ESCALATION POLICY

When contacted by the facility Service Liaison or another officer, a Service Ticket is created and assigned one of three Service Action Levels, with each having its own corrective actions and escalation timeframes. Every effort is made to resolve the Service Ticket remotely within the resolution timeframe. If the Technical Support Center staff cannot resolve the Service Ticket remotely, a Service Technician is dispatched to expedite corrective action. By logging into the password protected Facility Access area of our website, the Facility can monitor the progress of the Service Ticket in real time.

SERVICE TECHNICIAN

Service Technicians are Pay-Tel employees located in every state we serve. Each technician is fully trained and certified to address all service issues.



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INVESTIGATIVE TOOLS

Effective and Time-Saving



Investigator's time is at a premium. Pay-Tel is dedicated to providing the most effective automated investigative tools available today. With easy to use tools accessible from any PC/laptop with internet access, we can save your investigators time and help them be more effective.

INVESTIGATOR TOOLBOX

MONITORING AND RECORDING TOOL

Our Monitoring and Recording Tool allows for immediate, real-time monitoring and recording of calls in progress. With proper security clearance and password access, administrators and investigators can monitor any call in the system at on-site and remote locations. Any officer, with proper security clearance, can query recorded calls over a LAN and via the facility's secure web page on Pay-Tel's website.

PINSPANS TOOL

Each inmate/user can be given a PIN consisting of the inmate/user ID or booking number and PIN code. Calling privileges can be easily regulated, suspended or restored for each PIN used to make the calls. Each inmate/user PIN can be assigned, through administrator configuration, a personal database of approved numbers for calling (PAN).

HOT NUMBER ALERT TOOL

Hot Numbers are previously identified numbers that an inmate under investigation may call. Investigators are always on the move; with Pay-Tel's Hot Number Alert Tool they are able to go about their business and receive notification of every number called on their list of Hot Numbers. Investigators enter the number they want the call transferred to and may monitor a call in progress from their office, their car, in town or across the county. Investigators may also listen to the entire recorded conversation remotely.

CD BURNING TOOL

All recorded calls may be burnt to CD for playback in standard CD players. This option allows investigators to listen to the conversation over and over to find or transcribe all or part of a particular call. It also allows the investigator to bring the calls to the District Attorney or to court for playback.

BIOMETRIC IDENTIFICATION OPTIONS

Pay-Tel has several options for biometric identification, with more to come!

REPORT TOOL

The system can be configured to build and maintain Call Detail Record (CDR) databases with fields such as Date/Time stamp, PAN (Personal Allowed Number List), Call Type (Incomplete, Busy, Refused, Accepted, etc.), Duration, Originating ANI (Configurable by trunk), Destination ANI, Station ID, Trunk ID, etc. to enable the necessary system reporting and monitoring. The CDR databases can be fully configured to allow for maximum flexibility.

ANONYMOUS "TIP" TOOL

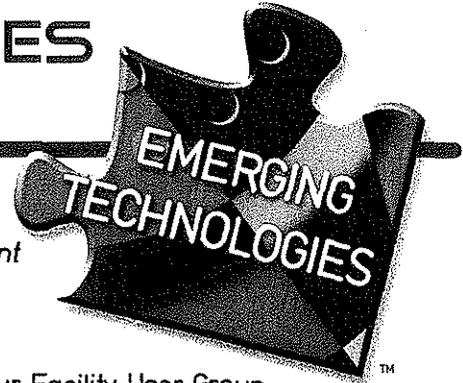
Any inmate may dial selected digits to access the Anonymous "Tip" Tool, which connects to a voice mailbox and can be recorded and emailed to a specific email account, or directed to a specific person who answers the phone. This tool allows inmates to leave an anonymous message to report a crime or other incident.



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EMERGING TECHNOLOGIES

Setting Industry Standards



Pay-Tel Communications' Research and Development Department under the direction of Wes Apple, Director of New Product Development for over seventeen years, has developed numerous industry firsts in Customer Service and Inmate Calling Technology.

Pay-Tel will continue to identify investigative needs with the input of our Facility User Group and develop real solutions - that work.

BIOMETRICS

Biometrics is the use of methods for uniquely recognizing humans based on one or more intrinsic physiological or behavioral traits.

Physiological traits are related to the shape of the body. One example, which has been in use over 100 years, is fingerprints. Other more recently implemented examples are face recognition, hand geometry and iris recognition.

Behavioral traits are related to the behavior of the person. The first behavioral trait to be used, which is still widely used today, is the signature. More modern behavioral biometric developments are the study of keystroke dynamics and of voice. Strictly speaking, voice is also a physiological trait because every person has a different pitch, but voice recognition is mainly based on the study of the way a person speaks, commonly classified as behavioral. Other biometric strategies are being developed such as, retina, hand veins, ear canal, facial thermogram, DNA, and palm prints.

Pay-Tel currently has several options for biometric identification available, with more to come!

RECENT TECHNOLOGIES DEVELOPED BY PAY-TEL

Pay-Tel remains committed to providing state-of-the-art Inmate Call Processors with investigative tools that will save your investigators' time and increase their effectiveness. Some of the exciting new features being introduced include:

- Anonymous Tip Tool
- New comprehensive reports via Pay-Tel's website
- New and innovative three-way call attempt detection and call treatment features
- Call handling and billing features to help automatically connect families and friends to Pay-Tel
- Easy to use and secure customer account set-up with multiple billing options to reduce blocked calls and increase revenue
- Secure web access of call records, monitoring and recording with any PC/laptop that has internet access

EVOLVING FUTURE TECHNOLOGIES

Pay-Tel believes in the philosophy of Wayne Gretsky, all-time great hockey player, when he shared his key for success. "Skate to where the puck is going to be, not where it is."

Pay-Tel is pursuing an aggressive research and development program for developing the best future applications for inmate phone service. Pay-Tel is committed to providing our clients with flexible software solutions that can be customized to meet your facilities future needs.



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CUSTOMER SERVICE

Dedicated to 100% Satisfaction



Pay-Tel Communications Inc. is dedicated to providing timely and courteous service to the customers we serve.

Outstanding Customer Service is the cornerstone of our business. Since 1991, Pay-Tel has had its own in-house Customer Service and Billing Departments operated by full-time Pay-Tel employees dedicated to providing outstanding service to the inmates' family and friends.

INDUSTRY FIRST – Local Telephone Company: BILLING AND COLLECTION AGREEMENTS - 1991

Pay-Tel was the first inmate phone service provider in the nation to purchase direct Billing & Collection agreements with all the major local telephone companies operating in our service areas. Pay-Tel learned early that the only way to manage and control receivables was to have these direct billing agreements that allowed us to have contact with the customer and immediate notification if the account is questioned.

When the customer receives their local phone company bill, it includes a Pay-Tel bill page listing their calls and the charges. Pay-Tel's name and toll-free customer service number are on each bill page. This allows customers to contact Pay-Tel directly, eliminating the need for the customer to contact the facility.

COMMITMENT TO FAIR TREATMENT OF EVERY CUSTOMER

Because of our dedication to charge the lowest rates in the industry and our respect for every customer, Pay-Tel has never been involved in litigation or formal regulatory complaints over inmate phone service rates.

Pay-Tel regularly surveys all our customers who have direct bill and prepaid accounts to monitor the quality of our service. We are very proud of our track record with our customers. Our most recent Quality of Service Survey had a 24% response and of those responding over 90% of the comments were positive. All negative comments received are investigated, and resolved directly with the customer.

WHAT OUR CUSTOMERS ARE SAYING ABOUT OUR SERVICE

"Thanks for adding the payment and last call made information on the website account page. It helps with confusion about my calls being billed. Also, I greatly appreciate the new discount policy. It's good to know you considered comments on the survey and improved things for us."

- KA, Los Angeles, CA

"My prepaid account made it easy for me to keep up with calls and keep my account in good standing."

- DS, Powell, TN

"I am on a fixed income and was able to save money on each call which helped me to be able to receive more calls and talk more to my husband."

- SK, El Paso, TX

"Every time I call the customer services very kind and helpful – please keep up the good work I would like to thank each and everyone."

- SR, Greensboro, NC

"I really like Pay Tel, thanks for making a easy way for inmates to call ."

- VJ, Athens, GA

"My inmate moved to another facility but would gladly go back to Pay-Tel if possible."

- JG, Pelham, TN



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CALLING PLANS

Direct Bill and Prepaid Account Options



Pay-Tel has led the industry in developing programs specifically designed to provide Customer Friendly Calling Plans for inmates and their families and friends.

As more and more customers choose alternative local phone services, Pay-Tel has developed multiple account and billing options to enable customers to open accounts quickly and to accept calls from inmates. Our Customer Friendly Calling Plans eliminate complaints to facilities, from inmates and their families.

INDUSTRY FIRST WITH IN-HOUSE DIRECT BILLING AND PREPAID ACCOUNTS

In 1991, Pay-Tel was the FIRST Inmate Phone Service Provider in the industry to offer in-house direct billed and prepaid accounts. Pay-Tel is proud to have led the industry in providing in-house paperless prepaid calling.

Billing options for the inmate to communicate with families and friends:

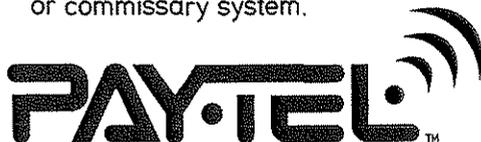
- **BILLING AND COLLECTION AGREEMENTS** - In 1991, Pay-Tel was the first private inmate phone service provider in the nation to negotiate direct Billing & Collection agreements with all the major local telephone companies operating in our service areas. When the customer receives their local phone company bill, it includes a Pay-Tel bill page listing their calls and the charges. Pay-Tel's name and toll-free customer service number are on each bill page.
- **DIRECT BILLING** - Direct Billed accounts are available to called parties that meet a predefined credit score. Pay-Tel mails a weekly statement summarizing money received, calls accepted, and funds available on the account or money owed. Account statements are also available through Pay-Tel's website.
- **PAPERLESS PREPAID** - Inmate families and friends can take advantage of Pay-Tel's paperless prepaid calling service, started in 1991. This provides the ability for the paying party to budget the amount they want to spend on telephone calls. With a prepaid account, each customer is given a discount on the price of every call. Pay-Tel posts on its website or mails a weekly statement summarizing money received, calls accepted and funds available on the account. Customers can also contact Pay-Tel's Customer Service Department via a toll free number (1-800-729-8355) to check their account balance and also add monies to their account.

Account balances may also be checked with Pay-Tel's "Balance Inquiry by Phone" which is available 24-hours a day, 7 days a week. In addition, Pay-Tel's website allows for access to account balances and payment options when the customer has already been assigned a PIN. Customers need to call a Customer Service Representative at 1-800-729-8355 to create a PIN. Our Customer Service website is also available in Spanish.

- **PREPAID CARDS** - Pay-Tel also has a prepaid card that can be used to make domestic and international calling using the inmate telephone system. These cards are made available for the facility to purchase and sell to the inmate or can be sold through the facilities commissary vendor.

Following release from a confinement facility a refund can be requested by sending the card to the address printed on the card.

- **DEBIT SYSTEM** - The inmate telephone system can be programmed to provide a debit system that is managed via an Administrative Workstation provided by Pay-Tel, or through the jail management system or commissary system.



Pay-Tel Communications Inc • 1 866 729 8352 • www.paytel.com

EXPERIENCE

Established in 1986



Pay-Tel's management team has an average of over 15 years of experience in the inmate phone service industry, working for Pay-Tel. Founder and President, Vincent Townsend is a recognized leader on the state, regional and national level in the inmate phone service industry.

COMPANY HISTORY

- Founded in North Carolina by Vincent Townsend (1986)
- Privately owned and operated
- Equal Opportunity Employer

AGGRESSIVE RESEARCH AND DEVELOPMENT

- Design, Engineering and in-house development of state-of-the-art evolving technology
- IT Director has over fourteen years of experience working at Pay-Tel, developing numerous industry firsts in Inmate Calling Technology and Customer Service

UNMATCHED CLIENT RETENTION THROUGH QUALITY SERVICE

- 50% of our clients are in their 3rd or higher five year contract term
- Perfect record of delivering on our commitments

COMMITMENT TO REGULATORY COMPLIANCE

- Zero regulatory complaints
- Zero litigations over inmate phone service rates

COMMITMENT TO FAIR TREATMENT OF CUSTOMERS

- Dedicated to serving inmates and their families
- Customer Friendly Calling Options
- Lowest rates in the industry for inmate calling
- Regular Customer Quality of Service Surveys have 90% positive responses

FINANCIAL STABILITY

- Consistent revenue growth every year
- Profitable every year since 1990

COMMITMENT TO INDUSTRY NATIONAL LEADERSHIP

- American Public Communications Council (APCC)
 - APCC Board Member 1994 - present
 - APCC Legal Committee 1996 - present
- Industry Spokesperson - Vincent Townsend, Pay-Tel President
 - State Regulatory Commissions
 - Federal Communications Commission (FCC)
 - Congress
- Alliance of Telecommunication Industry Solutions (ATIS) - Member
- Telecommunications Fraud Prevention Committee (TFPC) - Member 1990 - present

STATE, REGIONAL & NATIONAL INDUSTRY COMMITMENT

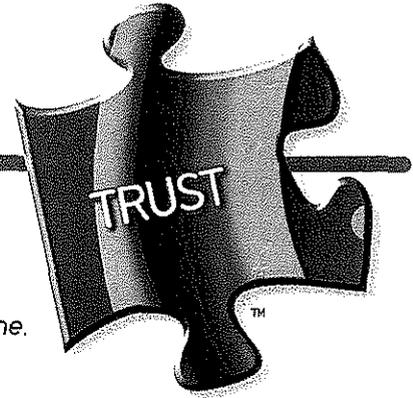
- See Pay-Tel's website for association memberships



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TRUST

Unmatched Client Retention



TRUST n. (trŭst)

- Total confidence in the integrity, ability and good character of another.
- The condition and resulting obligation of having confidence placed in one.

Pay-Tel takes seriously its obligation to deliver on its commitments.

TECHNOLOGY THAT WORKS

Our goal is to introduce new services when the need is identified and the technology is proven reliable. Through Pay-Tel's Research and Development and Facility User Group we strive to develop new and innovative investigative tools.

RELIABLE SERVICE

Unmatched client retention through quality service; 50% of our clients are in their 3rd or higher five-year contract term.

REGULATORY COMPLIANCE

- Zero Formal Regulatory Complaints
- Nominal Informal Regulatory Complaints: 100% handled timely and satisfactorily
- Zero litigations over inmate phone service rates
- We will never do anything to embarrass you with the citizens of your county

MAXIMIZE FACILITY REVENUE AND COMMISSIONS

Pay-Tel has led the industry in increasing call completion through creating Customer Friendly Calling Plans to connect and bill the highest number of calls possible. Pay-Tel clients know that their commissions will be paid accurately and on time every month. All commissions are certified by a company officer.

AUDIT COMPLIANCE

Pay-Tel has been found compliant in all audits of payments made to its clients.

COMMITMENT TO FAIR TREATMENT OF CUSTOMERS

- Dedicated to serving inmates and their families
- Customer Friendly Calling Plans
- Lowest rates in the industry for inmate calling
- Regular Quality of Service Surveys have a 90% positive response

OUR MISSION

Pay-Tel Communications Inc. is dedicated to providing the highest quality and most dependable telecommunications service to the confinement facilities in which we operate, and to the citizens they serve. The company's mission is to provide advanced telecommunications products and services to better serve the confinement industry, while respecting the rights of the inmates' families and friends that use our service.

Pay-Tel's unmatched client retention and growth attests to a sterling track record of providing the most reliable inmate phone service available.



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EXHIBIT D

Tariff

SOUTH DAKOTA INMATE TELECOMMUNICATIONS SERVICES

TITLE SHEET

SOUTH DAKOTA INMATE TELECOMMUNICATIONS TARIFF

This tariff contains the descriptions, regulations, and rates applicable to the furnishing of inmate telecommunications services provided by Pay-Tel Communications, Inc., with the principal offices at 4230 Beechwood Drive, Greensboro, N.C. 27410. This tariff applies to services furnished within the state of South Dakota. This tariff is on file with the South Dakota Public Utilities Commission and may be inspected during normal business hours at the Company's principal place of business. A copy may also be obtained by visiting the Company's website, www.paytel.com, or by writing the Company.

Issued:

Effective

By: J. Vincent Townsend, President
Pay Tel Communications, Inc.
4230 Beechwood Drive
Greensboro, NC 27410

SOUTH DAKOTA INMATE TELECOMMUNICATIONS SERVICES

CHECK SHEET

SHEETS 1 THROUGH 28, INCLUSIVE OF THIS TARIFF ARE EFFECTIVE AS OF THE DATES 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
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16	Original
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19	Original
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27	Original
28	Original

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SOUTH DAKOTA INMATE TELECOMMUNICATIONS SERVICES

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SOUTH DAKOTA INMATE TELECOMMUNICATIONS SERVICES

EXPLANATION OF SYMBOLS

Page Numbering – Page numbers appear in the upper right hand corner of the page. Pages are numbered sequentially. From time to time new pages may be added to the tariff. When a new page is added between existing pages a decimal is added to the preceding page number. For example, a new page added between pages 2 and 3 would be numbered 2.1.

Explanation of Symbols – When changes are made in any tariff sheet, a revised sheet will be issued cancelling the tariff sheet affected. Changes will be identified on the revised page(s) through the use of the following symbols:

- C- To signify changed regulation
- D- To signify discounted rate or regulation
- I- To signify increased rate
- N- To signify new rate or regulation
- R- To signify reduced rates
- S- To signify reissued matter
- T- To signify a change in text but no change in rate or regulation
- M- To signify matter relocated without change
- Z- To signify a correction
- T- Change in text or regulation

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SOUTH DAKOTA INMATE TELECOMMUNICATIONS SERVICES

SECTION 1 – DEFINITIONS

Access Line – An arrangement from a local exchange telephone company or other common carrier which connects an inmate telephone to a switching center.

Alternative Local Telephone Service Providers – Carriers such as CLEC, VOIP, or Wireless Carriers that do not provide billing and collection agreements for other carriers. When the Customer chooses to use an Alternative Local Telephone Service Provider, the Company will assist the Customer in establishing billing arrangements through Company Direct Bill or Prepaid Account Programs with multiple payment options through the Company or Third Party Payment Processors.

Automated Call Processing System – Equipment that automates the placement of collect calls, including recordation of billing information.

Automated Collect Inmate Telecommunications Services – Calls whereby an inmate in a Confinement Facility dials the called number and the call is billed to the called number (collect call) and where call placement and recording of billing information is performed without the assistance of a live operator.

Billed Party – The individual who accepts a collect call, is billed for the call, and responsible for the payment of the applicable charges.

Billing Limit – A dollar value of accepted collect call charges beyond which is deemed to be an at-risk collection.

Billing Service Company – A Company with billing and collection agreements with Local Exchange Carriers.

Called Party – The individual who receives an inmate collect call who can either accept or refuse the call.

Called Station – The terminating point of a call (i.e., the called number).

Calling Station – The originating point of a call (i.e., the calling number).

Client – The Confinement Facility Administration or the government entity with which the Company has contracted to provide service.

Collect Call – a Billing arrangement whereby the charge for a call may be billed to the called station, provided the called station accepts responsibility for such calls.

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SOUTH DAKOTA INMATE TELECOMMUNICATIONS SERVICES

SECTION 1 – DEFINITIONS (continued)

Commission – South Dakota Public Utilities Commission.

Common Carrier – A company or entity providing telecommunications services to the public and subject to the jurisdiction of the South Dakota Public Utilities Commission.

Company – Pay-Tel Communications, Inc.

Completion of a Collect Call – A call is completed when the call is accepted at the call station.

Confinement Facility – A local, state, or federal facility that has authorized the Company to provide inmate telecommunications services.

Customer – The person or legal entity that enters into payment arrangements with the Company for telecommunications services to send or receive calls.

Debit Calls – A service where the inmate may place calls using funds transferred from the Inmate's Trust Account.

Direct Bill Customer Program – A program available to those Customers whose calls cannot be billed through their Local Exchange Carrier or provided to those Customers who accrue a threshold amount of charges. An account is established with the Company by a Customer who completes a credit application and receives a satisfactory credit score. A credit limit is established and calls are billed by the Company directly to the Customer each week.

Family Connection Calling Plan™ – A plan available for Customers who open a prepaid account with the Company. The plan provides a discount on every call depending on the amount of the payment made by the Customer.

Fixed Service Charge – A fee, in addition to the underlying local call rate or long distance measured charge, for providing services when using the inmate telephone.

Incomplete Call – Any call where transmission between the calling and called station is not established (e.g., busy, no answer, billing refused, etc.).

Inmate – The individual who uses the Company's telephones and the Company's services to place a call. An inmate may, pursuant to the Prepaid Calling Cards and/or Debit Calling through Confinement Facility Commissary offerings described herein, be a Customer of the Company.

Inmate Telephone – A coinless telephone instrument conforming with South Dakota Public Utilities Commission Orders and Regulations governing such equipment.

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SOUTH DAKOTA INMATE TELECOMMUNICATIONS SERVICES

SECTION 1 – DEFINITIONS (continued)

Inmate Trust Account – An Inmate Trust Account is an account established by the Facility where all funds belonging to an Inmate are placed and maintained.

Interexchange Carrier (IXC) – a company which furnishes interexchange telephone service.

Local Call – a call originated and terminated within a single exchange or extended service area.

Local Exchange Carrier (“LEC”) – A certified telecommunications company that provides local exchange service to customers in the State of South Dakota.

Measured Charge – A distance-sensitive charge assessed on a per-minute basis in calculating a portion of the charge due for a completed call.

MoneyGram Payment Processing Fee – An undiscountable fee charged to a Customer by MoneyGram each time the Customer chooses to make a cash payment through MoneyGram for an account with the Company.

Phone Payment Processing Fee – An undiscountable fee charged to a Customer by the Third Party Phone Payment Processor when the Customer chooses to make a payment using credit card, check/debit card or check over the phone for an account with the Company.

Prepaid Customer Account Program – A program available to those Customers whose calls cannot be billed through their Alternative Local Telephone Service Provider or provided to those Customers who accrue a threshold amount of charges billed through their Local Exchange Carrier. An account is established with the Company by a Customer with an initial payment of \$25 or more. Charges for service provided by the Company are deducted on a per minute or per call real time basis from the Customer’s account.

Prepaid Card – A card issued by the Company which provides an inmate with a Prepaid Account, an Authorization Code, and instructions for accessing the Company’s network. An inmate purchases the prepaid card usage on a set prepaid basis from the Confinement Facility. Usage charges for Prepaid Card calls are deducted from the Prepaid Card on a real-time basis. Following release from a Confinement Facility, a Company Prepaid Card can be used to place additional prepaid calls until available funds are used or a refund can be requested by sending the card to the Company at the address printed on the card.

Regulatory Cost Recovery Fee – A charge, applied to a Billed Party’s bill during each billing period calls are billed, to recover costs associated with the Company’s administration, billing, collection and remittance of various government-mandated fees, surcharges and other amounts associated with the provision of services by the Company.

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SOUTH DAKOTA INMATE TELECOMMUNICATIONS SERVICES

SECTION 1 – DEFINITIONS (continued)

Third Party Payment Processors – The Company has established multiple payment options for Customers who choose to open an account directly with the Company. These payment options are provided by Third Party Service Providers that charge an undiscountable fee to the Customer for processing Customer payments. The Company has negotiated the lowest possible fee with each of these Third Party Payment Processors, and receives no revenue in connection with any such fee. This fee is added to the Customer's payment amount by the Third Party Payment Processor, collected when the Customer makes payment, and paid to the Third Party Payment Processor. These Third Party Payment Processors are Western Union Prepaid Services, MoneyGram, a Phone Payment Processor, and a Website Online Payment Processor.

Toll Call – A call originating in one exchange and terminating in another that is not part of the exchange and is not a part of any extended area service arrangement. These calls can be either intraLATA or interLATA long distance calls.

Website Online Payment Processing Fee – An undiscountable fee charged to a Customer by the third party Website Online Payment Processor when the Customer chooses to make a payment online using a credit card, check/debit card or check for an account with the Company.

Western Union Prepaid Service Payment Processing Fee – An undiscountable fee charged to a Customer each time the Customer chooses to make a cash payment through Western Union for an account with the Company.

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SOUTH DAKOTA INMATE TELECOMMUNICATIONS SERVICES

SECTION 2 – RULES AND REGULATIONS

2.1 Undertaking of the Company

The Company's inmate telephone services are furnished for communications originating in Confinement Facilities within the State of South Dakota.

The Company installs, operates and maintains the communications services provided hereunder in accordance with the terms and conditions set forth under this Tariff. The Company furnishes its inmate telephone services for the benefit of Inmates housed in local, county, and state Confinement Facilities as well as for the benefit of the people Inmates call.

The Company's services are available twenty-four hours per day, seven days a week, subject to the rules of the Confinement Facility.

2.2 Limitations

2.2.1 Service is offered subject to the provisions of this tariff.

2.2.2 The Company reserves the right to discontinue furnishing service, or limit the use of service necessitated by conditions beyond its control or when a Customer, Calling Party, Called Party, Inmate or other person is attempting to steal service or is using service in violation of the law, the rules of the particular Confinement Facility or the provisions of this Tariff. The Company may prosecute those who use its services in violation of the law.

The Company may refuse, restrict, or interrupt service to Customers due to insufficient billing information, invalid telephone numbers, invalid commercial credit card numbers, refusal of a called party to accept responsibility for payment, or other circumstances which may prevent the Company from collecting the charges due. The Company may refuse or otherwise restrict the use of some or all billing methods for calling to or from certain parts of the United States or in circumstances where the Company reasonably believes such restrictions are necessary to prevent fraud and uncollectibles.

All equipment located onsite in the Confinement Facility or at the Company operations centers, and necessary to provide services is owned and operated by the Company.

Service is restricted to permit placement of outward only automated collect, prepaid, or debit calls to locations within the United States and Confinement Facility-requested foreign countries. All other call-types including direct dial, sent paid and calls charged to calling cards or third numbers are prohibited (other than as specifically set out herein).

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SOUTH DAKOTA INMATE TELECOMMUNICATIONS SERVICES

SECTION 2 – RULES AND REGULATIONS (continued)

Use of the Company's service is subject to any conditions or limitations imposed by Confinement Facilities. The Company may restrict or refuse service to any Inmate at the request of the Confinement Facility, and/or prohibit inmate access to certain telephone numbers as specified by the Confinement Facility. Service may be limited at the discretion of the Confinement Facility.

- 2.2.3 Calls to Company numbers and other numbers stipulated by Confinement Facility authorities will be blocked in the interest of public safety and to avoid harassment.
- 2.2.4 Calls dialed 10XXX+0, 950, 911, 900, 976, 700, 411 and other information calls are blocked. A copy of the current local directory shall be available upon request by Confinement Facility authorities for inmate use.
- 2.2.5 The Company will also block calls in the following circumstances, subject to provisions of this Tariff that provide Customers with alternative means for connecting calls:
- A. When the Customer's Local Exchange Carrier or Alternative Local Telephone Service Provider does not provide billing for collect calls;
 - B. When the telephone number in question lacks sufficient billing history or billing information;
 - C. When the Local Exchange Carrier identifies multiple lines at a particular address;
 - D. When the Local Exchange Carrier has a collect call block on the line;
 - E. When the amount of collect calls received by a particular phone number has reached the billing limits established with the Customer's or Billed Party's Local Exchange Carrier based on that carrier's uncollectible revenue history;
 - F. When a Prepaid Customer's account balance lacks available funds;
 - G. When a Customer's Direct Bill account balance is over the established credit limit.

When a Customer with one of the above circumstances receives a call from an inmate, the call will be connected and a one-minute courtesy call will be provided to the Customer. The Customer will be instructed to call the Company's 1-800 customer service number where they will be told why their number is blocked and they will be given an opportunity to open a Company account twenty-four hours a day, seven days a week.

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SOUTH DAKOTA INMATE TELECOMMUNICATIONS SERVICES

SECTION 2 – RULES AND REGULATIONS (continued)

2.2.6 The Company will also block calls in the following circumstances and will not provide alternative means for connecting calls:

- A. When the Confinement Facility has placed a block on the phone number;
- B. When the Customer or telephone subscriber has requested a block on their phone number;
- C. When a Local Exchange Carrier notifies the Company that the subscriber owes past due Company charges to the Local Exchange Carrier;
- D. When a Customer account is in "collection status", i.e. NSF check, invalid check, fraudulent credit card payment, etc.

2.2.7 Maximum call duration is limited to any maximum duration specified by the Confinement Facility, but otherwise is not limited to less than ten minutes.

2.3 Liability of the Company

2.3.1 The Company's liability for damages arising out of mistakes, interruptions, omissions, delays, errors or defects in the transmission occurring in the course of furnishing service, and not caused by the negligence of its employees or its agents, in no event shall exceed the amount equal to the charge to the customer or called party for the period during which the aforementioned faults in the transmission occur. In no event will the Company be liable for consequential damages from any such interruptions of service.

The Company is not liable for damages to a Confinement Facility resulting from the furnishing of service including the installation and removal of equipment and associated wiring, unless the damage is caused by the Company's negligence.

In addition, the Company shall not be responsible for interruptions of service resulting from the following: 1) when the parties stop talking without hanging up; 2) attempts to make a 3-way call; 3) attempts to answer Call Waiting; 4) attempts to put a call on hold; 5) attempts to transfer a call; 6) use of a cordless phone; and/or 7) use of a cell phone.

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SOUTH DAKOTA INMATE TELECOMMUNICATIONS SERVICES

SECTION 2 – RULES AND REGULATIONS (continued)

- 2.3.2 The Company shall not be liable for and shall be indemnified and held harmless by Customers, Calling Parties, Inmates and/or Called Parties against:
- A. Claims for libel, slander, or infringement or copyright arising out of the material, data, information, or other content transmitted over the Company's facilities.
 - B. All loss, claims, demands, suits, or other action, or any liability whatsoever, whether suffered, made, instituted or assessed by Customer, Calling Party, Called Party, Inmate or any other party or person, or for any destruction of any property, whether owned by a Customer or others, caused by or claimed to have been caused directly or indirectly by the installation, operation, failure to operate, maintenance, removal, condition, location or use of facilities or equipment provided by the Company which is not the direct result of the Company's negligence. No agents or employees of other carriers or companies shall be deemed to be agents or employees of the Company without written authorization.
 - C. All other claims arising out of any act or omission of the Customer, Called Party, Calling Party, or any other person in connection with any service or facility provided by the Company.
 - D. Violations of the provisions of this Tariff.

2.4 Taxes and Fees

All state and local taxes and any fee imposed by a governmental entity (e.g. sales tax, municipal utilities tax, telecommunications business license tax, USF assessment) are listed as separate line items and are not included in the rates and charges specified in Section 4.

2.4.1 Universal Service Fees

The Universal service Fees ("USF") on your phone bill are regulated by federal and state law. The USF is based on a specific percentage of the cost of the calls set by the federal government for interstate calls and set by state government for intra-state calls.

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SOUTH DAKOTA INMATE TELECOMMUNICATIONS SERVICES

SECTION 2 – RULES AND REGULATIONS (continued)

2.5 Payment for Service

2.5.1 Disputed Charges

Charges billed directly by the Company are due upon receipt. Amounts not paid within 10 days of the invoice will be considered past due. For charges billed directly by the Company, notice from the Customer of a dispute must be received in writing within thirty (30) days after the date of the invoice. Otherwise, all charges will be considered correct and binding.

For charges billed through the Customer's LEC, notice from the Customer of disputed charges must be received in writing by the Company within ninety (90) days after the bill is issued. Otherwise, all charges will be considered correct and binding.

The Company will promptly investigate and advise all billed parties of its findings concerning disputed charges. Bill adjustments will be made to the extent that circumstances exist which reasonably indicate that such changes are appropriate.

A. Contact Customer Service: Customers with questions about billed charges may contact the Company directly at 1-800-729-8355 twenty-four hours a day. The Company's automated phone system can provide the Customer with account balance, call and payment activity, information on why an account is blocked, information on how to open an account and answer the most frequently asked questions.

A Customer wishing to speak to a Customer Service Representative can call 1-800-729-8355 Monday through Friday from 8:00 am to 8:00 pm and on Saturday from 9:00 am to 2:00 pm and follow the voice prompts to reach a Customer Service Representative.

Those persons who have not yet established an account with the Company nor received a call from the Company requesting the establishment of an account may contact the Company at 1-800-729-8355. The customer will be asked by an automated voice prompt to enter their phone number. When their number is not identified as an active account, the customer will be transferred to a Customer Service Representative.

The Customer can contact a Company Customer Service Representative via e-mail at csr@paytel.com, by fax at 1-800-776-8423, or by mail at the following address:

Pay-Tel Communications, Inc.
Customer Service
P.O. Box 19290
Greensboro, NC 27419

All inquiries are addressed the day they are received during normal business hours.

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SOUTH DAKOTA INMATE TELECOMMUNICATIONS SERVICES

SECTION 2 – RULES AND REGULATIONS (continued)

B. Contact Customer Relations: If the Customer is not satisfied with the Company's service or the resolution of any billing issue, the Customer can file a complaint with Customer Relations via e-mail at customerrelations@paytel.com. All complaints are addressed by the Customer Relations Manager the day they are received during normal business hours Monday through Friday.

C. Contact President: If the Customer is not satisfied with the Company's service or the resolution of any billing issue, the Customer can contact the President of the Company via e-mail at president@paytel.com. All inquiries are addressed by the President the day they are received during normal business hours Monday through Friday.

D. Contact Better Business Bureau: The Company is a member in good standing of the Better Business Bureau OnLine Reliability Program. If the Customer is not satisfied with the Company's services, they can use the BBB link on the Company's website home page to file a complaint with the BBB. All complaints are addressed the day they are received during normal business hours.

E. Contact Commission: If the Customer is not satisfied with the resolution of intrastate billed charges by the Company, the Customer has the right to express its concerns to the South Dakota Public Utilities Commission:

South Dakota Public Utilities Commission

Consumer Affairs

500 East Capitol Ave.

Pierre, SD 57501-5070

Telephone Number: 605-773-3201

Toll Free Number 800-332-1782 (Consumer Affairs)

Fax Number: 866-757-6031

Website: www.puc.sd.gov

2.5.2 Collection of Post-Billing Adjustments

The Company will exercise its rights, (as set out in the truth-in-billing regulatory statements on the LEC's bill) to pursue collection on unpaid charges for Company services billed by a LEC and recoured to the Company. Upon receipt of post-billing adjustments from a LEC containing a Customer's past due charges for services provided by the Company, the Company will invoice the Customer for those amounts. If the Customer does not contact the Company within ten (10) days to dispute the validity of the charges, the charges will be presumed valid.

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SOUTH DAKOTA INMATE TELECOMMUNICATIONS SERVICES

SECTION 2 – RULES AND REGULATIONS (continued)

2.6 Refusal or Discontinuance of Service by Company

2.6.1 With Notice:

- A. For failure to pay for service when it is due;
- B. For failure to make proper application for service;
- C. For violation and/or noncompliance with the Commission's Orders or regulations regarding service supplied by the Company;
- D. For violation of any of the Company's rules;
- E. Where there is probable cause to believe that there is illegal or willful misuse of the Company's service;
- F. In the event the validation process determines that the terminating carrier (e.g. an Alternative Local Telephone Service Provider cannot bill the collect call);
- G. In the event the validation process does not produce a bill name and address;
- H. In the event the validation process does not produce any satisfactory billing history.

2.6.2 Without Notice:

- A. In the event of a condition determined by the Company to be hazardous or dangerous;
- B. In the event of use of equipment in such a manner as to adversely affect the Company's service to others;
- C. In the event of unauthorized use of telephone service;
- D. In the event of fraudulent payment for service or other evidence of an attempt to steal services.

2.7 Returned Check Charge

The Company will charge a fee, not to exceed \$25.00 or the amount set out in South Dakota Codified Law 54-3A-12.1, for each check returned for insufficient funds.

2.8 Costs of Collection and Repair

Company shall be entitled to recover any and all costs incurred in the collection of monies owed the Company, including legal fees and accounting expenses. Company is also entitled to recover all costs and expenses required for repair or replacement of damaged equipment.

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Pay Tel Communications, Inc.
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SOUTH DAKOTA INMATE TELECOMMUNICATIONS SERVICES

SECTION 3 – DESCRIPTION OF SERVICE**3.1 General**

The Company provides telecommunications services to Inmates in local, county and state Confinement Facilities throughout the United States including South Dakota. Service provided under this tariff is intrastate voice telecommunications service between points in the State of South Dakota. Originating points of service are limited to Inmate telephones owned or operated by the Company in Confinement Facilities and made available for the use of Inmates.

Services are provided on an automated basis through Inmate telephones, automated call processors and over subscribed facilities of various telecommunications providers. These facilities include, but are not limited to, broadband access lines (e.g. T-1, DSL), MultiProtocol Label Switching (“MPLS”) equipment and services, Integrated Services Digital Network (“ISDN”), and payphone service provider access lines. The Company will choose appropriate facilities for the provision of its services based upon Confinement Facility requirements and the Company’s evaluation of cost, reliability, and network function.

Inmate telephone service consists of the provision of automated operator service by means of an Automated Call Processing System. To complete and arrange billing for calls, automated service is provided by means of a microprocessor which uses recorded voice prompts which prompt parties to the call through the process of completing the call. The microprocessor responds to the Called Party’s input of information by automatically processing and transmitting the information to establish a valid billing procedure for the call and to complete the call.

Consistent with applicable law governing the provision of telecommunications services to inmates in Confinement Facilities and restrictions based upon the provision of such services by Confinement Facilities, the Company’s inmate telecommunications services are provided as follows:

- a. Only automated collect calls and authorized Prepaid Card calls or Debit Calls through a Confinement Facility commissary may be placed.
- b. The automated voice prompts identify the Company, audibly and distinctly, to the Customer at the beginning of each call, and again before the Billed Party incurs any charge for the call.
- c. The Inmate and/or the Called Party receiving the call can terminate the call at no charge before the call is accepted.

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SOUTH DAKOTA INMATE TELECOMMUNICATIONS SERVICES

SECTION 3 – DESCRIPTION OF SERVICE (continued)

- d. The Company shall disclose to the Customer, upon request and at no charge, a quote of its rates and charges for the call.
- e. The Company shall post notices in each Confinement Facility where the Company provides service containing the Company's contact information along with information on how the service is provided.

3.2 Timing of Calls

Charges begin once the Called Party accepts a collect call or when the prepaid Inmate call is accepted. After the system verifies acceptance, timing begins and a call detail record is generated from that moment until the call is concluded.

There shall not be a charge for unanswered and non-accepted collect calls. Upon receiving reasonable and adequate notification from Customer of a billing error for any such call, the Company or an authorized agent will issue a credit to the Customer in an amount equal to the charge for the call.

3.3 Monitoring and Recording of Inmate Calls

The Company installs and maintains call origination equipment (inmate telephone service systems) with monitoring and recording capabilities in Confinement Facilities that request and contract for such equipment. The Company has a Monitoring and Recording policy that prohibits any employee from recording, listening to or disclosing the contents of telephone recordings except as authorized in accordance with all applicable state and federal laws, including Title III of the Omnibus Crime Control and Safe Streets Act of 1968, as amended (the "Act"), 18 U.S.C.A. §2511 (c) and (d).

The Monitoring and Recording Policy provides the guidelines for law enforcement officials to monitor and record non-privileged inmate conversations. It also provides guidelines for company employees to respond to law enforcement investigations, analyze recordings for the purpose of quality control (voice and volume), and review recordings for the purpose of telephone fraud investigation.

Prior to recording any conversation, the Calling Party (the Inmate) and the Called Party are both notified that the call will be recorded and may be monitored. After the call is answered this notification is provided before and after the call is accepted. Calls between an Inmate and attorney are not recorded if the attorney provides their phone numbers to the Confinement Facility to block recording.

3.4 Rate Quotes

The Customer prior to accepting a collect call can receive a quote for the call by pressing a single digit. The Customer can also receive a rate quote by calling the Company's toll free customer service number twenty-four hours a day.

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SOUTH DAKOTA INMATE TELECOMMUNICATIONS SERVICES

SECTION 3 – DESCRIPTION OF SERVICE (continued)

3.5 Inmate Customers

3.5.1 Prepaid Cards

Inmates may obtain Company Prepaid Cards (in various denominations) directly from the Confinement Facility. All monetary transactions involving Inmates take place between the Confinement Facility and the Inmate, and are under the direct and complete control of the Confinement Facility.

The Inmate obtains access to the Company's Prepaid Card Services via a toll-free number. The Inmate must input a valid Authorization Code to access an account. At the beginning of each call, the Inmate is informed of the remaining balance on the card. The Inmate then inputs the destination number. Network usage will be debited from the available funds on the card on a real time basis and in full minute increments as the call progresses. Call timing is rounded up to the nearest one (1) minute increment after the initial minimum period of one (1) minute. Inmate will be provided with an announcement when the account balance is one minute prior to exhaustion. The Inmate can transfer a balance from one card to another card. Prepaid cards will expire twelve months from date of initial use. The Called Party is provided the name of the Confinement Facility and the name of the Inmate calling prior to being offered the option to accept or refuse the incoming pre-paid call.

Following release from a Confinement Facility, a refund can be requested by sending the card to the Company at the address printed on the card. Refund requests must be submitted to the Company within twelve months from date of initial use. A refund will be issued to the Customer within ten to fifteen (10 – 15) business days from receipt of the Customer's card.

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SOUTH DAKOTA INMATE TELECOMMUNICATIONS SERVICES

SECTION 3 – DESCRIPTION OF SERVICE (continued)

3.5.2 Debit Calls

When made available by the Confinement Facility, the Inmate may place debit calls using funds transferred from the Inmate's Trust Account. The Inmate selects the debit account option and inputs the destination number. At the beginning of the call the Inmate is informed of the remaining balance in the debit account. Network usage will be debited from the funds available in the debit account on a real time basis and in full minute increments as the call progresses. Call timing is rounded up to the nearest one (1) minute increment after the initial minimum period of one (1) minute. Inmates will be provided an announcement when the account balance is one minute prior to exhaustion.

The Called Party is provided the name of the Confinement Facility and the name of the Inmate calling prior to being offered the option to accept or refuse the incoming debit call.

At the time of release from a Confinement Facility, the debit account balance will be transferred to the Inmates Trust Account for refund.

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SOUTH DAKOTA INMATE TELECOMMUNICATIONS SERVICES

SECTION 3 – DESCRIPTION OF SERVICE (continued)**3.6 Non-Inmate Customers****3.6.1 Validation, and Fraud Prevention Process**

When an Inmate attempts to place a collect call to a prospective Customer, the Company will initiate a process whereby the prospective Customer is evaluated. This process is a necessary undertaking by the Company in order to protect the Company's ability to collect for the services provided (and similarly limit and prevent unbillable revenues and bad debt), and limit and prevent fraud.

Accordingly, the Company will validate its Customers' bill-to-number through available verification procedures and establish a maximum predetermined credit amount. Where the Customer's requested billing method cannot be validated, or a maximum credit amount cannot be established, the Company may refuse to provide service except through a Company Direct Bill and/or Prepaid Account basis as set out herein. Furthermore, the Company will use various methods to determine the likelihood of fraud associated with a particular Customer, and in the event the Company determines that such a likelihood exists, the Company may also refuse to provide service except on a Prepaid Account basis with payments only by money order, Western Union Prepaid Services, or MoneyGram.

3.6.2 Billing through the Customer's Local Exchange Carrier ("LEC")

This option is limited to those Customers who satisfy the Validation and Fraud Prevention procedures described above.

Accordingly, billing through the Customer's Local Exchange Carrier is not available when: the Customer's Local Exchange Carrier will not bill the Company's calls; the Customer has reached the local Exchange Carrier's billing limit for collect calls; the Company determines, based upon the review described in Section 3.6.1 above, the Customer is otherwise ineligible to have calls billed on the Local Exchange Carrier's bill; or the Customer accrues a threshold amount of charges as set out in Section 3.6.5 hereof.

3.6.3 Billing for Customers that use Alternative Local Service Providers

Alternative Local Service Providers such as CLECs, VOIP, and Wireless Carriers do not provide billing and collection agreements for other carriers. When the Customer chooses to use an Alternative Local Service Provider, the Company will assist the Customer in establishing billing arrangements through Company Direct Bill or Prepaid Account Programs with multiple payment options through Third Party Payment Processors.

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SOUTH DAKOTA INMATE TELECOMMUNICATIONS SERVICES

SECTION 3 – DESCRIPTION OF SERVICE (continued)

3.6.4 Third Party Payment Processors

The Company has established multiple payment options for Customers who choose to open an account directly with the Company. These payment options are provided by Third Party Service Providers that charge an undiscountable fee to the Customer for processing Customer payments. The Company has negotiated the lowest possible fee with each of these Third Party Payment Processors, and receives no revenue in connection with any such fee. This fee is added to the Customer's payment amount by the Third Party Payment Processor, collected when the Customer makes payment, and paid to the Third Party Payment Processor. These Third Party Payment Processors are Western Union Prepaid Services, MoneyGram, a Phone Payment Processor, and a Website Online Payment Processor.

3.6.5 Direct Bill Customer Account Program

The Direct Bill Customer Account Program ("Program") is available to those Customers whose calls cannot be billed through their Alternative Local Telephone Service Provider. In addition, the Program is available to those Customers who accrue a threshold amount of charges billed through their Local Exchange Carrier within a thirty-to-ninety day period.

The Customer is provided a courtesy call to inform the Customer of the Company's Billing Limit for calls billed through the Local Exchange Carrier when total outstanding charges accrued within a thirty-day period reach \$50.00. Once the Customer has accrued \$75.00 or more of collect call charges within a ninety-day period, a second notification call is made to the Customer indicating placement in the Program. Billing treatment for Customers participating in the Program is as follows:

- A. To participate in the Direct Bill Program, the customer must complete a credit application and receive a satisfactory credit score. The credit application can be taken over the phone or completed on the Company website.
- B. If the customer receives a satisfactory credit score, all future billing will be by the Company directly to the Customer. The Company will obtain the address of the Customer and begin the billing process from the date the Customer is approved for the Direct Bill Program.
- C. With the first bill, the Customer is notified of the Billing Limit established by the Company's credit policies, and the Company's address and toll-free Customer Service telephone number. Information about the average cost of calls received from the Confinement Facility is also provided to assist the Customer in budgeting telecommunications expenses.

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SOUTH DAKOTA INMATE TELECOMMUNICATIONS SERVICES

SECTION 3 – DESCRIPTION OF SERVICE (continued)

- D. Thereafter, Program Customers are billed on a weekly basis.
- E. If a Customer's bill exceeds the Billing Limit established by the Company, the Customer is notified and then the Customer's telephone number is blocked from receiving collect calls from Confinement Facilities served by the Company until payment on the account is received.

3.6.6 Prepaid Customer Account Program

The Prepaid Customer Account Program ("Program") is available to those Customers whose calls cannot be billed through their Alternative Local Telephone Service Provider. In addition, the Program is available to those Customers who accrue a threshold amount of charges billed through their Local Exchange Carrier within a thirty-to-ninety day period.

Customers who do not wish to complete a credit application or do not receive a satisfactory credit score can open a Prepaid Account.

- A. The Customer establishes a Prepaid Account with the Company by paying \$25 or more to the Company by one of the payment methods offered by the Company. Payments can be made over the phone or on the web via credit card, check card, or check. The Customer's account number is the ten digit phone number where they wish to receive calls. The Customer will also select a six digit Personal Identification Number or PIN to use in accessing their account information in the future.
- B. When the Customer receives a call, they are informed the call is from an Inmate and the Customer has the option to accept or decline the incoming call. All security measures associated with an Inmate collect call, as implemented by the Company and the Confinement Facility, will apply.
- C. Customers using this pre-payment option will receive a weekly statement listing their call activity, charges, call discounts, and notifying them of their remaining balance. Weekly statements are provided at no charge to the customer. The Customer can contact the Company's customer service toll-free number or visit the Company's website to obtain account balances information twenty-four hours a day. If the Customer's entire account balance is used, the Customer is notified and then the Customer's telephone number is blocked from receiving collect calls from the Confinement Facility served by the company until payment on the account is received. Customers may send the Company additional funds using a check or money order to receive more calls, or authorize payment of additional funds via credit card, check card, check by phone, echeck, MoneyGram, or Western Union Prepaid Services.

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SOUTH DAKOTA INMATE TELECOMMUNICATIONS SERVICES

SECTION 3 – DESCRIPTION OF SERVICE (continued)

- D. The Company may apply pre-payments to past due charges billed to the Customer by the Local Exchange Carrier.
- E. The account remains open until one of the following events occurs: 1) the balance is depleted; or 2) the Customer requests that the account be terminated.
- F. Customers who prepay will receive a Family Connection Calling Plan™ discount on every call. This discount will be offered based upon the amount of prepayment, as outlined in Section 4.5 of this tariff.
- G. Refunds - Customers may request a refund of unused funds by sending a written request to cancel their account to the Company via email at refunds@paytel.com, fax at 1-800-776-8423, or U.S. mail. The Company will endeavor to refund such monies, provided that no past due charges are owed by the Customer to its local exchange carrier or the Company, within ten to fifteen (10-15) business days from the receipt of the Customer's request. There is no charge for issuing a refund.
- H. All unused funds of the Customer will be maintained by the Company in conformance with the Unclaimed Property Act of South Dakota.

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SOUTH DAKOTA INMATE TELECOMMUNICATIONS SERVICES

SECTION 4 – RATES AND CHARGES

4.1 Intra-State Collect Call Rates.

This Section 4.1 applies to all Company intrastate calls. The Company provides all of its services via individual contracts with Confinement Facilities or applicable governmental entities. As such, these contracts may contain rates less than or equal to (but not higher than) the rates set out herein. The Company will make any of these contracts available to the Commission upon request.

4.1.1 Computation of Charges

Local calls shall consist of a Fixed Service Charge and the applicable local call rate. The total charges for each toll call consists of two elements: a fixed service charge and a measured charge dependent on the duration of the call. The measured charge element is specified as a rate per minute which is applied to each minute, with fractional minutes rounded up to the nearest one full minute.

4.1.2 Chargeable Times

Chargeable time begins when a Called Party accepts the charges by positive acceptance through pressing the number “3” on a touch-tone phone. In the absence of acceptance, calls will be terminated and no charges incurred. Chargeable time ends when either the Calling Party or Called Party hangs up or when released by the automatic timing equipment in the telephone.

4.1.3 Local Collect Calls

The maximum rate for a local collect call is a \$2.10 Operator Surcharge plus the Local Call rate, \$.50.

4.1.4 IntraLATA Collect Calls

A. Operator Surcharge	\$1.85
B. Measured Charges	
Initial Minute	\$.40
Each Additional Minute	\$.40

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SOUTH DAKOTA INMATE TELECOMMUNICATIONS SERVICES

SECTION 4 – RATES AND CHARGES (continued)

4.1.5 InterLATA Collect Calls

A. Operator Surcharge \$1.85

B. Measured Charges

 Initial Minute \$.40

 Each Additional Minute \$.40

4.1.6 Taxes and Fees

All state and local taxes and any fee imposed by a government entity are listed as separate line items on the Customer's bill.

4.2 Prepaid Card Calls

Prepaid Card calls, as described in Section 3.5.1 hereof, will not exceed the collect call rate for the appropriate type call as listed in Section 4.1.

Following release from a Confinement Facility a refund can be requested by sending the card to the Company at the address printed on the card. Refund requests must be submitted to the Company within twelve months from date of initial use.

4.3 Debit Calls

Debit Calls, as described in Section 3.5.2 hereof, will not exceed the collect call rate for the appropriate type call as listed in Section 4.1.

At the time of release from a Confinement Facility, the debit account balance will be transferred to the Inmate's Trust Account.

4.4 Direct Bill Customer Account Program

Direct Bill calls, as described in Section 3.6.5 hereof will not exceed the collect call rate for the appropriate type of call as listed in Section 4.1.

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SOUTH DAKOTA INMATE TELECOMMUNICATIONS SERVICES

SECTION 4 – RATES AND CHARGES (continued)

4.5 Prepaid Customer Account Program

Prepaid Account Calls as described in Section 3.6.6 hereof, will receive a Family Connection Calling Plan™ discount on every call. The plan provides a discount on every call based on the amount of prepayment made by the Customer, as outlined below.

Family Connection Calling Plan™ Discounts

<u>Payment</u>	<u>Discount</u>
\$25	4%
\$50	6%
\$100	8%
\$150	10%

To maximize the value of the discount, Customers can mail payments directly to the Company with a check money order, in order to avoid the payment processing fees charged when payments are made through Western Union, MoneyGram, the Website Online Payment Processor or the Phone Payment Processor.

The Family Connection Calling Plan™ is designed to provide rates for calls to friends and family members who need to stay in touch with inmates. Customers should make payment amounts that best fit their needs. When the Customer no longer needs the account, they can request a refund. There is no charge for issuing a refund.

See Section 3.6.6 G for information on how to request a refund.

4.6 Rate Quotes

The Customer prior to accepting a collect call can receive a quote for the call by pressing a single digit. The Customer can also receive a rate quote by calling the Company's toll free customer service number twenty-four hours a day.

4.7 Disputed Charges

Billed party bills shall display the Company toll free number whereby the billed party can contact the Company to resolve billing complaints. Disputed charges are subject to the conditions described in Section 2.5.1, above.

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SOUTH DAKOTA INMATE TELECOMMUNICATIONS SERVICES

SECTION 4 – RATES AND CHARGES (continued)**4.8 Billing Entity Conditions**

When billing functions on behalf of the Company are performed by billing agents (i.e., local exchange carrier, credit card companies, or other), the payment of charge conditions, tariffs, regulations of such companies and any regulations imposed upon these companies by regulatory bodies having jurisdiction apply, including any applicable tax, applicable interest, and/or late payment charge conditions.

4.9 Regulatory Cost Recovery Fee

A monthly charge of \$1.90 will be applied to a Billed Party's bill to recover costs associated with the Company's administration, billing, collection and remittance of various government-mandated fees, surcharges and other amounts associated with the provision of services by the Company.

4.10 Payment by Check or Money Order through the Mail

No additional fees will be charged to a Customer each time the Customer chooses to make a payment with a check or money order through the mail for an account with the Company.

4.11 Third Party Payment Processors

Third Party Payment Processors – The Company has established multiple payment options for Customers who choose to open an account directly with the Company. These payment options are provided by Third Party Service Providers that charge an undiscountable fee to the Customer for processing Customer payments. The Company has negotiated the lowest possible fee with each of these Third Party Payment Processors, and receives no revenue in connection with any such fee. This fee is added to the Customer's payment amount by the Third Party Payment Processor, collected when the Customer makes payment, and paid to the Third Party Payment Processor. These Third Party Payment Processors are Western Union Prepaid Services, MoneyGram, a Phone Payment Processor, and a Website Online Payment Processor.

4.11.1 Western Union Prepaid Services Payment Processing Fee

An undiscountable fee of \$5.95 will be charged to a Customer by Western Union each time the Customer chooses to make a cash payment through Western Union for an account with the Company. This fee is referenced in this tariff to advise the Customer of the charge. This fee will not be assessed on those Customers who mail a check or money order to the Company.

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SOUTH DAKOTA INMATE TELECOMMUNICATIONS SERVICES

SECTION 4 – RATES AND CHARGES (continued)

4.11.2 MoneyGram Payment Processing Fee

An undiscountable fee of \$5.50 will be charged to a Customer by MoneyGram each time the Customer chooses to make a cash payment through MoneyGram at Wal*Mart for an account with the Company. This fee is referenced in this tariff to advise the Customer of the charge. This fee will not be assessed on those Customers who mail a check or money order to the Company.

4.11.3 Website Online Payment Processing Fee

An undiscountable fee of \$3.00 will be charged to a Customer by the Third Party Website Online Payment Processor each time the Customer chooses to make a payment using a credit card, check/debit card or check online for an account with the Company. This fee covers the expenses associated with third-party database verification, validation, fraud prevention services and payment processing available through the Website Online Payment Processor. This fee is referenced in this tariff to advise the Customer of the charge. This fee will not be assessed on those Customers who mail a check or money order to the Company.

4.11.4 Phone Payment Processing Fee

An undiscountable fee of \$3.00 will be charged to a Customer by the Third Party Phone Payment Processor each time the Customer chooses to make a payment using a credit card, check/debit card or check over the phone for an account with the Company. This fee covers the expenses associated with third party database verification, validation, fraud prevention services and payment processing available through the Phone Payment Processor. This fee is referenced in this tariff to advise the customer of the charge. This fee will not be assessed on those customers who mail a check or money order to the Company.

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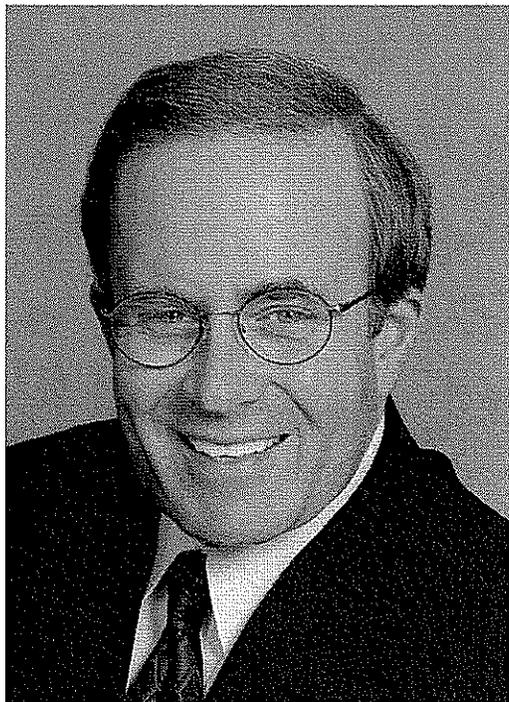
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4230 Beechwood Drive
Greensboro, NC 27410

EXHIBIT E

Management Profiles

Vincent Townsend



Recognized leader at state and national level for the public communications industry.

Chairman – APCC Inmate Phone Service Provider’s Task Force
1992-2002

Board Member – American Public Communications Council (APCC)
1994 - Present

Member – APCC Legal Committee
1994 - Present

Member – APCC New Services Test Committee
1997 - Present

APCC Representative - Alliance for Telecommunications Industry Solutions (“ATIS”)
2004 – Present

APCC Representative - Telecommunications Fraud Prevention Committee (“TFPC”) (TFPC is a subcommittee of ATIS)
1990 - Present

Mr. Townsend is a regular speaker at national conferences on a variety of industry issues including: inmate phone service, fraud prevention, ethics, and industry regulatory issues.

Recognized national authority in the public communications industry and actively involved in regulatory issues at State and National level.

Mr. Townsend has testified on numerous occasions before State Public Service Commissions on behalf of the industry.

As Chairman of the APCC Inmate Phone Service Providers Task Force, Mr. Townsend was industry spokesperson with the FCC, Congress and Inmate Activist Groups.

On three occasions in 1992, 1996 and 2001, Mr. Townsend was the national coordinator of the effort to prevent the application of Billed Party Preference (“BPP”) to inmate phone service. The Federal Communications Commission’s plan to apply BPP to inmate calling would have allowed the called party or billed party to choose the carrier to handle the call. Under this plan, the one ITS provider per facility model with call controls would have been replaced by open network access with no call controls. Mr. Townsend was the industry spokesperson in the effort to oppose BPP at the Federal Communications Commission and Congress. Pay•Tel was successful in getting over 600 law enforcement officials to write comments or letters opposing BPP for inmate calling. Mr. Townsend was able to attain assistance from Attorney General Janet Reno in 1996 and Attorney General John Ashcroft in 2001, plus key members of Congress, in convincing the FCC to not apply BPP to inmate calling.

Mr. Townsend has also actively worked at the FCC and with various state PSCs to secure cost based rates for inmate phone lines.

Recognized expert on fraud prevention.

Mr. Townsend has been designated by the American Public Communications Council as the official industry representative on the Telecommunications Fraud Prevention Committee (“TFPC”), a subcommittee of ATIS. The TFPC is composed of the top fraud prevention experts from AT&T, Sprint, Verizon, British Telecom and numerous wireless carriers. Mr. Townsend has served on the TFPC since 1990 and has chaired several task forces addressing a variety of fraud issues affecting inmate phone service such as:

3-way Call Detection	Billed Party Preference
Subscription Fraud	Call Forwarding Fraud
Fraud with Local Resale	Identify Theft Fraud
Fraud with Prepaid Local Service	Payment Fraud

Industry Achievement Awards

For his efforts on behalf of the industry, Mr. Townsend has received on two occasions, the American Public Communications Council highest awards for industry achievement.

Mr. Townsend is President of Pay•Tel Communications, Inc., in Greensboro, North Carolina. Pay•Tel has been a leader in the public communication industry and the inmate phone service industry since 1986.

MIKE CREWS, VICE PRESIDENT OF OPERATIONS

*MA, Business Management from Central Michigan University
BS, Engineering Design from Appalachian State University*

Mike joined Pay-Tel in 1997 after serving over twenty years with the United States Army where he retired with the rank of Colonel. His military experience includes directing and controlling hi-tech organizations ranging in size from 120 to 1,300 employees. Mike's last assignment was in the Pentagon as the senior military assistant to the Secretary of the Army. He has extensive experience in leadership and staff positions, with a comprehensive knowledge of their interrelationships.

With eleven years of operations experience with Pay-Tel, Mike is thoroughly skilled in managing telecommunications operating policies, system resources, training, and quality control. He oversees Information Systems, Product Development, Inmate Phone Operations, and Warehouse Operations.

AMY REEVES, VICE PRESIDENT OF FINANCE

BBA, University of Cincinnati

Amy joined Pay-Tel in 1998 as Controller. Over the past ten years she has managed the accounting and financial area of the company. She was promoted to Vice President of Finance in 2008. Amy has over twenty-five years of experience in accounting and finance. She has worked in public and private companies in addition to governmental agencies in financial and cost accounting, budgeting and other operational management roles.

Amy is responsible for the Pay-Tel Accounting Department. She is involved in vendor contract negotiations, multiple technologies and regulatory requirements, as well as developing procedures and systems to increase customer payment options while reducing fraud. She regularly participates in educational telecom conferences and has had specific training in telecom taxes.

JOHN TAYLOE, VICE PRESIDENT OF SALES

Chowan College and High Point College

John joined Pay-Tel in 1996 after twenty years of experience in sales, sales management and customer service. His prior experience includes working with State Governments, Economic Development Groups and other governmental agencies to grow and expand their businesses.

John is responsible for developing Pay-Tel's national sales and marketing plan to identify potential clients, prepare marketing materials, coordinate the marketing of Pay-Tel's services and the preparation of RFPs.

John and his team of experienced sales personnel regularly attend national and state Sheriff and Jail Administration conferences and meet with new and existing clients to stay abreast of their needs and to educate them on new and emerging technologies.

DEBBIE JONES, CUSTOMER SERVICE DIRECTOR

Debbie joined Pay-Tel in 1989 and assisted in bookkeeping, administrative support and customer service. Since 1991, she has been Pay-Tel's Customer Service Manager. Prior to Pay-Tel, Debbie was employed for fifteen years with county government.

Debbie was instrumental in creating the industry's first Customer Service Center solely dedicated to meeting the billing needs of inmates and their families. She pioneered the development and implementation of Pay-Tel's In-House Accounts, Automated Phone System as well as an English/Spanish website and customer brochures.

Debbie manages Pay-Tel's In-House Prepaid and Direct Bill Accounts and supervises an outstanding team of Customer Service Representatives (English and bi-lingual) dedicated to providing timely, courteous service to Pay-Tel's customers. She also oversees Pay-Tel's Customer Quality of Service Surveys.

DAVID ORR, DIRECTOR OF INFORMATION SYSTEMS

Microsoft Certified Professional (MCP) and Microsoft Certified Engineer (MCSE)

David joined Pay-Tel in 2007 with more than seventeen years experience in the information systems industry including the installation and configuration of multiple PBX's, network design and architecture and VOIP implementations. His experience includes seven years working directly and indirectly in the call center and telecommunications industries.

David has assembled an excellent team of IT engineers and software developers to create innovative products and services. He has quickly assumed a key role in Pay-Tel's ongoing quest to develop and remain in the lead of the ever-growing inmate telecommunications sector. He is responsible for Information Systems, Technology, Product Development and Quality Assurance.

WES APPLE, DIRECTOR OF NEW PRODUCT DEVELOPMENT

B.S. in Business Administration from Elon University

Wes joined Pay-Tel in 1991 and has been significantly instrumental in Pay-Tel's continued growth and success. Before joining Pay-Tel, Wes gained valuable experience as a public accountant and accounting software consultant/developer, serving clients such as Lowes Food Stores and RJ Reynolds. His many years of experience in working with the technical aspects of inmate telecommunications systems and design, combined with his prior expertise in financial transaction and asset tracking/analysis, provide him with an unparalleled ability to design and oversee the development of cutting-edge inmate calling platforms and features that are both robust and innovative.

Wes and his team have been critical in the development of Pay-Tel's many first-to-market products and services, as well as the design of Pay-Tel's "next generation" calling platform technology that will continue to keep Pay-Tel at the forefront of the market.