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ANDREW J. VORBRICH  
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STEVEN M. BROWN  
KRISTEN L. GETTING

OF COUNSEL  
JOHNT. PETERS, JR.  
THOMPSON BENNETT  
(1912-2004)  
VINCENT T. EARLY  
(1922-2001)  
JOSEPH J. BURGIE  
(1926-1992)

June 28, 2005

Elizabeth Rolando, Chief Clerk  
Illinois Commerce Commission  
527 East Capitol Avenue  
Springfield, IL 62701

Re: Acceris Management and Acquisition LLC  
APPLICATION FOR A CERTIFICATE OF LOCAL AND INTEREXCHANGE AUTHORITY  
TO OPERATE AS A RESELLER AND FACILITIES BASED CARRIER OF  
TELECOMMUNICATIONS SERVICES WITHIN THE STATE OF ILLINOIS

Docket No. \_\_\_\_\_

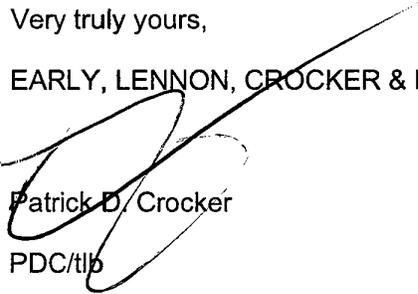
Dear Ms. Rolando:

Attached electronically for filing with the Commission, please find the above referenced corporation's Application for a Certificate of Interexchange Service Authority to Provide Competitive Telecommunications Services within the State of Illinois.

Should you have any questions, please contact my assistant, Beth Ronfeldt, or me.

Very truly yours,

EARLY, LENNON, CROCKER & BARTOSIEWICZ, P.L.C.

  
Patrick D. Crocker

PDC/tlp

ACCERIS MANAGEMENT AND ACQUISITION LLC :  
Application for a certificate of interexchange authority to :  
operate as a reseller of telecommunications services within : Docket No.  
the State of Illinois. :  
: :  
:

APPLICATION FOR CERTIFICATE TO BECOME A  
TELECOMMUNICATIONS CARRIER  
(Use additional sheets as necessary.)

**GENERAL**

1. Applicant's Name (including d/b/a, if any) **Acceris Management and Acquisition LLC**  
FEIN **20-2855923**

Address: Street **60 South Sixth Street, Suite 2535**

City **Minneapolis** State/Zip **Minnesota 55402**

2. Authority Requested: (Mark all that apply)  13-403 Facilities Based Interexchange  
 13-404 Resale of Local and/or Interexchange  
 13-405 Facilities Based Local
3. Request for waivers/variances: In applications for local exchange service authority under Sections 13-404 or 13-405, waivers of Part 710 and of Section 735.180 of Part 735 are generally requested. In applications for interexchange service authority under Sections 13-403 and 13-404, waivers of Part 710 and Part 735 are generally requested. Please indicate which waivers Applicant is requesting and explaining why Applicant is requesting each waiver/variance.
- Part 710 Uniform System of Accounts for Telecommunications Carriers
- Part 735 Procedures Governing the Establishment of Credit, Billing, Deposits, Termination of Service and Issuance of Telephone Directories for Local Exchange Telecommunications Carriers in the State of Illinois
- Section 735.180 Directories
- Other \_\_\_\_\_

4. For all applicants requesting local exchange authority under Section 13-404 or Section 13-405, please complete the following:
- (a) the Standard Questions for Applicants Seeking Local Exchange Service Authority found in Appendix A of this document
  - (b) the 9-1-1 Questions for Applicants Seeking Local Exchange Service Authority found in Appendix B of this document;
  - (c) the Financial Questions for Applicants Seeking Local Exchange Service Authority found in Appendix C of this document; and
  - (d) if applicable, the Prepaid Service Questions for Applicants Seeking Local Exchange Service Authority found in Appendix D of this document.

5. In what area of the state does the Applicant propose to provide service?  
**Applicant intends to provide service throughout the State of Illinois**

6. Please attach a sheet designating contact persons to work with Staff on the following:
- (a) issues related to processing this application
  - (b) consumer issues
  - (c) customer complaint resolution
  - (d) technical and service quality issues
  - (e) "tariff" and pricing issues
  - (f) 9-1-1 issues
  - (g) security/law enforcement

Please identify each contact person's (i) name, (ii) title, (iii) mailing address, (iv) telephone number, (v) facsimile number, and (vi) e-mail address.

**Attached as Exhibit A**

7. Please check type of organization?

- Individual
   
  Corporation  
 Partnership
   
 Date corporation was formed \_\_\_\_\_  
   
 In what state? \_\_\_\_\_  
 Other (Specify) **Limited Liability Company, organized in Minnesota on May 10, 2005**

8. Submit a copy of articles of incorporation/organization and a copy of certificate of authority to transact business in Illinois.

**Applicant's Articles of Organization and Certificate of Authority to Transact Business are attached as Exhibit B.**

9. List jurisdictions in which Applicant is offering service(s).  
**Applicant is a newly formed company that is presently seeking authority to provide interexchange and or local exchange telecommunications services throughout the United States. Applicant has not yet started offering service(s) in any jurisdiction.**

10. Has the Applicant, or any principal in Applicant, been denied a Certificate of Service or had its certification revoked or suspended in any jurisdiction in this or another name?

- YES (Please provide details)
   
  NO

11. Have there been any complaints or judgements levied against the Applicant in any other jurisdiction?

YES                       NO

If YES, describe fully. \_\_\_\_\_

12. Has Applicant provided service under any other name?

YES                       NO

If YES, please list. \_\_\_\_\_

13. Will the Applicant keep its books and records in Illinois?

YES                       NO

If NO, permission pursuant to 83 Ill. Adm Code Part 250 needs to be requested.

**Applicant will initially locate its principle business operations in Minneapolis, Minnesota. Should Applicant be required to keep its books and records within the State of Illinois, a significant hardship would be imposed on the Applicant, resulting in a diversion of financial resources that otherwise could be utilized to increase network efficiency and serve offerings which would directly benefit consumers. Moreover, no public benefit would balance this private hardship, as the Applicant will readily provide any necessary information to the Commission on request. Therefore, Applicant requests that pursuant to 83 Ill. Adm Code Part 250, the Commission allow Applicant to continue to maintain its books and records in Minneapolis.**

**MANAGERIAL**

14. Please attach evidence of the applicant's managerial and technical resources and ability to provide service. This may be either in narrative form, resumes of key personnel, or a combination of these forms.

**Attached as Exhibit C**

15. List officers of Applicant.

<b><u>Elam Baer</u></b>	<b><u>CEO and Chief Manager</u></b>
<b><u>Laura Conradi Carlson</u></b>	<b><u>CFO/Secretary and Manager</u></b>

16. Does any officer of Applicant have an ownership or other interest in any other entity, which has provided or is currently providing telecommunications services?

YES                       NO

If YES, list entity.                      **New Access Communications LLC**

17. How will Applicant bill for its service(s)? (At a minimum, describe how often the Applicant will bill for service and details of the billing statement.)

**Applicant will bill monthly for its services.**

18. How does Applicant propose to handle service, billing, and repair complaints? (At a minimum, describe Applicant's internal process for complaint resolution, the complaint escalation process, the timeframe and process by which the customer is notified by Applicant that they may seek assistance from the Commission.)  
**Customers may reach the customer service department by calling (800) 852-7023. If the complaint is not resolved to the customer's satisfaction within the Company, the customer may call the Illinois Commerce Commission.**

19. Will personnel be available at Applicant's business office during regular working hours to respond to inquiries about service or billing?

YES       NO

20. What telephone number(s) would a customer use to contact your company?

**Customer Service: (800) or 612-465-0260**

21. Will Applicant abide by all Federal and State slamming and cramming laws pursuant to Section 13-902 of the Public Utilities Act and Section 258 of the 1996 Telecommunications Act?

YES       NO

22. Please describe applicant's procedures to prevent slamming and cramming of customers?

**Applicant confirms all orders to change long distance service in accordance with one of three verification processes established by the FCC.**

23. If granted authority to operate as a local exchange carrier, will the applicant abide by the following 83 Illinois Administrative Code Parts: 705, 710, 720, 725, 730, 732, 735, 755, 756, 757, 770, and 772?

YES       NO (If no, please provide an explanation.)

24. Is Applicant aware that it must file tariffs prior to providing service in Illinois?

YES       NO

## FINANCIAL

25. Please attach evidence of Applicant's financial fitness through the submission of its most current income statement and balance sheet, or other appropriate documentation of applicant's financial resources and ability to provide service.

**Attached as Exhibit D**

**TECHNICAL**

26. Does Applicant utilize its own equipment and/or facilities?

YES       NO

If YES, please list the facilities Applicant intends to utilize. Also include evidence that Applicant possesses the necessary technical resources to deploy and maintain said facilities:

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If NO, which facility provider's services does the Applicant intend to use?

**MCI, AT&T, SPRINT, Global Crossing or other authorized facilities-based carriers.**

27. Please describe the nature of service to be provided (e.g., operator services, internet, debit cards, long distance service, data services, local service, prepaid local service).

**Applicant will provide the resale of long distance.**

28. Will technical personnel be available at all times to assist customers with service problems?

YES       NO.

**Applicant will be available during normal business hours to assist with customer service problems.**

29. If Applicant intends to provide payphone service, will the equipment utilized comply with FCC requirements and Finding (9) of the Commission Order entered in Docket No. 84-0442 on June 11, 1986, including, but not limited to: (a) touch dialing; (b) access to 9-1-1 and "0" operator dialing without use of a coin; (c) rules governing use of payphones by disabled persons; (d) ability to complete local and long-distance calls; (e) unlimited duration for local calls; and (f) a message explaining the telephone's general operations, dialing instructions for emergency assistance, payphone owner's name, method of reporting service problems and method of receiving credit for faulty calls?

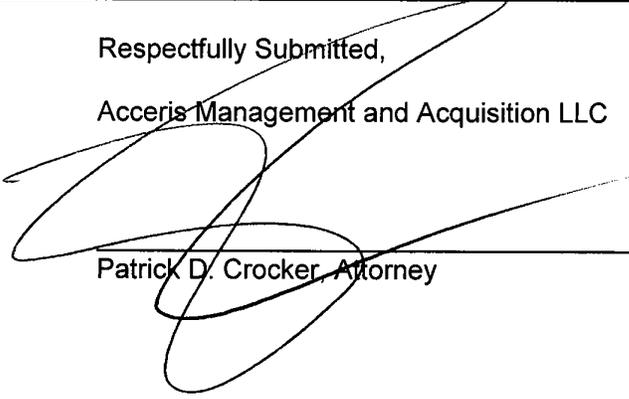
YES       NO.

**Not Applicable**

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Respectfully Submitted,

Acceris Management and Acquisition LLC

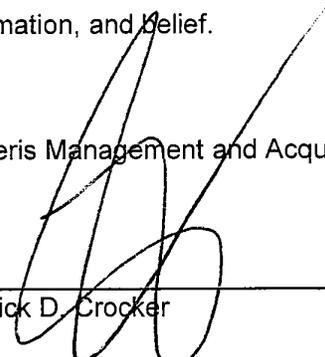
  
Patrick D. Crocker, Attorney

**VERIFICATION**

I, Patrick D. Crocker, am the Attorney for Acceris Management and Acquisition LLC, and am authorized to make this verification on its behalf. I do hereby verify that I have read the foregoing Application and the statements made therein are true, correct, and complete to the best of my knowledge, information, and belief.

Executed on the 17<sup>th</sup> day of June 2005.

Acceris Management and Acquisition LLC



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Patrick D. Crocker

Subscribed and sworn before me this 17<sup>th</sup> day of June 2005.



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Notary Public: Paula A. Schneider  
Kalamazoo County, Michigan  
Acting in Kalamazoo County  
My Commission Expires: June 24, 2011

**EXHIBIT A**

**Contact Persons to Work With Staff**

**(a) issues relating to processing this application**

Patrick D. Crocker, Attorney  
Early, Lennon, Crocker & Bartosiewicz, P.L.C.  
900 Comerica Building  
Kalamazoo, MI 49007  
Telephone: (269) 381-8844  
Facsimile: (269) 381-8822  
E-mail: [pcrocker@earlylennon.com](mailto:pcrocker@earlylennon.com)

**(b) consumer issues**

Drew Backstrand  
Acceris Management and Acquisition LLC  
60 South Sixth Street Suite 2535  
Minneapolis, MN 55402  
Telephone: (612) 465-0260  
Facsimile: (612) 455-1022  
Email: [backstrand@ncequity.net](mailto:backstrand@ncequity.net)

**(c) consumer complaint resolution**

Drew Backstrand  
Acceris Management and Acquisition LLC  
60 South Sixth Street Suite 2535  
Minneapolis, MN 55402  
Telephone: (612) 465-0260  
Facsimile: (612) 455-1022  
Email: [backstrand@ncequity.net](mailto:backstrand@ncequity.net)

**(d) technical and service quality issues**

Drew Backstrand  
Acceris Management and Acquisition LLC  
60 South Sixth Street Suite 2535  
Minneapolis, MN 55402  
Telephone: (612) 465-0260  
Facsimile: (612) 455-1022  
Email: [backstrand@ncequity.net](mailto:backstrand@ncequity.net)

**(e) “tariff” and pricing issues**

Drew Backstrand  
Acceris Management and Acquisition LLC  
60 South Sixth Street Suite 2535  
Minneapolis, MN 55402  
Telephone: (612) 465-0260  
Facsimile: (612) 455-1022  
Email: [backstrand@ncequity.net](mailto:backstrand@ncequity.net)

**EXHIBIT B**

**Articles of Organization**

**and**

**Certificate of Authority to Transact Business**

State of Minnesota

**SECRETARY OF STATE**

Certificate of Organization

I, Mary Kiffmeyer, Secretary of State of Minnesota, do certify that: Articles of Organization, duly signed, have been filed on this date in the Office of the Secretary of State, for the organization of the following limited liability company, under and in accordance with the provisions of the chapter of Minnesota Statutes listed below.

This limited liability company is now legally organized under the laws of Minnesota.

Name: Acceris Management and Acquisition LLC

Charter Number: 1353712-2

Chapter Formed Under: 322B

This certificate has been issued on 05/10/2005.



*Mary Kiffmeyer*  
Secretary of State.

LLC OR



**ARTICLES OF ORGANIZATION  
OF  
ACCERIS MANAGEMENT AND ACQUISITION LLC**

The undersigned, being of full age and for the purpose of forming a limited liability company for general business purposes under Chapter 322B of the Minnesota Statutes, does hereby adopt the following Articles of Organization:

**Article 1  
Name**

The name of this limited liability company is Acceris Management and Acquisition LLC.

**Article 2  
Registered Office**

The address of the registered office of this limited liability company is

60 South Sixth Street  
Suite 2535  
Minneapolis, MN 55402

**Article 3  
Period of Existence**

Unless dissolved earlier in accordance with law, the period of existence of this limited liability company shall be perpetual.

**Article 4  
Organizer**

The name and address of the sole organizer of this limited liability company are

Christopher A. Carlisle  
Gray, Plant, Mooty, Mooty & Bennett, P.A.  
500 IDS Center  
80 South Eighth Street  
Minneapolis, Minnesota 55402

**Article 5  
Preemptive Rights Prohibition**

The members of this limited liability company shall have no preemptive rights as described in Minnesota Statutes Section 322B.33 or any successor thereto.

**Article 6  
Cumulative Voting**

The members of this limited liability company shall have no rights of cumulative voting as described in Minnesota Statutes Section 322B.63 or any successor thereto.

**Article 7  
Limitation of Liability of Governors**

A governor of this limited liability company shall not be personally liable to this limited liability company or its members for monetary damages for breach of fiduciary duty as a governor, except for liability (i) based on a breach of the governor's duty of loyalty to this limited liability company or its members; (ii) for acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law; (iii) under Section 322B.56 or Section 80A.23 of the Minnesota Statutes; or (iv) for any transaction from which such governor derived an improper personal benefit. If Chapter 322B of the Minnesota Statutes is hereafter amended to authorize the further elimination or limitation of the liability of governors, then the liability of a governor of this limited liability company, in addition to the limitation on personal liability provided herein, shall be limited to the fullest extent permitted by Chapter 322B of the Minnesota Statutes, as amended. Any repeal or modification of this Article by the members of this limited liability company shall be prospective only and shall not adversely affect any limitation on the personal liability of a governor of this limited liability company existing at the time of such repeal or modification.

**Article 8  
Actions by Written Consent**

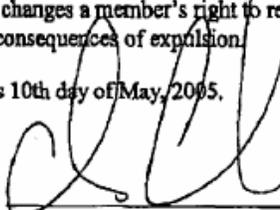
Any action which is required or permitted to be taken by the governors of this limited liability company at a meeting and which does not require the approval of the members may be taken by written action signed by the number of governors that would be required to take the same action at a meeting at which all governors were present. However, if the action is one which must be approved by the members, such action may be taken only by written action signed by all of the governors then in office. Any action required or permitted to be taken at a meeting of the members may be taken by written action signed by members who possess the voting power that would be required to take the same action at a meeting of the members at which all members were present.

**Article 9  
Dissenters' Rights Prohibition**

Pursuant to Minnesota Statutes Section 322B.383, subdivision 1(1) (or similar provisions of future law), a member shall have no right to dissent from, and obtain payment for the fair value of the member's membership interest in the event of an amendment of the articles of organization which materially and adversely affects the rights or preferences of the membership interests of the dissenting member in that it: (i) alters or abolishes a preferential right of the membership interests; (ii) creates, alters, or abolishes a right in respect of the redemption of the

membership interests, including a provision respecting a sinking fund for the redemption or repurchase of the membership interests; (iii) alters or abolishes a preemptive right of the owner of the membership interests to make a contribution; (iv) excludes or limits the right of a member to vote on a matter or to cumulate votes; (v) changes a member's right to resign or retire; or (vi) establishes or changes the conditions for or consequences of expulsion.

The undersigned has set his hand this 10th day of May, 2005.



Christopher A. Carlisle  
Organizer

GP:1710865 v1

STATE OF MINNESOTA  
DEPARTMENT OF STATE  
FILED

MAY 10 2005

*Mary Hoffmeyer*  
Secretary of State

M

STATE OF MINNESOTA

DEPARTMENT OF STATE

I hereby certify that this is  
the true and correct copy of the  
document as filed for record in  
this office.

DATED



3



BY



## OFFICE OF THE SECRETARY OF STATE

JESSE WHITE • Secretary of State

JUNE 21, 2005

0154952-9

CORPORATION SERVICE COMPANY  
422 N. NORTHWEST HWY.  
PARK RIDGE, IL 60068-0000

RE ACCERIS MANAGEMENT AND ACQUISITION LLC

DEAR SIR OR MADAM:

IT IS OUR PLEASURE TO APPROVE YOUR REQUEST TO TRANSACT BUSINESS IN THE STATE OF ILLINOIS. ENCLOSED PLEASE FIND AN APPROVED APPLICATION OF ADMISSION.

THE LIMITED LIABILITY COMPANY MUST FILE AN ANNUAL REPORT PRIOR TO THE FIRST DAY OF ITS ANNIVERSARY MONTH (MONTH OF QUALIFICATION) NEXT YEAR. A PRE-PRINTED ANNUAL REPORT FORM WILL BE SENT TO THE REGISTERED AGENT AT THE ADDRESS SHOWN ON THE RECORDS OF THIS OFFICE APPROXIMATELY 60 DAYS PRIOR TO ITS ANNIVERSARY MONTH.

SINCERELY YOURS,

A handwritten signature in black ink that reads "Jesse White".

JESSE WHITE  
SECRETARY OF STATE

DEPARTMENT OF BUSINESS SERVICES  
LIMITED LIABILITY COMPANY DIVISION  
TELEPHONE (217)524-8008

JW:LLC

Form **LLC-45.5**  
December 2003

**Illinois  
Limited Liability Company Act**

This space for use by  
Secretary of State

Jesse White  
Secretary of State  
Department of Business Services  
Limited Liability Company Division  
Room 351, Howlett Building  
Springfield, IL 62756  
<http://cyberdriveillinois.com>

Application for Admission to Transact Business

**Submit in Duplicate**

Must be typewritten

This space for use by Secretary of State

Date: 06/21/05  
Assigned File #: 0154-952-9  
Filing Fee: \$500  
Penalty: \$      
Approved: jd \$ 500

**FILED**

JUN 21 2005

JESSE WHITE  
SECRETARY OF STATE

Payment must be made by certified check, cashier's check, Illinois attorney's C.P.A.'s check or money order, payable to "Secretary of State."

1. Limited Liability Company name: ACCERIS MANAGEMENT AND ACQUISITION LLC OK  
(Must comply with Section 1-10 of ILLCA or article 2 below applies.)
2. The assumed name, other than the true company name, under which the LLC proposes to transact business in Illinois is: \_\_\_\_\_  
(If applicable, a form LLC-1.20, Application to Adopt an Assumed Name, is required to be completed and attached to this application.)
3. Jurisdiction of Organization: Minnesota
4. Date of Organization: May 10, 2005
5. Period of Duration: perpetual
6. The address, including county, of the office required to be maintained in the jurisdiction of its organization, or if not required, of the principal place of business (Post office box alone and c/o are unacceptable):  
(See #14 on back)  
60 South 6th Street, Suite 2535  
(Number) (Street) (Suite)  
Minneapolis, MN 55402  
(City/State) (ZIP Code) Hennepin  
(County)
7. Registered agent: Corporation Service Company  
(First Name) (Middle Name) (Last Name)  
Registered Office: 422 North Northwest Highway  
(Number) (Street) (Suite #)  
(P.O. Box or c/o Park Ridge, Cook Illinois 60068  
are unacceptable) (City) (County) (ZIP Code)
8. The date on which this foreign LLC first did business in Illinois: upon qualification

0154-952-9  
06/21/05

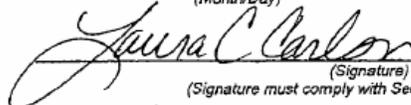
LLC-45.5

9. The purpose or purposes for which the company is organized and proposes to conduct in this State: Include the business code # (IRS Form 1065).

Telecommunications sales and service

10. The limited liability company is managed by:  
 manager(s)  
 vested in member(s)
11. The Illinois Secretary of State is hereby appointed the agent of the limited liability company for service of process under the circumstances set forth in a subsection (b) of Section 1-50 of the ILLCA.
12. This application is accompanied by a certificate of good standing or existence, as well as a copy of the articles of organization, as amended, duly authenticated within the last thirty (30) days, by the officer of the state or country wherein the LLC is formed.
13. If the period of duration is a date certain and is not stated in the Articles of Organization from the domestic state, a copy of that page from the Operating Agreement stating the date must also be submitted.
14. The undersigned affirms, under penalties of perjury, having authority to sign hereto, that this application for admission to transact business is to the best of my knowledge and belief, true, correct and complete.

Dated 6/13 2005  
(Month/Day) (Year)

  
(Signature)  
(Signature must comply with Section 5-45 of ILLCA)

Laura Conradi Carlson Manager  
(Type or print name and title)

\*If applicant is a company or other entity, state name of company and indicate whether it is a member or manager of the LLC.)

**EXHIBIT C**

**Background and Experience of Management Team**

## **Principal Managers and Officers of Acceris Management and Acquisition LLC**

### ● Elam Baer, Chief Executive Officer/Chief Manager

- Responsibilities: Management of Acceris Management and Acquisition LLC. Additional duties include deal sourcing, new investment screening, assisting portfolio companies, and negotiating transactions.
- Age 45, Mr. Baer has founded and grown a number of successful companies since starting his business career in 1992. These companies include QAI, Inc. (U.S. based telecommunications reseller), QAI Australia, Inc. (telecommunications reseller), QuikPage, Inc. (web page directory), NewTel Germany (telecommunications reseller), and NewTel Holdings LLC (telecommunications reseller in Ireland, United Kingdom, Switzerland, Spain and Australia). Prior to his business career, Mr. Baer was a lawyer. He received his bachelor's and juris doctorate degrees from the University of Minnesota.

### ● Laura Conradi Carlson, Chief Financial Officer/ Secretary/Manager

- Responsibilities: All financial reporting, financial statement preparation, cash management, investment valuation, tracking and analysis of portfolio performance, preparing and executing due diligence plans
- Age 34, Ms. Carlson served as controller or CFO of various companies founded by Elam Baer prior to joining North Central. Ms. Carlson also spent five years with Ernst & Young LLP as a senior auditor and two years with a telecom firm as Director of Accounting. Ms. Carlson is an honor's graduate from the University of St. Thomas, where she received a B.A. in Accounting in 1992, and received her CPA in 1993.

## **EXHIBIT D**

### **Financials**

Applicant is a wholly owned subsidiary of North Central Equity LLC (“NCE”). As a newly formed company, Applicant does not yet have financial statements. Applicant will submit financial statements for its parent. Applicant is requesting that these financial statements be filed under seal and kept confidential and proprietary.