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March 13, 1998

The Honorable John C. Crary,
Secretary to the Commission
State of New York Department of Public Service
Public Service Commission
Three Empire State Plaza
Albany, NY 12223-1350

Re: DigiTEC 2000, Inc.

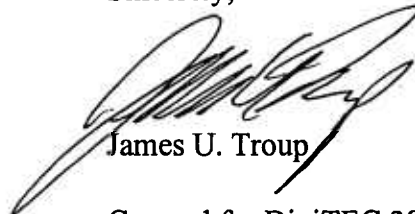
Dear Secretary Crary:

Pursuant to Section 99 of New York State Public Service Law, DigiTEC 2000, Inc., by its attorneys, hereby submits an original plus five (5) copies of its application to be certified as a long distance reseller and seller of pre-paid calling cards in New York State (Application Form B).

Please date-stamp the "Stamp and Return" copy of this filing and return it to the undersigned in the attached self-addressed envelope. Should there be any questions concerning this filing, please do not hesitate to contact the undersigned.

ack wend

Sincerely,



James U. Troup

Counsel for DigiTEC 2000, Inc.

cc: Robert Woods, Associate System Planner
Communications Division

Enclosures
132013

1998 MAR 18 PM 2:20
RECEIVED
PUBLIC SERVICE
COMMUNICATIONS
DIVISION
STATE OF NEW YORK

Application Form B

APPLICATION FOR CERTIFICATION AS A RESELLER

Instructions:

Complete this application and mail an original and three copies to: Honorable John C. Crary, Secretary to the Commission, Three Empire State Plaza, Albany, NY 12223-1350. Use additional sheets as necessary. The application may be returned, if it is not complete.

1. Identification of Applicant

Company Name: **DigiTEC 2000, Inc.**
Street Address (P.O. Box is not acceptable): **8 West 38th Street
Fifth Floor**
City, State, Zip Code: **New York, NY 10018**

Location of principal business office: **New York**

President: **Frank C. Magliato,** Telephone/Fax: **(212) 944-8888**
**President, Chief
Executive Officer
and Director**

Other Officers: **Diego E. Roca,** Telephone/Fax: **(212) 944-2829 Fax**
**Vice President of
Operations, Secretary
and Treasurer**

Lawrence S. Diamond,
**Vice President of Sales
and Marketing**

Keith A. McGowan,
**Vice President
of Finance**

2. Provide a copy of the company's certificate of incorporation and, if not incorporated in New York State, a copy of the authority to transact business in New York State (foreign business authority). If not incorporated, attach a list of the names, addresses, and telephone numbers of the company's owners. If certificate is already on file with Commission, check here: []

3. A general description of the services to be offered and how it would enhance competition in the area to be served.

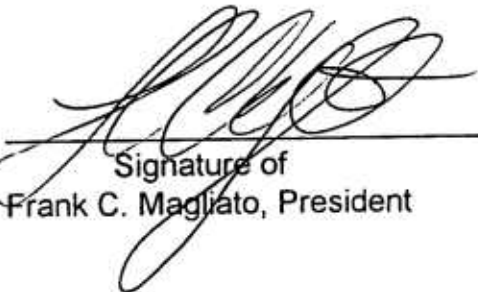
DigiTEC 2000, Inc. ("DigiTEC") seeks to create, distribute and market consumer prepaid utility telephone calling cards and resell long distance service throughout New York State. Card operations are supported by remote database units located on special switching platforms in the telephone network. DigiTEC's phone cards provide a convenient alternative for credit card and conventional coin and collect long distance service consumers. DigiTEC will directly compete with substantially larger companies in the pre-paid calling card and long distance resale markets. Therefore, it is in the public interest to allow DigiTEC the opportunity to provide prepaid calling cards and long distance telephone resale service in New York State.

4. If applying for authorization to resell local exchange service (residential and/or business dialtone), the applicant must comply with all applicable requirements enumerated on pages 30-31 of the Commission's Order (attached) in Case 94-C-0095, issued May 22, 1996. Please describe briefly how you plan to comply with these requirements. If you do not plan to provide local exchange services, please state so here.

DigiTEC does not plan to provide local exchange service except to the extent that a user of its pre-paid calling service may complete a local call after dialing the card's designated toll free 1-800 access number and the personal identification number that identifies the card to the network.

5. In any other state in which it operates, has the company ever acquired a customer by switching it from another company without the customer's authorization? Yes [] No [X]
If yes, attach an explanation.
6. Was this company ever the subject of a complaint and/or investigation for unauthorized switching of a customer's local or long distance service from one carrier to another?
Yes [] No [X]

This application is correct to the best of my knowledge. Any inaccuracies or deficiencies will be promptly corrected. If this application is granted, the company agrees to comply with all applicable rules and regulations of the Public Service Commission.



Signature of
Frank C. Magliato, President

3-13-98
Date

State of New York }
Department of State }^{ss:}

I hereby certify that the annexed copy has been compared with the original document in the custody of the Secretary of State and that the same is a true copy of said original.

Witness my hand and seal of the Department of State on MAR 06 1998



A handwritten signature in cursive script, appearing to read "J. Clark", followed by a horizontal line.

Special Deputy Secretary of State

APPLICATION FOR AUTHORITY

F970709000617

OF

DigiTEC 2000, Inc.

Under Section 1304 of the
Business Corporation Law

The undersigned corporation does hereby apply, pursuant to Section 1304 of the Business Corporation Law of the State of New York, for authority to do business in the State of New York, and for that purpose does hereby set forth:

FIRST: The name of the corporation is:

DigiTEC 2000, Inc.

SECOND: The jurisdiction of the incorporation of the corporation is Nevada. The date of incorporation in said jurisdiction is May 27, 1987.

THIRD: The corporation proposes to do the following business in the State of New York, which it is authorized to do in the jurisdiction of its incorporation:

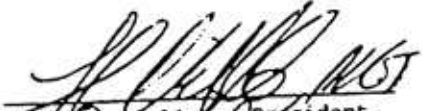
To engage in any lawful act or activity for which a corporation may be organized under the Business Corporation Law, provided that it is not engaged in any act or activity requiring the consent or approval of any state official, department, board, agency or other body, without such approval or consent first being obtained.

FOURTH: The office of the corporation in the State of New York shall be located in the County of New York.

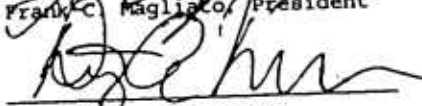
FIFTH: The Secretary of State is designated as the agent of the corporation upon whom process against the corporation may be served, and the address to which the Secretary of State shall mail a copy of any process against the corporation served upon him is 8 West 38th Street, 5th Fl., New York, New York 10018

SIXTH: The corporation has not since its incorporation engaged in any activity in this state, except as set forth in paragraph (b) of Section 1301 of the Business Corporation Law of the State of New York.

IN WITNESS WHEREOF, the undersigned executes this document and affirms that the statements made herein are true under the penalties of perjury, this twenty-first day of April, 1997.



Frank C. Magliocco, President



Diego Roca, Secretary

SECRETARY OF STATE



CERTIFICATE OF EXISTENCE WITH STATUS IN GOOD STANDING

I, DEAN HELLER, the duly elected and qualified Nevada Secretary of State, do hereby certify that I am, by the laws of said State, the custodian of the records relating to filings by corporations, limited-liability companies, limited partnerships, and limited-liability partnerships pursuant to Title 7 of the Nevada Revised Statutes which are either presently in a status of good standing or were in good standing for a time period subsequent of 1976 and am the proper officer to execute this certificate.

I further certify that the records of the Nevada Secretary of State, at the date of this certificate, evidence, **DIGITEC 2000, INC.** as a corporation duly organized under the laws of Nevada and existing under and by virtue of the laws of the State of Nevada since May 27, 1987 and is in good standing in this state.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Great Seal of State, at my office, in Carson City, Nevada, on March 10, 1997



Dean Heller
Secretary of State

By *[Signature]*
Certification Clerk

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SECRETARY OF STATE



CORPORATE CHARTER

I, DEAN HELLER, the duly elected and qualified Nevada Secretary of State, do hereby certify that **DIGITEC 2000, INC.** did on **May 27, 1987** file in this office the original Articles of Incorporation; that said Articles are now on file and of record in the office of the Secretary of State of the State of Nevada, and further, that said Articles contain all the provisions required by the law of said State of Nevada.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Great Seal of State, at my office, in Carson City, Nevada, on **March 5, 1998.**



Dean Heller

Secretary of State

By

Laquetia Wray

Certification Clerk

FILED
IN THE OFFICE OF THE
SECRETARY OF STATE OF THE
STATE OF NEVADA

MAY 27 1987

FRANK SLO ON PAPA SECRETARY
4011-87

FILING FEE: \$100.00
BY: YACHT HAVENS INTL.
5875 NO. LINCOLN AVE.
CHICAGO, IL 60659

NEVADA
SUBMIT FOUR COPIES
ONLY ONE COPY NEED
BE EXECUTED.
FOR EACH CERTIFIED
COPY DESIRED SUBMIT
AN ADDITIONAL COPY

ARTICLES OF INCORPORATION
OF
YACHT HAVENS INTERNATIONAL Corp.

KNOW ALL MEN BY THESE PRESENT:

The undersigned, for the purpose of forming a corporation pursuant to Section 78.035 of the General Corporation Law of the State of Nevada hereby certifies that:

1st. The name of the corporation is

YACHT HAVENS INTERNATIONAL CORP.

2nd. The location of the principal office of the corporation within the State of Nevada is 502 East John Street, Room E, Carson City 89701, and the resident agent in charge of said office is the United States Corporation Company.

3rd. The corporation may engage in any lawful activity, without limitation. In furtherance of this purpose (and without limiting the scope of generality thereof, in any way) it is hereby provided that the nature of the business, or the objects or purposes proposed to be transacted, promoted or carried on by the corporation are:

GENERAL BUSINESS

4th. The total authorized capital stock of the corporation shall be (50 Million), all classified as Common stock with a par value of 1 cent (\$.001) per share (or if without par value, so designate.)

5th. The members of the governing board of the corporation shall be styled "directors" and the number of its first Board of Directors shall be *three (3)*; (the number of the first Board of Directors shall not be less than three unless the articles of incorporation set forth that the initial number of stockholders will be less than three). The names and post office addresses of the first Board of Directors are as follows:

<u>DIRECTORS</u>	<u>POST OFFICE ADDRESS</u>
<i>E. A. Hoffman</i>	<i>8716 N. Kimball; Skokie, Ill. 60076</i>
<i>Cindy Winter</i>	<i>918 Columbus Wilmette Ill. 60091</i>
<i>C. Hoffman</i>	<i>8716 N. Kimball Skokie, Ill. 60076</i>

6th. The capital stock and the holders thereof, after the amount of the subscription price has been paid in, shall not be subject to any assessment to pay the debts of the corporation or for any other purpose.

7th. The name(s) and post office address(es) of the incorporator(s) signing these Articles of Incorporation are as follows:

<u>INCORPORATORS</u>	<u>POST OFFICE ADDRESS</u>
<i>Charles Hoffman</i>	<i>5875 N. Lincoln Ave. Chicago, Ill. 60659 Suite 134</i>

8th. The corporation is to have perpetual existence.

9th. In furtherance and not in limitation of the powers conferred by statute, the Board of Directors are expressly authorized:

To make, alter, amend and rescind the By-Laws of the corporation, to fix the amount to be reserved as working capital, to fix the times for the declaration and payment of dividends, and to authorize and cause to be executed mortgages and liens upon the real and personal property of the corporation.

With the consent in writing or pursuant to the affirmative vote of the holders of at least a majority of the stock issued and outstanding, at a stockholder's meeting duly called for that purpose, to sell, assign, transfer or otherwise dispose of the property of the corporation as an entirety.

In order to promote the interests of the corporation and to encourage the utilization of the corporation's lands and other property, to sell, assign, transfer, lease and in any lawful manner dispose of such portions of said property as the Board of Directors shall deem advisable, and to use and apply the funds received in payment therefor to the surplus account for the benefit of the corporation, or to the payment of dividends, or otherwise; provided that a majority of the whole board concur therein, and further provided that the capital stock shall not be decreased except in accordance with the laws of Nevada.

To issue and authorize the issuance of capital Debenture Bonds on the company. The form of these Bonds shall be drawn so as not to jeopardize the financial condition of the company. Bonds are to be without maturity date and the principal and or interest are to be payable out of profits in excess as needed in the absolute discretion of the Directors of the company. (Specimen attached) "A"

With the consent in writing or pursuant to the affirmative vote of the holders of at least a majority of the stock issued and outstanding, at a stockholder's meeting duly called for that purpose, to sell, assign, transfer or otherwise dispose of the property of the corporation as an entirety.

10th. The corporation reserves the right to amend, alter or repeal any provisions contained in these Articles of Incorporation in the manner now or hereafter prescribed by statute, and all rights conferred on stockholders or directors herein are granted subject to this reservation.

IN WITNESS WHEREOF, I have hereunto set my hand and seal
this 21 day of May, 1987.



(L.S.)
Charles Hoffman

JACHT HAVENS INTERNATIONAL CORP.

SPECIMEN "A"

CONDITIONS

- (1) Although this Debenture is one of a series of like Debentures, the Debentures as the said series are not payable *pari passu* and will not necessarily rank equally with the others. The Company reserves the right in whole or partly to repay any one or more of such Debentures without making any similar payment to the others or others of such Debentures.
- (2) (a) The principal monies and/or like assets shall become immediately payable:
- (1) if an order is made or an effective resolution is passed for the winding up of the Company, or
 - (2) if the Company makes default in observing or fulfilling any of its obligations hereunder and the Debenture holder by notice in writing to the Company calls in the principal monies and/or assets hereby secured.
- (b) Except as aforesaid the Debenture holder shall not be entitled to call in or compel payment of the principal monies and/or assets hereby secured.
- (3) (a) The Company shall be entitled from time to time on giving to the Debenture holder not less than one month's notice of its intention to do so to repay the principal monies and/or like assets for the time being outstanding on the security hereof at any part thereof specified in the notice, and upon the expiration of the notice the Company shall be bound to repay the principal monies and/or like assets for the time being outstanding on the security hereof or as the case may be the part specified in the notice, together with any interest due thereon but not paid.
- (b) On any such repayment the Debenture holder shall surrender this debenture to the Company for a note to be indorsed hereon of such repayment or where the whole of the principal monies and/or like assets then outstanding on the security hereof are repaid, then for retention by the Company.
- (4) Notwithstanding the covenant to pay interest herein contained, no payment of interest shall be made by the Company to the Debenture holder other than out of profits and no payment shall be made in any year unless sufficient profits of that year are available to make the payment of interest on all debentures issued by the Company. In determining whether or not there are sufficient profits available to make such payment as aforesaid, the Directors shall be at liberty to set aside from the current and retained earnings of the Company such reserves as they in their absolute discretion consider to be necessary to meet the anticipated liabilities of the Company and to ensure the continuation of the Company in good financial condition. The right to receive interest shall not be cumulative and should any payments of interest not be made by the Company in any year by reason of this Condition, the right to receive interest in respect of that year shall be extinguished.
- (5) **PREFERENTIAL RIGHTS** of this Bond shall prevail over all shareholders in the event of the winding up of the Company. This Debenture is only subordinated to the right of repayment of all other creditors of the Company, other than the holders of the said series of like debentures, until repaid in terms hereof, and by his acceptance hereof, the Debenture holder hereby covenants with the Company that in the event of a winding up of the Company, the Debenture holder shall forthwith apply any amounts payable to the Debenture holder in respect hereof in payment of the debts of all other creditors of the Company, other than debenture holders of the said series of like debentures, so the extent that the same have not been satisfied by the winding up of the Company, and the Company hereby declares and acknowledges that the benefit of the covenant on the part of the Debenture holder herein contained is held in trust by the Company for the benefit of all creditors of the Company, other than the holders of the debentures of the said series existing at the date hereof or at any time hereafter until the Debenture is fully repaid, in the event of their respective debts from time to time.
- (6) (a) The Company will keep a register of Debenture holders and ensure that on the issue of this Debenture and all transfers and changes of ownership hereof:
- (b) The said register may be closed at such times and for such periods as the Company may from time to time determine PROVIDED that it shall not be closed for more than Three days in any year.
- (7) A transfer of this Debenture shall be in writing under the hand of the transferor. The transfer shall be lodged with the Company together with such other documents as the transferee (including production of this Debenture) as the Company may reasonably require and thereupon the transferee shall be registered as the holder hereof. The Company shall be entitled to retain the transfer.
- (8) On the death of the Debenture holder his personal representatives and in the death of a joint holder the survivors or survivor shall be the only persons recognized by the Company as having any title to this Debenture.
- (9) Any person entitled to this Debenture Bond by reason of the death of the Debenture holder or otherwise by operation of law may upon producing such evidence of his title as the Company may reasonably require be registered as the holder hereof or subject to the conditions hereof as a transferee, may transfer the same.
- (10) The Company may charge a fee of US \$10.00 for the registration of any transfer or change in the ownership hereof.
- (11) The Company shall recognize and treat the Debenture holder as the sole absolute owner hereof as far as above entitled to receive and give effectual discharge for the monies and/or assets hereby secured. The Company shall not be affected by notice of any transfer or of any right title or claim of any person other than the Debenture holder to this Debenture Bond.
- (12) The monies and/or like assets hereby secured shall be paid to the Debenture holder or transferee without regard to any set off, counter claim or equities between the Company and the original or any intermediate holder and the receipt of the said holder or of any transferee shall be a good discharge to the Company.
- (13) The principal monies and/or like assets and any interest due on the Debenture will be paid to the registered office of the Company and made by cheque and/or assignment of like assets paid in a prepaid letter to the Debenture holder at his registered address and payment of the cheque and/or assignment of like assets shall for all purposes be deemed to be payment and satisfaction of the principal or interest represented thereby.
- (14) The rights conferred on the Debenture holder hereby may not be assigned or assigned without the consent in writing of all other holders of like debentures in the said series and no variation may be made unless it is binding on and acceptable to all debentures in the said series. If in such a variation being made the Debenture holder shall surrender this Debenture to the Company in order that a memorandum of such variation may be indorsed hereon.
- (15) If this Debenture Bond is ever in default hereof determined to be repaid on payment of such fee not exceeding US \$10.00 and on such terms as to ensure adequate indemnities and expense incurred by the Company in investigating or settling title as the Directors think fit provided that in the case of defaultment this Debenture must be surrendered before the sum debentured is repaid. Any stamp duty payable on such repayment shall be borne by the Debenture holder.
- (16) Notices hereunder may be given by the Debenture holder or by the Company by posting the same in a prepaid air mail letter addressed to the Company at its registered office or as the case may be to the Debenture holder or the transferee of same holder at his address shown in the Register of Debenture holders and every such notice shall be deemed to have been served seven days after the date of posting.

STATE OF)
Ill.) SS.:
COUNTY OF)
Cook)

BE IT REMEMBERED, that on this 21 day of May
1987, personally appeared before me, a Notary Public in and for
the State and County aforesaid, Charles Hoffman, described
in and who executed the foregoing instrument, who acknowledged
to me that he executed the same freely and voluntarily and for the
uses and purposes therein mentioned.

Annette Shetler
NOTARY PUBLIC

SECRETARY OF STATE



CERTIFICATE OF EXISTENCE WITH STATUS IN GOOD STANDING

I, DEAN HELLER, the duly elected and qualified Nevada Secretary of State, do hereby certify that I am, by the laws of said State, the custodian of the records relating to filings by corporations, limited-liability companies, limited partnerships, and limited-liability partnerships pursuant to Title 7 of the Nevada Revised Statutes which are either presently in a status of good standing or were in good standing for a time period subsequent of 1976 and am the proper officer to execute this certificate.

I further certify that the records of the Nevada Secretary of State, at the date of this certificate, evidence, **DIGITEC 2000, INC.**, as a corporation duly organized under the laws of Nevada and existing under and by virtue of the laws of the State of Nevada since May 27, 1987, and is in good standing in this state.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Great Seal of State, at my office, in Carson City, Nevada, on March 4, 1998.



Dean Heller
Secretary of State

By *[Signature]*
Certification Clerk