

SWIDLER BERLIN SHEREFF FRIEDMAN LLP ORIGINAL

THE WASHINGTON HARBOUR
3000 K STREET, NW, SUITE 300
WASHINGTON, DC 20007-5116
TELEPHONE (202)424-7500
FACSIMILE (202) 424-7645
WWW.SWIDLAW.COM

NEW YORK OFFICE
THE CHRYSLER BUILDING
405 LEXINGTON AVENUE
NEW YORK, NY 10174
(212) 973-0111 FAX (212) 891-9598

February 5, 2002

VIA OVERNIGHT DELIVERY

Blanca S. Bayó
Director, Division of Records & Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0870

020103 - TX
020104 - TX

Re: Application of CeriStar, Inc. for Certificates of Public Convenience and Necessity to Provide Alternative Local Exchange and Interexchange Services within the State of Florida

Dear Ms. Bayó:

CeriStar, Inc. ("CeriStar"), by its undersigned attorneys, respectfully requests the Florida Public Service Commission ("Commission") to grant it certificates of public convenience and necessity to provide alternative local exchange and interexchange telecommunications services in the State of Florida.

An original and six (6) copies of these applications, as well as two checks in the amount of \$250.00 each to cover the requisite filing fees, are enclosed. Please date-stamp the enclosed extra copy of this filing and return it in the self-addressed, postage prepaid envelope provided.

Respectfully submitted,

William B. Wilhelm
Michael J. Schunck

Counsel for CeriStar, Inc.

Enclosures

cc: David L. Bailey (CeriStar)
Linda H. Tanner (CeriStar)

Check received with filing and forwarded to Fiscal for deposit. Fiscal to forward a copy of check to RAR with proof of deposit.

Initials of person who forwarded check: [Signature]

ALEC
DOCUMENT NUMBER - DATE
01439 FEB-6 02
FPSC-COMMISSION CLERK

RECEIVED & FILED
mas
FPSC-BUREAU OF RECORDS

01454 FEB-6 02

FPSC-COMMISSION CLERK
IXC

ORIGINAL

020104-77

**** FLORIDA PUBLIC SERVICE COMMISSION ****

**DIVISION OF REGULATORY OVERSIGHT
CERTIFICATION SECTION**

Application Form For Authority to Provide
Interexchange Telecommunications Service
Between Points Within the State of Florida

Instructions

- ◆ This form is used as an application for an original certificate and for approval of the assignment or transfer of an existing certificate. In the case of an assignment or transfer, the information provided shall be for the assignee or transferee (See Page 16).
- ◆ Print or Type all responses to each item requested in the application and appendices. If an item is not applicable, please explain why.
- ◆ Use a separate sheet for each answer which will not fit the allotted space.
- ◆ Once completed, submit the original and six (6) copies of this form along with a non-refundable application fee of **\$250.00** to:

**Florida Public Service Commission
Division of Records and Reporting
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850
(850) 413-6770**

Note: **No filing fee is required** for an assignment or transfer of an existing certificate to another certificated company.

- ◆ If you have questions about completing the form, contact:

**Florida Public Service Commission
Division of Regulatory Oversight
Certification Section
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850
(850) 413-6480**

Application of CeriStar, Inc.

1. This is an application for (check one):

() **Original certificate** (new company).

() **Approval of transfer of existing certificate:** Example, a non-certificated company purchases an existing company and desires to retain the original certificate of authority.

() **Approval of assignment of existing certificate:** Example, a certificated company purchases an existing company and desires to retain the certificate of authority of that company.

() **Approval of transfer of control:** Example, a company purchases 51% of a certificated company. The Commission must approve the new controlling entity.

2. Name of company:

CeriStar, Inc ("CeriStar" or "Applicant")

3. Name under which the applicant will do business (fictitious name, etc.):

Same

4. Official mailing address (including street name & number, post office box, city, state, zip code):

50 West Broadway, Suite 1100

Salt Lake City, UT 84101

Telephone: (801) 350-2017

Facsimile: (801) 933-5640

5. Florida address (including street name & number, post office box, city, state, zip code):

CeriStar will have offices at:

Haydon-Rubin Development Inc.

15500 Roosevelt Blvd., Suite 303

Clearwater, FL 33760

Application of CeriStar, Inc.

6. Select what type of business your company will be conducting (check all that apply):

7.

- Facilities-based carrier** - company owns and operates or plans to own and operate telecommunications switches and transmission facilities in Florida.
- Operator Service Provider** - company provides or plans to provide alternative operator services for IXCs; or toll operator services to call aggregator locations; or clearinghouse services to bill such calls.
- Reseller** - company has or plans to have one or more switches, but primarily leases the transmission facilities of other carriers. Bills its own customer base for services used.
- Switchless Rebiller** - company has no switch or transmission facilities, but may have a billing computer. Aggregates traffic to obtain bulk discounts from underlying carrier. Rebills end users at a rate above its discount, but generally below the rate end users would pay for unaggregated traffic.
- Multi-Location Discount Aggregator** - company contracts with unaffiliated entities to obtain bulk/volume discounts under multi-location discount plans from certain underlying carriers, then offers the resold service by enrolling unaffiliated customers.
- Prepaid Debit Card Provider** - any person or entity that purchases 800 access from an underlying carrier or unaffiliated entity for use with prepaid debit card service and/or encodes the cards with personal identification numbers.

7. Structure of organization:

- | | |
|---|--|
| <input type="checkbox"/> Individual | <input type="checkbox"/> Corporation |
| <input checked="" type="checkbox"/> Foreign Corporation | <input type="checkbox"/> Foreign Partnership |
| <input type="checkbox"/> General Partnership | <input type="checkbox"/> Limited Partnership |
| <input type="checkbox"/> Other: _____ | |

Application of CeriStar, Inc.

8. If individual, provide:

Name: Not Applicable.
Title: _____
Address: _____
City/State/Zip: _____
Telephone No.: _____ Fax No.: _____
Internet E-Mail Address: _____
Internet Website Address: _____

9. If incorporated in Florida, provide proof of authority to operate in Florida:

Not applicable.

(a) The Florida Secretary of State corporate registration number:

Not Applicable.

10. If foreign corporation, provide proof of authority to operate in Florida:

CeriStar is a Delaware Corporation currently applying for qualification to transact business in Florida. The Applicant will submit the Florida Secretary of State's Certificate of Authority to Transact Business as soon as it is available. Please see Attachment A for CeriStar's Articles of Incorporation.

(a) The Florida Secretary of State corporate registration number:

CeriStar does not yet have a corporate registration number, pending issuance of its Certificate of Authority to Transact Business in Florida.

11. If using fictitious name-d/b/a, provide proof of compliance with fictitious name statute (Chapter 865.09, FS) to operate in Florida:

Not Applicable.

(a) The Florida Secretary of State fictitious name registration number:

Not Applicable.

12. If a limited liability partnership, provide proof of registration to operate in Florida:

(a) The Florida Secretary of State registration number:

Not Applicable.

Application of CeriStar, Inc.

13. **If a partnership**, provide name, title and address of all partners and a copy of the partnership agreement.

Name: Not Applicable.

Title: _____

Address: _____

City/State/Zip: _____

Telephone No.: _____ **Fax No.:** _____

Internet E-Mail Address: _____

Internet Website Address: _____

14. **If a foreign limited partnership**, provide proof of compliance with the foreign limited partnership statute (Chapter 620.169, FS), if applicable.

(a) **The Florida registration number:** Not Applicable.

15. Provide **F.E.I. Number** (if applicable): #87-0642448

16. Provide the following (if applicable):

(a) Will the name of your company appear on the bill for your services?
() **YES** () **NO**

(b) If not, who will bill for your services?

Name: n/a

Title: _____

Address: _____

City/State/Zip: _____

Telephone No.: _____ **Fax No.:** _____

(c) How is this information provided?

CeriStar will directly bill its customers for services provided.

17. Who will receive the bills for your service?

(<input type="checkbox"/>) Residential Customers	(<input checked="" type="checkbox"/>) Business Customers
(<input type="checkbox"/>) PATS Providers	(<input type="checkbox"/>) PATS Station End-Users
(<input type="checkbox"/>) Hotels and Motels	(<input type="checkbox"/>) Hotel and Motel Guests
(<input type="checkbox"/>) Universities	(<input type="checkbox"/>) Univ. Dormitory Residents
(<input type="checkbox"/>) Other: (specify)	

Application of CeriStar, Inc.

18. Who will serve as liaison to the Commission with regard to the following?

(a) The application:

Name: William B. Wilhelm
Michael Schunck
Swidler Berlin Shereff Friedman, LLP
Title: Counsel for CeriStar, Inc.
Address: 3000 K Street, N.W., Suite 300
City/State/Zip: Washington, D.C. 20007-5116
Telephone No.: (202) 424-7500 **Fax No.:** (202) 424-7643
Internet E-Mail Address: WBWilhelm@swidlaw.com
mjschunck@swidlaw.com
Internet Website Address: www.swidlaw.com

(b) Official point of contact for the ongoing operations of the company:

Name: David L Bailey
Title: Chairman and Chief Executive Officer
Name: George Earl Demorest
Title: Chief Financial Officer
Address: 50 West Broadway, Suite 1100
City/State/Zip: Salt Lake City, UT 84101
Telephone No.: (801) 350-2017 **Fax No.:** (801) 933-5640
Internet E-Mail Address: daveb@ceristar.com
Internet Website Address: www.ceristar.com

(c) Complaints/Inquiries from customers:

Name: Linda Tanner
Title: Assistant to the Chief Executive Officer
Address: 50 West Broadway, Suite 1100
City/State/Zip: Salt Lake City, UT 84101
Telephone No.: (801) 350-2017 **Fax No.:** (801) 933-5640
Internet E-Mail Address: lindat@ceristar.com
Internet Website Address: www.ceristar.com

19. List the states in which the applicant:

(a) has operated as an interexchange telecommunications company.

Applicant commenced operations in Utah as of January 8, 2002.

Application of CeriStar, Inc.

- (b) has applications pending to be certificated as an interexchange telecommunications company.

None.

- (c) is certificated to operate as an interexchange telecommunications company.

State of Utah (see above).

- (d) has been denied authority to operate as an interexchange telecommunications company and the circumstances involved.

Applicant has not been denied authority to operate as a telecommunications company.

- (e) has had regulatory penalties imposed for violations of telecommunications statutes and the circumstances involved.

Applicant has not had regulatory penalties imposed for violations of telecommunications statutes.

- (f) has been involved in civil court proceedings with an interexchange carrier, local exchange company or other telecommunications entity, and the circumstances involved.

Applicant has not been involved in civil court proceedings with an interexchange carrier, local exchange company or other telecommunications entity.

20. Indicate if any of the officers, directors, or any of the ten largest stockholders have previously been:

- (a) adjudged bankrupt, mentally incompetent, or found guilty of any felony or of any crime, or whether such actions may result from pending proceedings. If so, please explain.

None of CeriStar's officers, directors, or ten largest stockholders have previously been adjudged bankrupt, mentally incompetent, or found guilty of any felony or crime, nor are any such proceedings pending.

- (b) an officer, director, partner or stockholder in any other Florida certificated telephone company. If yes, give name of company and relationship. If no longer associated with company, give reason why not.

Application of CeriStar, Inc.

None of CeriStar's officers and directors or largest shareholders act in any such capacity for another Florida certificated carrier.

21. The applicant will provide the following interexchange carrier services (check all that apply):

a. _____ **MTS with distance sensitive per minute rates**
_____ Method of access is FGA
_____ Method of access is FGB
_____ Method of access is FGD
_____ Method of access is 800

b. _____ **MTS with route specific rates per minute**
_____ Method of access is FGA
_____ Method of access is FGB
_____ Method of access is FGD
_____ Method of access is 800

c. _____ **MTS with statewide flat rates per minute (i.e. not distance sensitive)**
_____ Method of access is FGA
_____ Method of access is FGB
 _____ Method of access is FGD
_____ Method of access is 800

d. _____ **MTS for pay telephone service providers**

e. _____ **Block-of-time calling plan (Reach Out Florida, Ring America, etc.).**

f. _____ **800 Service (toll free)**

g. _____ **WATS-type Service (bulk or volume discount)**
_____ Method of access is via dedicated facilities
_____ Method of access is via switched facilities

h. _____ **Private Line Services (channel services)**
(For ex. 1.544 Mbs., DS-3, etc.)

Application of CeriStar, Inc.

i. _____

Travel Service

_____ Method of access is 950

_____ Method of access is 800

j. _____

900 Service

k. _____

Operator Services

_____ Available to presubscribed customers

_____ Available to non-presubscribed customers (for example, to patrons of hotels, students in universities, patients in hospitals).

_____ Available to inmates

l. _____

Services included are:

_____ Station assistance

_____ Person-to-Person assistance

_____ Directory assistance (resold)

_____ Operator verify and interrupt

_____ Conference calling

22. Submit the proposed tariff under which the company plans to begin operation. Use the format required by Commission Rule 25-24.485 (example enclosed).

Applicant's proposed local and interexchange tariffs will be submitted under separate cover.

23. Submit the following:

- A. Managerial capability:** give resumes of employees/officers of the company that would indicate sufficient managerial experiences of each.

Please see Attachment B.

- B. Technical capability:** give resumes of employees/officers of the company that would indicate sufficient technical experiences or indicate what company has been contracted to conduct technical maintenance.

Please see Attachment B.

Application of CeriStar, Inc.

C. Financial capability.

The application **should contain** the applicant's audited financial statements for the most recent 3 years. If the applicant does not have audited financial statements, it shall so be stated.

The unaudited financial statements should be signed by the applicant's chief executive officer and chief financial officer affirming that the financial statements are true and correct and should include:

1. the balance sheet;
2. income statement; and
3. statement of retained earnings.

NOTE: *This documentation may include, but is not limited to, financial statements, a projected profit and loss statement, credit references, credit bureau reports, and descriptions of business relationships with financial institutions.*

Further, the following (which includes supporting documentation) should be provided:

1. **A written explanation** that the applicant has sufficient financial capability to provide the requested service in the geographic area proposed to be served.
2. **A written explanation** that the applicant has sufficient financial capability to maintain the requested service.
3. **A written explanation** that the applicant has sufficient financial capability to meet its lease or ownership obligations.

CeriStar has sufficient financial capabilities to undertake its proposed operations in Florida, to establish and maintain its services and comply with all lease and ownership obligations on properties that it will utilize in the state.

Attached hereto as Attachment C are the most recent balance sheet and income statements of CeriStar, Inc., in addition to a three-year financial projection. These balance sheets shows that CeriStar has a positive net worth and that CeriStar has sufficient cash flow sufficient to provide its proposed services.

Since CeriStar is a relatively new Entity, no financial statements prior to the year 2001 are available. CeriStar does not maintain audited financial statements. The unaudited financial statements for the year 2001 enclosed herewith in Attachment C are certified to be true and correct (please see the attestation of George Earl Demorest, Chief Financial Officer, also included in Attachment C).

Please note that the materials included in Attachment C contain business secrets and that their unauthorized disclosure could cause harm and competitive disadvantage to the Applicant. Therefore, CeriStar requests that the materials in Attachment C be protected from disclosure to the extent permitted.

Application of CeriStar, Inc.

THIS PAGE MUST BE COMPLETED AND SIGNED


APPLICANT ACKNOWLEDGMENT STATEMENT

- 1. REGULATORY ASSESSMENT FEE:** I understand that all telephone companies must pay a regulatory assessment fee in the amount of .15 of one percent of gross operating revenue derived from intrastate business. Regardless of the gross operating revenue of a company, a minimum annual assessment fee of \$50 is required.
- 2. GROSS RECEIPTS TAX:** I understand that all telephone companies must pay a gross receipts tax of two and one-half percent on all intra and interstate business.
- 3. SALES TAX:** I understand that a seven percent sales tax must be paid on intra and interstate revenues.
- 4. APPLICATION FEE:** I understand that a non-refundable application fee of \$250.00 must be submitted with the application.

UTILITY OFFICIAL:

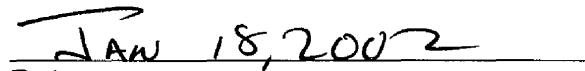
David L. Bailey

Print Name


Signature

Chairman and Chief Executive Officer

Title


Date

(801) 350-2017

Telephone No.

(801) 933-5640

Fax No.

Address:

50 West Broadway, Suite 1100

Salt Lake City, UT 84101

Application of CeriStar, Inc.

THIS PAGE MUST BE COMPLETED AND SIGNED

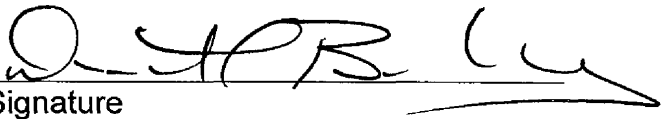
CUSTOMER DEPOSITS AND ADVANCE PAYMENTS

A statement of how the Commission can be assured of the security of the customer's deposits and advance payments may be provided in one of the following ways (applicant, please check one):

- () The applicant will **not** collect deposits nor will it collect payments for service more than one month in advance.
- () The applicant intends to collect deposits and/or advance payments for more than one month's service and will file and maintain a surety bond with the Commission in an amount equal to the current balance of deposits and advance payments in excess of one month.
(The bond must accompany the application.)

UTILITY OFFICIAL:

David L. Bailey
Print Name


Signature

Chairman and Chief Executive Officer
Title

Jan 18, 2002
Date

(801) 350-2017
Telephone No.

(801) 933-5640
Fax No.

Address:

50 West Broadway, Suite 1100
Salt Lake City, UT 84101

Application of CeriStar, Inc.

THIS PAGE MUST BE COMPLETED AND SIGNED

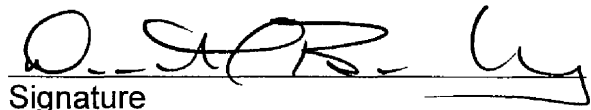
AFFIDAVIT

By my signature below, I, the undersigned officer, attest to the accuracy of the information contained in this application and attached documents and that the applicant has the technical expertise, managerial ability, and financial capability to provide interexchange company service in the State of Florida. I have read the foregoing and declare that, to the best of my knowledge and belief, the information is true and correct. I attest that I have the authority to sign on behalf of my company and agree to comply, now and in the future, with all applicable Commission rules and orders.

Further, I am aware that, pursuant to Chapter 837.06, Florida Statutes, "Whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his official duty shall be guilty of a misdemeanor of the second degree, punishable as provided in s. 775.082 and s. 775.083."

UTILITY OFFICIAL:

David L. Bailey
Print Name


Signature

Chairman and Chief Executive Officer
Title

JAN 18, 2002
Date

(801) 350-2017
Telephone No.

(801) 933-5640
Fax No.

Address:

50 West Broadway, Suite 1100
Salt Lake City, UT 84101

Application of CeriStar, Inc.

CURRENT FLORIDA INTRASTATE SERVICES

Applicant has () or has not () previously provided intrastate telecommunications in Florida.

If the answer is has, fully describe the following:

a) What services have been provided and when did these services begin?

Not applicable.

b) If the services are not currently offered, when were they discontinued?

Not applicable.

UTILITY OFFICIAL:

David L. Bailey
Print Name


Signature

Chairman and Chief Executive Officer
Title

JAW 18, 2002
Date

(801) 350-2017
Telephone No.

(801) 933-5640
Fax No.

Address:

50 West Broadway, Suite 1100
Salt Lake City, UT 84101

Application of CeriStar, Inc.

LIST OF ATTACHMENTS

ATTACHMENT A

CORPORATE QUALIFICATIONS

Articles of Incorporation

ATTACHMENT B

TECHNICAL & MANAGERIAL QUALIFICATIONS

Organizational Chart

Biographies of Key Personnel

ATTACHMENT C

FINANCIAL QUALIFICATIONS

[THESE MATERIALS FILED UNDER SEAL]

Current Balance Sheet

Financial Statements

Certification of CeriStar's C.F.O.

Application of CeriStar, Inc.

**ATTACHMENT A:
CORPORATE QUALIFICATIONS**

Office of the Secretary of State

I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF INCORPORATION OF "CERISTAR, INC.", FILED IN THIS OFFICE ON THE SECOND DAY OF DECEMBER, A.D. 1999, AT 4:30 O'CLOCK P.M.

A FILED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE NEW CASTLE COUNTY RECORDER OF DEEDS.



A handwritten signature in cursive script, reading "Edward J. Freel".

Edward J. Freel, Secretary of State

3135375 8100

991516189

AUTHENTICATION: 0116269

DATE: 12-03-99

**CERTIFICATE OF INCORPORATION
OF
CERISTAR, INC.**

ARTICLE I. CORPORATE NAME

The name of the corporation is CeriStar, Inc. (the "Corporation").

ARTICLE II. ADDRESS AND REGISTERED AGENT

The street address of the initial registered office of the Corporation is:

1209 Orange Street
New Castle County
Wilmington, Delaware 19801

The name of its initial registered agent at such address is:

The Corporation Trust Company

ARTICLE III. PURPOSE

The Corporation is organized to acquire, develop, manufacture, produce, commercialize, market, sell and generally deal in new technologies and products involved in or related to the business of telecommunications and to engage in any activities related thereto, and to engage in any other lawful acts, activities and pursuits for which a corporation may be organized under the Delaware General Corporation Law.

ARTICLE IV. CAPITAL STOCK

CAPITALIZATION. The aggregate number of shares which the Corporation shall have authority to issue is fifty million (50,000,000) shares.

4.1. Designation of Classes.

4.1.1. One million five hundred thousand (1,500,000) shares have been designated Class A voting convertible preferred stock having a par value of one-tenth of one cent (\$.001) per share ("Class A Preferred Stock"). Three million five hundred thousand (3,500,000) shares have been designated Class B voting convertible preferred stock having a par value of one-tenth of one cent (\$.001) per share ("Class B Preferred Stock"). Five million (5,000,000) shares have been designated

Class C voting convertible preferred stock having a par value of one-tenth of one cent (\$.001) per share ("Class C Preferred Stock"). Forty million (40,000,000) shares have been designated common stock having a par value of one-tenth of one cent (\$.001) per share. Provided, however, that upon proper conversion of the outstanding shares of any class of Preferred Stock, the designation of capitalization for such converted Preferred Stock shall be reduced by the number of said Preferred Shares to zero and the stated capital for Common Shares shall be increased by the same number of shares. The capital stock of the corporation shall be issued as fully paid, and the private property of the shareholders shall not be liable for the debts, obligations or liabilities of the Corporation.

4.2. Rights and Preferences of Common Stock and Class A, Class B and Class C Preferred Stock.

4.2.1. Dividends. The holders of outstanding Class A, Class B and Class C Preferred Stock shall be entitled to receive in any fiscal year, only when, as and if declared by the Board of Directors, out of any funds at the time legally available, noncumulative dividends in cash at the rate of five cents (\$.05) per share of Class A, Class B and Class C Preferred Stock per annum.

4.2.1.1. Priority of Dividends. The Corporation shall make no distributions to the holders of common shares in any fiscal year unless dividends of at least fifty cents (\$.50) per share on Class A, Class B and Class C Preferred Stock shall first have been paid or set apart. "Distribution" in this paragraph means the transfer of cash or property without consideration, whether by way of dividend or otherwise (except a dividend in common shares of the Corporation or a subsidiary), or the purchase or redemption of shares of the Corporation for cash or property, but does not include repurchase of shares from a terminating director, officer, consultant, or employee within the terms of any employee restricted stock purchase agreement or option applicable to said director, officer, consultant, or employee or repurchase of shares purchased by any of them under any employee stock option plan containing provisions for repurchase under certain circumstances.

4.2.1.2. Dividends Not Cumulative. Dividends shall not accrue or accumulate unless and only to the extent they are declared but unpaid; nor shall any declared but unpaid dividend bear or accrue interest.

4.2.2. Liquidation Preference.

4.2.2.1. Basic Preference Rights. In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation:

(A) Payments to Class A, Class B and Class C Preferred Shareholders. The holders of shares of Class A, Class B and Class C Preferred Stock then outstanding shall be entitled to be paid ratably their respective liquidation preferences, as hereinafter defined, before any payment shall be made in respect of the Corporation's common stock. The liquidation preference for Class A Preferred Stock "Class A Liquidation Preference" shall be two dollars (\$2.00) per share plus all declared and unpaid dividends thereon to the date fixed for

distribution. The liquidation preference for Class B and C Preferred Stock ("Class B and C Liquidation Preference") shall be equal to the Initial Offering Price of said stock, plus all declared and unpaid dividends thereon to the date fixed for distribution. Said Initial Offering Price shall be established at the date and time of the first sale of said shares. Said Price shall be certified to the Board of Directors by the President and Secretary of the Corporation and shall thereupon be confirmed by the directors.

(B) Payments to Common Shareholder. Following payment in full of the Class A, Class B and Class C Liquidation Preference, the holders of shares of common stock shall be paid an amount per share equal to one-half ($\frac{1}{2}$) of the weighted average per share amount paid out or distributed per share to holders of Class A, Class B and Class C Preferred Stock as described in paragraph (A) above.

(C) Source of Liquidation Payment. The holders of stock shall be paid under this section out of the assets of the Corporation legally available for distribution to its stockholders, whether from capital, surplus or earnings.

(D) Should Assets Exceed Payments. The remaining assets of the Corporation available for distribution to stockholders after the payments described in subsections (A) and (B) above have been paid in full, shall be distributed among the holders of all the Corporation's stock. For purposes of this paragraph (D), holders of Class A, Class B and Class C Preferred Stock will share in this distribution in proportion to the number of common shares they would hold upon full conversion of their Class A, Class B and Class C Preferred Stock. Such distribution or payment shall be in equal proportion to each common share, including the common equivalent shares described in the immediately preceding sentence.

(E) Should Asset Be Insufficient. If upon liquidation, dissolution or winding up of the Corporation, the assets of the Corporation available for distribution to its shareholders shall be insufficient to pay the holders of Class A, Class B and Class C Preferred Stock the full Class A, Class B and Class C Liquidation Preferences, then payments to the holders of Class A, Class B and Class C Preferred Stock shall be made ratably according to the respective amounts which would be payable in respect of the shares held by them upon such distribution if all amounts payable on or with respect to said shares were paid in full. If the assets of the Corporation available for distribution are adequate to make full payments under paragraph (A) above, but insufficient to make full payments due under paragraph (B) above, then the remaining assets, if any, of the Corporation available for distribution to shareholders shall be distributed exclusively to the holders of common stock, each such issued and outstanding share of common stock entitling the holder thereof to receive an equal proportion of said remaining assets.

(F) Merger or Acquisition Included. With respect to the Class A, Class B and Class C Preferred Stock, the merger or consolidation of the Corporation into or with another

corporation (except with a wholly-owned subsidiary of the Corporation) or the sale, transfer or lease (but not including a transfer by pledge or mortgage to a bona fide lender) of all or substantially all of the assets of the Corporation, shall be deemed to be a liquidation, dissolution or winding up of the Corporation as those terms are used in this section 4.2.2.1. The Class A, Class B and Class C Preferred Stock shall have all of the rights set forth in this section 4.2.2.1. in the event of such merger, consolidation, sale, lease or transfer.

4.2.2.2. Notice. In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation, the Corporation shall give each holder of Class A, Class B and Class C Preferred Stock initial written notice of the proposed action within fifteen (15) days after the date the Board of Directors approves such action, or twenty (20) days prior to any shareholders' meeting called to approve such action, or twenty (20) days after the commencement of any involuntary proceedings, whichever is earlier.

(A) Content of Notice. Such initial written notice shall describe the material terms and conditions of the proposed action, including a description of the stock, cash and property to be received by the holders of shares of the Class A, Class B and Class C Preferred Stock upon consummation of the proposed action. If any material change in the facts set forth in the initial notice shall occur, the Corporation shall promptly give written notice to each holder of the Class A, Class B and Class C Preferred Stock of that material change.

(B) Notice Precedes Consummation. The Corporation shall not consummate any voluntary or involuntary liquidation, dissolution or winding up of the Corporation before the expiration of thirty (30) days after the mailing of the initial notice or ten (10) days after the mailing of any subsequent written notice, whichever is later. But any such 30-day or 10-day period may be shortened upon the written consent of the holders of all of the outstanding Class A, Class B and Class C Preferred Stock.

4.2.2.3. Non-Cash Distributions on Liquidation. In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation which will involve the distribution of assets other than cash, the Corporation shall promptly engage competent independent appraisers to advise the Board of Directors on the determination of the value of the assets to be distributed. The Corporation shall, upon receipt of such appraiser's advice or opinion and the determination of valuation by the Board of Directors, give prompt written notice to each holder of shares of Class A, Class B and Class C Preferred Stock of the appraiser's advice or opinion and the determination of valuation.

4.2.3. Conversion.

4.2.3.1. Conversion Rights.

(A) Optional Conversion of Class A Preferred Stock. Each share of Class A Preferred Stock shall be convertible, at the option of the holder thereof at any time after

December 31, 1999, into fully paid and non-assessable shares of common stock of the Corporation.

(B) Automatic Conversion of Class A Preferred Stock. Notwithstanding the provisions of paragraph (A), above, all outstanding shares of Class A Preferred Stock shall automatically be converted into fully paid and non-assessable shares of common stock of the Corporation at any time (1) immediately preceding (but conditional upon) the closing of an underwritten public offering of the common shares of the Corporation pursuant to a registration statement filed under the Securities Act of 1933, as amended, or a private placement of equity securities of the Corporation in a single transaction or related transactions where the price for each shares of common stock or common share equivalent in such offering or transaction shall be not less than six dollars (\$6.00) per share (adjusted for stock splits, stock dividends, reorganizations and the like) and with aggregate offering proceeds to the Corporation of at least ten million (\$10,000,000); or (2) immediately upon the vote, to take effect after December 31, 2000, in the manner provided by law, of holders of a majority of the total number of shares of Class A Preferred Stock voting at a meeting of shareholders called for the purpose of approving the conversion of the Class A Preferred Stock into common stock or by written notice to the Corporation by the holders of a majority of the then issued and outstanding shares of Class A Preferred Stock.

(C) Conversion Formula of Class A Preferred Stock. Each share of Class A Preferred Stock shall be valued at two dollars (\$2.00) for purposes of such optional or automatic conversion, notwithstanding any accrued but unpaid dividends. The number of shares of common stock into which each share of the Class A Preferred Stock may be converted shall be determined by dividing two dollars (\$2.00) by the Conversion Price (determined as provided below) in effect at the time of the conversion. The Corporation shall make all necessary payments as of the Conversion Date (as defined in section 4.2.3.3.(A) below on account of any dividends declared and thus accrued on the Class A Preferred Stock surrendered for conversion.

(D) Optional Conversion of Class B Preferred Stock. Each share of Class B Preferred Stock shall be convertible, at the option of the holder thereof at any time after December 31, 2000, into fully paid and non-assessable shares of common stock of the Corporation.

(E) Automatic Conversion of Class B Preferred Stock. Notwithstanding the provisions of paragraph (D), above, all outstanding shares of Class B Preferred Stock shall automatically be converted into fully paid and non-assessable shares of common stock of the Corporation at any time (1) immediately preceding (but conditional upon) the closing of an underwritten public offering of the common shares of the Corporation pursuant to a registration statement filed under the Securities Act of 1933, as amended, or a private placement of equity securities of the Corporation in a single transaction or related transactions where the price for each share of common stock or common share equivalent

in such offering or transaction shall be not less than six dollars (\$6.00) per share (adjusted for stock splits, stock dividends, reorganizations and the like) and with aggregate offering proceeds to the Corporation of at least ten million dollars (\$10,000,000); or (2) immediately upon the vote, to take effect after December 31, 2000, in the manner provided by law, of holders of a majority of the total number of shares of Class B Preferred Stock voting at a meeting of shareholders called for the purpose of approving the conversion of the Class B Preferred Stock into common stock or by written notice to the Corporation by the holders of a majority of the then issued and outstanding shares of Class B Preferred Stock.

(F) Conversion Formula of Class B Preferred Stock. Each share of Class B Preferred Stock shall be valued at the Initial Offering Price for Class B Preferred Stock as established under section 4.2.2.1(A) for purposes of such optional or automatic conversion, notwithstanding any accrue but unpaid dividends. The number of shares of common stock into which each share of the Class B Preferred Stock may be converted shall be determined by dividing said Initial Offering Price by the Conversion Price (determined as provided below) in effect at the time of the conversion. The Corporation shall make all necessary payments as of the Conversion Date (as defined in section 4.2.3.3.(A) below on account of any dividends declared and thus accrued on the Class B Preferred Stock surrendered for conversion.

(G) Optional Conversion of Class C Preferred Stock. Each share of Class C Preferred Stock shall be convertible, at the option of the holder thereof at any time after December 31, 2000, into fully paid and non-assessable shares of common stock of the Corporation.

(H) Automatic Conversion of Class C Preferred Stock. Notwithstanding the provisions of paragraph (G), above, all outstanding shares of Class C Preferred Stock shall automatically be converted into fully paid and non-assessable shares of common stock of the Corporation at any time (1) immediately preceding (but conditional upon) the closing of an underwritten public offering of the common shares of the Corporation pursuant to a registration statement filed under the Securities Act of 1933, as amended, or a private placement of equity securities of the Corporation in a single transaction or related transactions where the price for each share of common stock or common share equivalent in such offering or transaction shall be not less than six dollars (\$6.00) per share (adjusted for stock splits, stock dividends, reorganizations and the like) and with aggregate offering proceeds to the Corporation of at least ten million dollars (\$10,000,000); or (2) immediately upon the vote, to take effect after December 31, 2000, in the manner provided by law, of holders of a majority of the total number of shares of Class C Preferred Stock voting at a meeting of shareholders called for the purpose of approving the conversion of the Class C Preferred Stock into common stock or by written notice to the Corporation by the holders of a majority of the then issued and outstanding shares of Class C Preferred Stock.

(I) Conversion Formula of Class C Preferred Stock. Each share of Class C Preferred Stock shall be valued at the Initial Offering Price for Class C Preferred Stock as established under section 4.2.2.1.(A) for purposes of such optional or automatic conversion, notwithstanding any accrued but unpaid dividends. The number of shares of common stock into which each share of the Class C Preferred Stock may be converted shall be determined by dividing said Initial Offering Price by the Conversion Price (determined as provided below) in effect at the time of the conversion. The Corporation shall make all necessary payments as of the Conversion Date (as defined in section 4.2.3.3.(A) below) on account of any dividends declared and thus accrued on the Class C Preferred Stock surrendered for conversion.

4.2.3.2. Initial Conversion Price.

(A) Conversion Price of Class A Preferred Stock. The Conversion Price ("Class A Conversion Price") per share at which shares of Common Stock shall be initially issuable upon conversion of each share of Class A Preferred Stock shall be two dollars (\$2.00), subject to adjustment as provided in section 4.2.4. below.

(B) Conversion Price of Class B Preferred Stock. The Conversion Price ("Class B Conversion Price") per share at which shares of Common Stock shall be initially issuable upon conversion of each share of Class B Preferred Stock shall be the Initial Offering Price, subject to adjustment as provided in section 4.2.4. below.

(C) Conversion Price of Class C Preferred Stock. The Conversion Price ("Class C Conversion Price") per share at which shares of Common Stock shall be initially issuable upon conversion of each share of Class C Preferred Stock shall be the Initial Offering Price, subject to adjustment as provided in section 4.2.4. below.

4.2.3.3. Mechanics of Conversion. At any time prior to Automatic Conversion, but after December 31, 1999, as to Class A Preferred Stock after June 30, 2000, as to Class B Preferred Stock and after December 31, 2000, as to Class C Preferred Stock, the holders of any shares of said Class A, Class B or Class C Preferred Stock may convert such shares into shares of common stock as set forth hereinbelow.

(A) The holder of any shares of Class A, Class B or Class C Preferred Stock may exercise the conversion rights by delivering to the Corporation during regular business hours, at the office of any transfer agent of the Corporation for the Class A, Class B or Class C Preferred Stock, at the principal office of the Corporation, or at such other place as may be designated by the Corporation, the certificate or certificates for the shares to be converted. The certificates must be duly endorsed for transfer to the Corporation, accompanied by written notice stating that the holder elects to convert such shares. Conversion shall be deemed to have been effected on the date when such delivery is made, and such date is referred to as the "Conversion Date".

(B) As promptly as practicable thereafter, the Corporation shall issue and deliver upon the written order of such holder, at a place designated by the Corporation, a certificate for the number of full shares of common stock to which such holder is entitled as the Corporation may elect, rounding to the next higher whole number of common shares or accompanied by a check for cash with respect to any fractional interest in a share of common stock as provided in section 4.2.3.4, below.

(C) The holder shall be deemed to have become a shareholder or record on the applicable Conversion Date unless the transfer books of the Corporation are closed on that date. In such event, he shall be deemed to have become a shareholder of record on the next succeeding date on which the transfer books are open, but the Class A, Class B, or Class C Conversion Price shall be that in effect on the Conversion Date.

(D) Upon conversion of only a portion of the number of shares of Class A, Class B or Class C Preferred Stock represented by a certificate surrendered for conversion, the Corporation shall issue and deliver upon the written order of the holder at the expense of the Corporation, a new certificate covering the number of shares of Class A, Class B or Class C Preferred Stock representing the unconverted portion of the certificate so surrendered.

4.2.3.4. No Fractional Shares. The Corporation shall issue to fractional shares of common stock or script upon conversion of shares of Class A, Class B or Class C Preferred Stock. If more than one share of Class A, Class B or Class C Preferred Stock shall be surrendered for conversion at any one time by the same holder, the number of full shares of common stock issuable upon their conversion shall be computed on the basis of the aggregate number of shares of Class A, Class B or Class C Preferred Stock so surrendered. Instead of any fractional share of common stock which would otherwise be issuable upon conversion of any shares of Class A, Class B or Class C Preferred Stock, the Corporation shall pay a cash adjustment in respect of such fractional shares.

4.2.3.5. Taxes Incident to Conversion. The Corporation shall pay any and all issue taxes and other taxes that may be payable in respect of any issue or delivery of shares of common stock on conversion of Class A, Class B or Class C Preferred Stock. The Corporation shall not be required to pay any tax which may be payable in respect of any transfer involved in the issue and delivery of shares of common stock in a name other than that in which the Class A, Class B or Class C Preferred Stock so converted was registered and no such issue or delivery shall be made unless and until the person requesting such issue has paid to the Corporation the amount of any such tax, or has established, to the satisfaction of the Corporation, that such tax has been paid.

4.2.3.6. Sufficient Reserves of Common Stock. The Corporation shall at all times reserve and keep available, out of its authorized but unissued common stock, solely for the purpose of effecting the conversion of the Class A, Class B or Class C Preferred Stock, the full number of shares of common stock deliverable upon the conversion of all Class A, Class B or Class C Preferred Stock from time to time outstanding.

4.2.3.7 Registration of Reserves. If any shares of capital stock to be reserved for the purpose of conversion of the shares of Class A, Class B or Class C Preferred Stock required registration, listing with, or approval or, any governmental authority, stock exchange or other regulatory body under any federal or state law or regulation or otherwise, before such shares may be validly issued or delivered upon conversion, the Corporation will in good faith and as expeditiously as possible endeavor to secure such registration, listing or approval.

4.2.3.8. Valid Issue for Conversion All shares of common stock which may be issued upon conversion of the shares of Class A, Class B or Class C Preferred Stock, upon issuance by the Corporation, will be validly issues, fully paid, non-assessable and free from all taxes, liens and charges with respect to their issuance.

4.2.3.9 Cancellation of Preferred Stock on Conversion. All certificates of the Class A, Class B or Class C Preferred Stock surrendered for conversion shall be appropriately canceled on the books of the Corporation, and the shares of Class A, Class B or Class C Preferred Stock so converted represented by such certificates shall be permanently canceled.

4.2.4 Adjustment of Conversion Price.

4.2.4.1. Anti-Dilution Adjustment. The Conversion Price in effect at any time shall be adjusted from time to time as provided in this section.

4.2.4.2. Stock Splits or Stock Dividends. In case the Corporation shall at any time subdivide the outstanding shares of common stock, or shall issue a stock dividend on its outstanding common stock, the Conversion Price in effect immediately prior to such subdivision or the issuance of such dividend shall be proportionately decreased. An in case the Corporation shall at any time combine the outstanding shares of common stock, the Conversion Price in effect immediately prior to such combination shall be proportionately increased, effective at the close of business on the date of such subdivision, dividend or combination.

4.2.5 Assistance. The Corporation will at all times in good faith assist in the carrying out of all the provisions hereof and in taking all action necessary or appropriate in order to protect the conversion rights of the holders of the Class A, Class B and Class C Preferred Stock against impairment.

4.2.6. Certificate as to Adjustments.

4.2.6.1. Upon the occurrence of each adjustment of the Conversion Price pursuant to section 4.2.4, the Corporation at its expense shall promptly compute such adjustment and prepare and furnish to each holder of Class A, Class B and Class C Preferred Stock a certificate setting forth such adjustment or readjustment and showing in detail the facts upon which such adjustment or readjustment is based.

4.2.6.2 Upon the written request at any time of any holder of Class A, Class B or Class C Preferred Stock, the Corporation shall furnish to such holder a like certificate setting forth (A) such adjustments, (B) the Conversion Price at the time in effect, and (C) the number of shares of common stock and the amount, if any, of other property which at the time would be received upon the conversion of Class A, Class B or Class C Preferred Stock.

4.2.7 Notice of Record Dates. In the event:

4.2.7.1. That the Corporation shall take a record of the holders of its common stock for the purpose of entitling them to receive a dividend, or any other distribution, payable otherwise than in cash; or

4.2.7.2. That the Corporation shall take a record of the holders of its common stock for the purpose of entitling them to subscribe for or purchase any shares of stock of any class or to receive any other rights; or

4.2.7.3 Of any capital reorganization of the Corporation, reclassification of the capital stock of the Corporation (other than a subdivision or combination of its outstanding shares of common stock), consolidation of its outstanding shares of common stock), consolidation, or merger of the Corporation with or into another corporation or conveyance of all or substantially all of the assets of the Corporation to another corporation; or

4.2.7.4. Of the voluntary or involuntary dissolution, liquidation or winding up of the Corporation;

the Corporation shall cause to be mailed to the transfer agent for the Class A, Class B or Class C Preferred Stock, and to the holders of record of the outstanding Class A, Class B or Class C Preferred Stock, at least twenty (20) days prior to the date specified therein, a notice stating the date on which that record is to be taken or that event is to take place. The notice shall also specify the date, if any is to be fixed, as of which holders of common stock of record shall be entitled to exchange their shares of common stock for securities or other property deliverable upon such reclassification, reorganization, consolidation, merger, conveyance, dissolution, liquidation or winding up; or

4.2.8 Form of Notices. Any notice required by the provisions of these Articles to be given to the holders of shares of Class A, Class B or Class C Preferred Stock shall be deemed given if delivered personally or if deposited in the United States Mail, certified or registered mail, return receipt requested, postage prepaid, and addressed to each holder or record at his address appearing on the books of the Corporation.

4.2.9 Voting. The shares of Class A, Class B and Class C Preferred Stock shall be voted with the shares of Corporation's common stock any annual or special meeting of share holders of the Corporation. In all such instances, each holder of the Class A, Class B and Class C Preferred

Stock shall be entitled to a number of votes equal to the number of shares of common stock into which his shares of Class A, Class B or Class C Preferred Stock would be convertible, pursuant to section 4.2.3. of these Articles, on the record date set for such annual or special meeting.

4.2.10 Amendments and Changes. As long as any of the Class A, Class B or Class C Preferred Stock shall be issued and outstanding, the Corporation may not take any of the actions listed below without first obtaining the approval (by vote or written consent, as provided by law) of the holders of more than fifty percent (50%) of the total number of shares of Class A Preferred Stock, Class B Preferred Stock, or Class C Preferred Stock, respectively, entitled to vote at a meeting of shareholders called for the purposes listed below:

4.2.10.1 Amend or repeal any provision of, or add any provision to, the Corporation's Articles of Incorporation as amended hereby, if such action would alter or change the preferences, rights, privileges, powers, or the restrictions provided for the benefit of the Class A Preferred Stock, Class B Preferred Stock, or Class C Preferred Stock as the case may be.

4.2.10.2 Authorize, create or issue shares of any class of stock, any bonds, debentures, notes, or other obligations convertible into or exchangeable for or having option rights to purchase, any shares or stock of the Corporation having any preference or priority as to dividends or assets or a parity with or superior to any preferences or priority of the Class A Preferred Stock, the Class B Preferred Stock or the Class C Preferred Stock, as the case may be.

4.2.10.3 Reclassify any outstanding share into shares having any preference or priority as to dividends or assets superior to or on a parity with any such preference or priority of Class A Preferred Stock, with any such preference or priority of Class A Preferred Stock, the Class B Preferred Stock, or the Class C Preferred Stock, as the case may be.

4.2.10.4 Merge or consolidate with or into any other corporation or corporations, sell or otherwise dispose of all or substantially all of the assets of the Corporation, or enter into any other reorganization of the Corporation which involves the transfer, in a transaction or series of related transactions, of 50 percent or more of the voting power of the Corporation, unless in any such merger, consolidation, sale, disposition or reorganization each holder of Class A Preferred Stock received for each share of Class A Preferred Stock cash, and/or any debt securities having a value of at least two dollars (\$2.00) per share of Class A Preferred Stock, as presently constituted, or as to Class B Preferred Stock, each holder receives for each share of Class B Preferred Stock cash, and/or any debt securities having a value of at least the Initial Offering Price of said stock (as established under section 4.2.2.1(A) hereof) per share of Class B Preferred Stock, as presently constituted, or as to Class C Preferred Stock, each holder receives for each share of Class C Preferred Stock, cash and/or any debt securities having a value of at least the Initial Offering Price of said stock (as established under section 4.2.2.1(A) hereof) per share of Class C Preferred Stock, as presently constituted. The value of debt securities in such transaction shall be established by the determination of the Board of Directors in good faith.

4.2.10.5. Amend this paragraph 4.2.10

4.2.10.6 Nothing in this section 4.2.10 shall limit or diminish any voting rights or rights or approval held by the holders of Class A Preferred Stock, Class B Preferred Stock or Class C Preferred Stock under applicable law.

ARTICLE V. LIMITATION OF LIABILITIES

To the fullest extent permitted by the Delaware law or any other applicable law as now in effect or as it may hereafter be amended, a director of the Corporation shall not be personally liable to the Corporation or its shareholders for monetary damages for any action taken or any failure to take any action, as a director.

ARTICLE VI. INDEMNIFICATION

The Corporation shall indemnify all officers and directors of the Corporation against all liability for any action taken or any failure to take action to the fullest extent permitted by the Delaware law or any other applicable law as now in effect or as it may hereafter be amended.

ARTICLE VII. BOARD OF DIRECTORS

The number of directors constituting the initial Board of Directors of the Corporation shall be three. The names and address of the persons who are to serve as directors until the first meeting of the shareholders or until their successors are elected and shall qualify as follows:

David L. Bailey	50 West Broadway, Suite 450 Salt Lake City, Utah 84101
Kent L. Gilson	1192 East Draper Parkway Draper, Utah 84020
Dane P. Goodfellow	50 West Broadway, Suite 450 Salt Lake City, Utah 84101

ARTICLE VIII - NAME AND ADDRESS OF INCORPORATOR

The name and address of the incorporator is:

Randall A. Mackey
Mackey Price & Williams
170 South Main Street, Suite 900
Salt Lake City, Utah 84101-1655

I, the undersigned, being the incorporator, for the purpose of forming a corporation under the laws of the state of Delaware, do make, file and record this Certificate of Incorporation and certify that the facts stated herein are true.

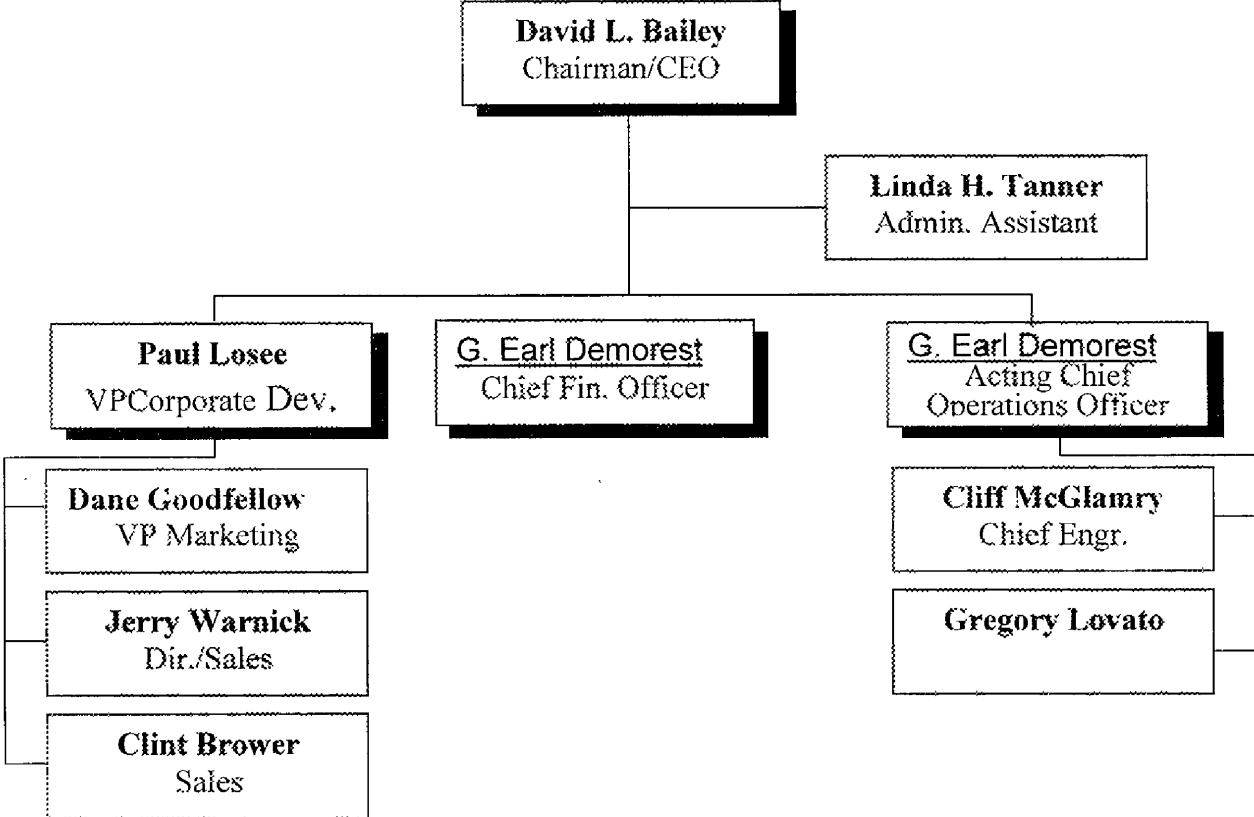


Randall A. Mackey, Incorporator

Attachment B

TECHNICAL & MANAGERIAL QUALIFICATIONS

CeriStar Organizational Chart



MANAGEMENT BIOGRAPHIES

CeriStar, Inc. has assembled an outstanding and experienced team of industry professionals to achieve its mission of market leadership. The founding executive team held key technical, marketing and financial positions at leading technological companies. The following summaries highlight management's extensive background:

David L. Bailey, Chairman & CEO – served as Chairman of the Board, President and Chief Executive Officer of Ceristar since 1999. Prior to that time, Mr. Bailey served as managing partner of the DLB Group, a limited liability corporation that marketed and sold computer software and telecommunications products. He served as Chairman/CEO of VZ Corp., a software development company - Chairman/CEO of Clyde Digital Systems (Raxco) the Axent Corporation, a software security development company - Chairman/CEO of Cericor, a developer of CAD/CAM software - sold to Hewlett-Packard for \$38 million - and most recognized the Lead Founder/President /CEO of Iomega, Inc. currently valued at over \$1 billion. He was selected as Entrepreneur Of The Year in 1988 by the Mountain West Venture Group in Salt Lake City for inventions connected to Iomega. Dave holds 4 U.S. Patents.

Dave also spent 15 years engineering and managing engineers for the IBM corporation. He has been honored with a distinguished alumnus award in Electrical Engineering from Utah State University. Dave received his B.S.E.E. and M.S.E.E. degrees from Utah State University.

Dane Goodfellow, Vice President of Marketing - has 25 years experience in Sales/Marketing Management with high-tech companies. For years he held numerous Executive Sales/Marketing positions with the IBM Corporation. Since IBM he has served as VP Sales/Marketing for Ceristar, the DLB Group, Viewpoint Inc., VZ Corp, View Soft Inc., and the PPI Group.

Dane has also consulted in various economic development initiatives for Utah and California. Most recently, he is the cofounder of the Utah Electronic Commerce Partnership - an initiative focused on the future of the Internet and telecommunications revolution. Dane currently serves as Vice Chair of the Utah Partnership for Education and Economic Development, a director of New Horizons Minority Organization, and a director of the Governor's Economic Development Task Force.

Dane received his B.A. in Economics from Georgetown University and a M.B.A. from George Washington University.

Earl Demorest, Chief Financial Office and Chief Operations Officer - has had a diverse and wide range of professional experiences. As an entrepreneur, he has started and managed two separate start-up companies. Most recently, Earl has been a Partner in the DL Group, a telecommunication marketing company. He has designed and implemented a complete range of accounting life cycles from A/R, COGS, Ledger control, WIP control, to the collecting of bad debt.

He received his BS in Accounting from Weber State University, Ogden, Utah, and an MSM from Lesley College, Cambridge Massachusetts. Along with traditional education, Earl has attended many military training courses while serving the USAF as a Missile Launch Officer. These consist of. Squadron Officer School, Officers Leadership Training, Flight Commanders Training, Nuclear Readiness Training.

Paul Losee, Vice President of Corporate Development - has extensive management experience in R&D, QA, Market Research, and Channel Development with 7 years executive experience in marketing and technology start-up companies utilizing the Internet.

Paul has recently served as Chief Operating Officer for two startup companies, XBoundary.com and IQ Telecommunications, Inc. In the high tech startup space he worked with leaders at Harvard University and senior executives at Microsoft, GTE Internetworking, Oracle, USWeb/CKS, Electric Lightwave, Perot Systems and many smaller vendors.

Paul was the president and founder of M+, Inc., a marketing consultancy firm from 1994-1998. This company conducted and participated in research projects for Fortune 100, mid range, and start-up companies including: Iomega, Keytronic, P&G, Kodak, Minnesota Mutual Life Insurance, Cardinal Technology, Nutraceutical, Royal Bank of Canada, Chrysler, and others.

He was one of 13 original founders of Iomega Corporation, where he worked from 1980 to 1994. He received 5 U. S. patents which formed the foundation of Iomega's Bernoulli Technology and Zip products and held senior level management positions in Research & Development, Quality Assurance, Market Research, Competitive Analysis, and Market Channel Development.

Paul started his career at IBM in 1974 as a design engineer in development of IBM MSS3850 product, the largest library storage device built during the 1970s. He was awarded two IBM digital storage related patents and published two articles in the IBM Technical disclosure bulletin and managed the Magnetic Head Development Group at Tucson R&D Laboratory.

Paul has a Bachelor of Science degree in Mechanical Engineering from Brigham Young University, Provo, Utah, 1974.

Clint Brower, *National Account Manager* - has over 12 years of technical sales and marketing experience with Iomega, Tamarack Funding Corporation, Supercom/Clarent, I-Link. Experience in Bandwidth, Voice Over Internet Protocol (VoIP), Integrated Internet Solutions and long distance sales. Has experience in advertising, organizational planning, company imaging and startup capital acquisition. Sales and Marketing Director for Tamarack Funding Corporation in Dallas, Texas. Hired, trained, and managed sales Reps in the telephony, computer hardware and financial services industries.

Education - Weber State University; Major: Technical Sales and Marketing, Minor: Computer Science

Cliff McGlamry, *Director of Strategic Operations* - started his career as a Naval Flight officer in the United States Navy. Following almost nine years of military service, he rejoined the civilian sector in 1992 and started a Telecomm and Utilities consulting firm based out of Atlanta, GA. In 1993, Mr. McGlamry started a cellular telephone company as President/CEO in Atlanta that grew to be recognized as one of the 20 largest cellular resale operations in the United States. Using the experience gained there, he went back into consulting where he built large scale applications that combine the power of IVR, web, and multiple database technologies to create solutions for Government organizations, major automobile manufacturers, major consumer electronics manufacturers, one of the largest medical software companies in the world, and one of the Regional Bell Operating Companies. Using the experience gained in these ventures, he joined I-Link as Manager of the Customer Premise Equipment Development team.

In February, 2001, Mr. McGlamry accepted an offer to provide strategic industry guidance to Ceristar as a member of the Ceristar team. Mr. McGlamry has a BBA in Accounting and Finance from Georgia State University.

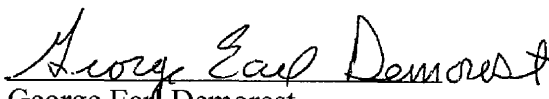
ATTACHMENT C

FINANCIAL QUALIFICATIONS

[THESE MATERIALS FILED UNDER SEAL]


VERIFICATION

I, George Earl Demorest, hereby declare under penalty of perjury that I am the Chief Financial Officer for CeriStar, Inc., and that I am authorized to make this verification on its behalf. I further certify that I have read the foregoing financial documents, including Ceristar's most recent balance sheet, and know the contents thereof, and that these financial documents were prepared in accordance with Generally Accepted Accounting Principles ("GAAP"), and are true and correct to the best of my own knowledge and belief,

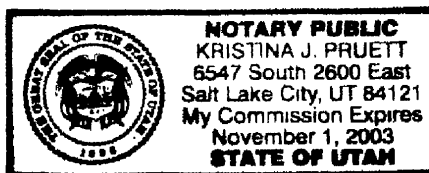

George Earl Demorest
Chief Financial Officer
CeriStar, Inc.

Subscribed and sworn to before me

this 21 day of January, 2002.



Notary Public



My Commission Expires: 11-1-2003