

**BEFORE THE PUBLIC SERVICE COMMISSION
STATE OF MISSOURI**

In the Matter of the Application of)
Reduced Rate Long Distance, LLC and) Case No. _____
Horizon Telecom, Inc. for Approval of a) _____
Transfer of Assets)

JOINT APPLICATION

COME NOW Reduced Rate Long Distance, LLC ("RRLD") and Horizon Telecom, Inc. ("Horizon") (together "Applicants"), pursuant to Section 392.300.1, RSMo, 4 CSR 240-2.060 and 4 CSR 240-3.525, by and through undersigned counsel, and hereby jointly request Commission approval of a transaction whereby, pursuant to an Asset Purchase Agreement (the "Agreement"), RRLD will acquire substantially all of the assets of Horizon, including, but not limited to, Horizon's customer accounts in this State (the "Acquisition").

Applicants respectfully submit that the timely completion of the Acquisition is necessary to ensure uninterrupted service to Horizon's customers. Horizon will continue to provide service to its customers until such time as the Commission approves the transaction and this Application.

In support of this Application, Applicants submit the following:

I. THE PARTIES

1. RRLD is a Nevada limited liability company with principal offices located at 1800 Pembroke Drive, Suite 300, Orlando, FL 82810. The nature of RRLD's business is the provision of telecommunications services. RRLD was granted certificate of service authority by the Commission to provide interexchange telecommunications services in Case No. TA-2002-55, in an *Order Approving Interexchange Certificate of Service Authority*

and *Order Approving Tariff* dated September 18, 2001 (effective September 26, 2001).¹ A copy of a certificate of good standing for RRLD from the Missouri Secretary of State, as required by 4 CSR 240-2.060(1)(C), is attached to this Application as **Exhibit A**.

2. Horizon is a Nevada corporation with principal offices located at 3993 Howard Hughes Parkway, Suite 250, Las Vegas, NV 89169. The nature of Horizon's business is the provision of telecommunications services. Horizon was granted certificate of service authority by the Commission to provide interexchange telecommunications services in Case No. XA-2003-0180, in an *Order Approving Interexchange Certificate of Service Authority and Order Approving Tariff* dated December 23, 2002 (effective December 27, 2002).² A copy of a certificate of good standing for Horizon from the Missouri Secretary of State, as required by 4 CSR 240-2.060(1)(C), is attached to this Application as **Exhibit B**.

II. DESIGNATED CONTACTS

3. Correspondence or communications pertaining to this Application should be directed to:

William Steinmeier
Mary Ann (Garr) Young
William D. Steinmeier, P.C.
2031 Tower Drive
P.O. Box 104595
Jefferson City, MO 65110-4595
Telephone: (573) 859-8672
Facsimile: (573) 636-2305
Email: wds@wdspsc.com
myoung0654@aol.com

with copies to:

Leon Nowalsky, Esq.
Nowalsky, Bronston & Gothard

¹ Tariff File No. 200200077; Tracking Nos. JX-2003-0830, JX-2007-0281.

² Tariff File No. JX-2003-1104; Tracking Nos. JX-2003-1104, JX-2003-1880.

A Professional Limited Liability Company
3500 North Causeway Boulevard, Suite 1442
Metairie, Louisiana 70002
Telephone: (504) 832-1984
Fax: (504) 831-0892
Inowalsky@nbglaw.com

III. DESCRIPTION OF THE PROPOSED TRANSACTION

4. The Acquisition contemplates the following:

- a. RRLD will receive ownership, right, title and interest in and to substantially all of Horizon's assets, including its customer accounts, as defined in the Agreement.
- b. Horizon will receive the purchase price set forth in the Agreement.

5. The Acquisition will not change the rates, terms and conditions under which Horizon's customers will receive service. The Acquisition benefits Horizon customers by providing them assurances that they will continue to receive the same high quality services previously rendered to them. In compliance with applicable law, customers of Horizon will be informed of the Acquisition.³ Accordingly, approval of the Acquisition will not in any way be detrimental to the public interest.

6. RRLD is well-qualified to consummate the transactions which are the subject of this Application. The technical, managerial and financial personnel of Horizon will assist RRLD with the transition and integration of the acquired Assets after consummation of the transaction.

7. Because RRLD will acquire substantially all of the assets of Horizon and Horizon will thereafter cease operations in this State, Horizon will no longer require authority to provide service in Missouri. Applicants therefore respectfully request that the Commission cancel Horizon's certificate of authority and intrastate tariff(s) upon

consummation of the transaction, as well as any other relief necessary and appropriate to effectuate the transaction.

IV. PUBLIC INTEREST CONSIDERATIONS

8. Crucial to the Acquisition is the need to ensure the continuation of high quality, uninterrupted service to all customers currently served by Horizon. The Acquisition will serve the public interest in that it will ensure that current Horizon customers maintain uninterrupted service.

9. The Acquisition will not have any detrimental impact on Horizon's customers. In particular, the Acquisition will not cause any change to the rates, terms and conditions of service that Horizon's customers receive. If necessary, RRLD will incorporate such rates, terms and conditions into its tariffs by separate filing.

10 The Acquisition will also serve to create a heightened level of operating efficiency which generally will serve to enhance the overall capacity of RRLD to compete in the marketplace and to provide telecommunications services for a greater number of consumers in this State at competitive rates.

V. RESPONSES TO 4 CSR 240-3.520

11. Applicants have complied with the requirements of the Commission's rules at 4 CSR 240-3.520 as follows:

(A) Brief Description of the Property Involved: Approximately 489 Interexchange service customers of Horizon in Missouri. RRLD has approximately 593 Missouri customers before the proposed transaction.

(B) Contract or Agreement of Sale: Copy attached as **Exhibit D (HC)**.

(C) Verification of Authority of Person Signing: Requirement not applicable per 4 CSR 240-3.520(1).

(D) Reasons not Detrimental to the Public Interest: Please see Section IV., above.

(E) Balance Sheet and Income Statement: Requirement not applicable per 4 CSR 240-3.525(1).

(F) Tax Impact: None. The proposed transaction will have no impact on the tax revenues of any political subdivision of the state. The transaction does not involve the sale or disposition of any structures, facilities or equipment.

(G) Customer Notice: See **Exhibit C** for form of customer notice.

VI. ADDITIONAL INFORMATION REQUIRED BY RULES

12. Pursuant to the requirements of 4 CSR 240-2.060(K), Applicants state that they do not have any pending action or unsatisfied final judgments or decisions against them in any state or federal agency or court which involve customer service or rates, which action, judgment or decision occurred within the last three (3) years.

13. Pursuant to the requirements of 4 CSR 240-2.060(L), Applicants state that, to the best of their knowledge, they have no annual report or assessment fees that are overdue.

VII. CONCLUSION

For the reasons stated above, Applicants respectfully submit that grant of this Application will not be detrimental to the public interest. In fact, Applicants believe and assert that approval of the instant Application will, in fact, advance the public interest, convenience and necessity. In light of the benefits that will result from the proposed transaction, Applicants respectfully request prompt review and approval of this Application and all other relief necessary or appropriate to effectuate the proposed transfer of assets.

WHEREFORE, for the reasons stated herein, Applicants respectfully request the Commission approve the transaction between Horizon and RRLD, authorize RRLD and Horizon to consummate the transaction as soon as possible and grant the other relief specifically requested herein.

Respectfully submitted,

/s/ William D. Steinmeier

William D. Steinmeier, MoBar #25689
Mary Ann (Garr) Young, MoBar #27951
WILLIAM D. STEINMEIER, P.C.
2031 Tower Drive
P.O. Box 104595
Jefferson City, Missouri 65110-4595
Phone: 573-659-8672
Fax: 573-636-2305
Email: wds@wdspc.com
myoung0654@aol.com

ATTORNEYS FOR
REDUCED RATE LONG DISTANCE, LLC
AND HORIZON TELECOM, INC.

Dated: May 27, 2008

Certificate of Service

I hereby certify that a copy of this document has been electronically transmitted to the Office of the General Counsel of the Missouri Public Service Commission, and to the Office of Public Counsel, on this 27th day of May 2008.

/s/ William D. Steinmeier

William D. Steinmeier

**REDUCED RATE LONG DISTANCE, LLC
and
HORIZON TELECOM, INC.**

EXHIBIT A

**Certificate of Authority
from
Missouri Secretary of State
Reduced Rate Long Distance, LLC**

STATE OF MISSOURI



Robin Carnahan
Secretary of State

**CORPORATION DIVISION
CERTIFICATE OF GOOD STANDING**

I, ROBIN CARNAHAN, Secretary of the State of Missouri, do hereby certify that the records in my office and in my care and custody reveal that

REDUCED RATE LONG DISTANCE LLC

using in Missouri the name

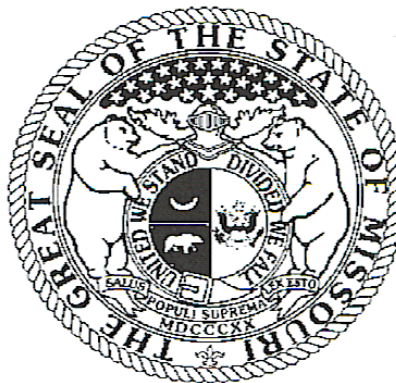
**REDUCED RATE LONG DISTANCE LLC
FL0050216**

a NEVADA entity was created under the laws of this State on the 20th day of April, 2001, and is in good standing, having fully complied with all requirements of this office.

IN TESTIMONY WHEREOF, I have set my hand and imprinted the GREAT SEAL of the State of Missouri, on this, the 29th day of April, 2008

A handwritten signature in cursive script that reads "Robin Carnahan".

Secretary of State



Certification Number: 10704736-1 Reference:
Verify this certificate online at <http://www.sos.mo.gov/businessentity/verification>

**REDUCED RATE LONG DISTANCE, LLC
and
HORIZON TELECOM, INC.**

EXHIBIT B

**Certificate of Authority
from
Missouri Secretary of State
Horizon Telecom, Inc.**

STATE OF MISSOURI



Robin Carnahan
Secretary of State

**CORPORATION DIVISION
CERTIFICATE OF GOOD STANDING**

I, ROBIN CARNAHAN, Secretary of the State of Missouri, do hereby certify that the records in my office and in my care and custody reveal that

HORIZON TELECOM, INC.

using in Missouri the name

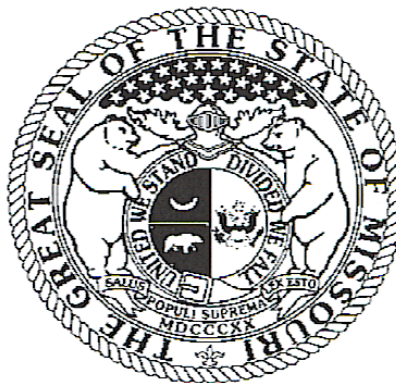
**HORIZON TELECOM, INC.
F00510058**

a NEVADA entity was created under the laws of this State on the 17th day of June, 2002, and is in good standing, having fully complied with all requirements of this office.

IN TESTIMONY WHEREOF, I have set my hand and imprinted the GREAT SEAL of the State of Missouri, on this, the 29th day of April, 2008

A handwritten signature in cursive script that reads "Robin Carnahan".

Secretary of State



Certification Number: 10704737-1 Reference:
Verify this certificate online at <http://www.sos.mo.gov/businessentity/verification>

**REDUCED RATE LONG DISTANCE, LLC
and
HORIZON TELECOM, INC.**

EXHIBIT C

Notice to Customers

[Reduced Rate logo here]

Reduced Rate Long Distance, LLC

Horizon Telecom, Inc.

_____, 2008

Dear Customer:

Reduced Rate Long Distance, LLC ("RRLD") and Horizon Telecom, Inc. ("Horizon") have entered into an Asset Purchase Agreement, whereby designated telecommunications assets of Horizon will be acquired by RRLD, and RRLD will become your interstate, international and intrastate telecommunications service provider for long distance services. RRLD anticipates this happening on or before March 15, 2008.

This change in ownership will not affect or in any way disrupt your current service. **Your rates and the terms and conditions under your existing contract will not change as a result of the transaction.** No charges or fees will be imposed and no rate increase will occur as a result of this transaction. RRLD will inform you, by separate mailing, of any post-transaction changes which may occur.

We realize you have a choice of carriers. Subject to the terms and conditions of your existing contract with Horizon, including applicable termination penalties, you have the right to choose a different carrier for your services. Please note that if you are a customer of Horizon on the date of the transfer and you have not informed Horizon that you have made arrangements to switch to a carrier other than RRLD, your services will automatically be transferred and your account assigned to RRLD. Also, if you have placed a "freeze" on the services to prevent the unauthorized transfer of your services to another carrier, the freeze will be lifted and your services will be transferred to RRLD. You must contact your local exchange carrier to re-establish freeze protection for your Services after the transfer. If you have any questions, please call one of RRLD's Customer Service Representatives at (866) 367-7753.

RRLD will be responsible for all customer complaints prior to and during the closing.

We at RRLD are pleased to welcome you to our team and would like to express our appreciation for allowing us the opportunity to be your telecommunication service provider. We are confident that you will be pleased with the high quality of our service.

Yours faithfully,

Reduced Rate Long Distance, LLC

Horizon Telecom, Inc.

**REDUCED RATE LONG DISTANCE, LLC
and
HORIZON TELECOM, INC.**

EXHIBIT D

Asset Purchase Agreement

(Being filed separately as “Highly Confidential”)

HC