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October 9, 2002

Missouri Public Service Commission
Attn: Secretary of the Commission
200 Madison Street, Suite 100
P. O. Box 360
Jefferson City, MO 65102-0360

FILED³

OCT 09 2002

Missouri Public
Service Commission

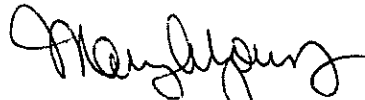
RE: Case No. TM-2002-368
Joint Application for Approval of a Transaction whereby The Phone Connection,
Inc. dba Affordable Phone Company will acquire the customers of Payroll
Advance, Inc.

Dear Secretary:

Enclosed for filing with the Commission please find an original and five copies of the
Joint Applicants' Status Report for filing with the Commission in the above-referenced
case.

Thank you for assistance in the processing this filing. Copies are being served on
the Commission's General Counsel and Office of the Public Counsel. Please contact me
at 634-8109 if there are any questions.

Sincerely,



Mary Ann (Garr) Young

Enclosure

cc: General Counsel
Office of the Public Counsel
Don Beckwith

FILED³
OCT 09 2002

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

Missouri Public
Service Commission

In the Matter of the Joint Application of
Payroll Advance, Inc. and
The Phone Connection, Inc.
dba Affordable Phone Company
for Approval of a Transaction Whereby
The Phone Connection, Inc.
dba Affordable Phone Company
will acquire the customers of
Payroll Advance, Inc.

Case No. TM-2002-368

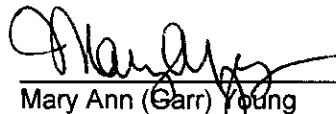
STATUS REPORT

COME NOW Payroll Advance, Inc. (Payroll), and The Phone Connection, Inc. dba Affordable Phone Company (Affordable), Joint Applicants herein, by their undersigned counsel, and for their Status Report in response to the Commission's ORDER DIRECTING FILING OF STATUS REPORT issued September 5, 2002, respectfully state as follows:

The transfer of assets from Payroll Advance, Inc. to The Phone Connection dba Affordable Phone Company (Affordable) has not yet taken place. Affordable was granted a certificate of service authority in Case No. TA-2002-367 by Order issued July 2, 2002, and Affordable is in the process of negotiating resale agreements with incumbent local exchange companies in Payroll Advance's service area. Upon filing and approval of those agreements and of Affordable's tariff, the transfer of customers will be scheduled, and appropriate notification of customers and the Commission will be provided.

WHEREFORE, Applicants respectfully submit this Status Report.

Respectfully submitted,

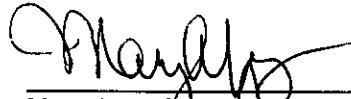


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COUNSEL FOR PAYROLL ADVANCE, INC. AND THE
PHONE CONNECTION, INC. DBA
AFFORDABLE PHONE COMPANY

Certificate of Service

I hereby certify that a copy of this document has been hand delivered or mailed by first class mail, postage prepaid, to the Office of the General Counsel of the Missouri Public Service Commission, and to the Office of Public Counsel, on this 9th day of October 2002.



Mary Ann (Garr) Young