

# NEWMAN, COMLEY & RUTH

PROFESSIONAL CORPORATION  
ATTORNEYS AND COUNSELORS AT LAW  
MONROE BLUFF EXECUTIVE CENTER  
601 MONROE STREET, SUITE 301  
P.O. BOX 537  
JEFFERSON CITY, MISSOURI 65102-0537  
www.ncrpc.com

TELEPHONE: (573) 634-2266  
FACSIMILE: (573) 636-3306

ROBERT K. ANGSTEAD  
MARK W. COMLEY  
CATHLEEN A. MARTIN  
STEPHEN G. NEWMAN  
JOHN A. RUTH  
J. MATTHEW SHELLENBERGAR  
ALICIA EMBLEY TURNER

May 15, 2003

**FILED<sup>3</sup>**

**MAY 15 2003**

**Missouri Public  
Service Commission**

The Honorable Dale Hardy Roberts  
Secretary/Chief Regulatory Law Judge  
Missouri Public Service Commission  
P.O. Box 360  
Jefferson City, MO 65102-0360

Re: WorldxChange Corp. and Local Telecom Holdings, LLC, d/b/a Transpoint Communications

Dear Judge Roberts:

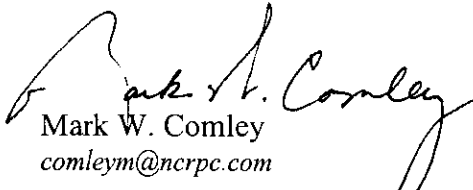
Please find enclosed for filing on behalf of WorldxChange Corp. and Local Telecom Holdings, LLC the original and five copies of a Joint Application.

Please contact me if you have any questions regarding this filing. Thank you.

Very truly yours,

NEWMAN, COMLEY & RUTH P.C.

By:

  
Mark W. Comley  
comleym@ncrpc.com

MWC:ab

Enclosure

cc: Office of Public Counsel  
General Counsel's Office  
Edward S. Quill, Jr.  
Joan Stewart

Before the  
MISSOURI PUBLIC SERVICE COMMISSION

**FILED<sup>3</sup>**

MAY 15 2003

Missouri Public  
Service Commission

Joint Application of )

**WorldxChange Corp.** )

and )

**Local Telcom Holdings, LLC** )

**d/b/a Transpoint Communications** )

For Grant of the Authority )

Necessary for the Transfer of Control, )

Sale of Assets and Relinquishment of )

Authorization )

Case No. \_\_\_\_\_

**JOINT APPLICATION**

WorldxChange Corp. ("WXC"), and Local Telcom Holdings, LLC d/b/a Transpoint Communications ("Transpoint") (together, "Applicants"), through their undersigned counsel and pursuant to Mo. Rev. Stat. §392.300 hereby request that the Commission grant authority to permit Applicants to consummate a series of transactions through which WXC will acquire indirect ownership of Transpoint and subsequently, transfer direct ownership of the regulated assets of Transpoint including Transpoint's Missouri customer base to WXC. As described in greater detail below, Applicants also respectfully request approval to abandon Transpoint's Missouri authorization contingent upon consummation of the transactions proposed herein ("Transactions").

In connection with the Transactions, Applicants seek a waiver of 4 CSR 240-33.150, the Commission's rule on presubscribed carrier changes, to enable Applicants to migrate Transpoint's customers from Transpoint to WXC without having to obtain a written authorization from each of

Transpoint's presubscribed customers.<sup>1</sup> Immediately following the proposed Transactions, Transpoint's customers will continue to receive services from WXC under the same rates, terms and conditions of service as the services currently provided by Transpoint. As a result, the Transactions, other than changing the name of the providing carrier, will be virtually transparent to all of Transpoint's customers in terms of the services they receive.

Applicants respectfully request that the Commission approve this Application as expeditiously as possible in order to allow Applicants to consummate the proposed Transactions as soon as possible.

In support of this Application, Applicants state as follows:

**I. Description of Applicants**

**A. WorldxChange Corp.**

1. WXC is a corporation organized and existing under the laws of the State of Delaware with principal offices located at 9775 Business Park Avenue, San Diego, California 92131. WXC is a wholly owned indirect subsidiary of I-Link Incorporated. I-Link Incorporated is a publicly traded Florida corporation which is indirectly majority owned and controlled by Counsel Corp. ("Counsel"). Counsel is a publicly traded Canadian corporation that specializes in investments, including investments in communications companies.

2. In Missouri, WXC is authorized to provide interexchange service pursuant to certification granted by the Commission in Case No. TA-2000-847, issued on June 23, 2000. WXC

---

<sup>1</sup> With respect to customer migration, WXC will also complete appropriate filings necessary to comply with the rules of the Federal Communications Commission.

has been duly authorized by the Secretary of the State of Missouri to transact business as a foreign entity. A copy of WXC's Certificate of Good Standing from the Missouri Secretary of State is attached hereto ***Exhibit A***. Further information concerning WXC's legal, technical, managerial and financial qualifications to provide service was submitted with its application for certification with the Commission and is, therefore, a matter of public record. WXC respectfully requests that the Commission take official notice of that information and incorporate it herein by reference.

**B. Local Telcom Holdings, LLC d/b/a Transpoint Communications ("Transpoint")**

3. Transpoint is a Delaware limited liability company with principal offices located at 28118 Agoura Road, Suite 201, Agoura Hills, California 91302. In Missouri, Transpoint provides intrastate toll service by virtue of certification granted by the Commission in Case No. TA-2001-659, issued on June 28, 2001. Transpoint has been duly authorized by the Secretary of the State of Missouri to transact business as a foreign entity and has duly registered its fictitious name. A copy of Transpoint's Certificate of Good Standing and a copy of its fictitious name registration from the Missouri Secretary of State are attached collectively hereto as ***Exhibit B***. Transpoint's current Missouri operations consist of the provision of resold interexchange services to residential and commercial customers. Further information concerning Transpoint was submitted with its application for certification, is a matter of public record and is incorporated herein by reference.

**II. Contact Information**

4. Questions or inquiries concerning this Application may be directed to:

Mark W. Comley  
Newman, Comley & Ruth P.C.  
601 Monroe Street, Suite 301  
P.O. Box 537  
Jefferson City, Missouri 65102  
(573) 634-2266 (Tel)  
(573) 636 3306 (Fax)

and

William B. Wilhelm, Jr.  
Edward S. Quill, Jr.  
Swidler Berlin Shereff Friedman, LLP  
3000 K Street, NW, Suite 300  
Washington, DC 20007-5116  
(202) 424-7500 (Tel)  
(202) 424-7645 (Fax)

with a copy to:

Joan Stewart  
Womble Carlyle Sandridge & Rice, LLC  
1401 Eye Street, N.W.  
Washington, DC 20005  
(202) 467-6900 (Tel)  
(202) 467-6910 (Fax)

### **III. Description of the Transactions**

5. WXC and Transpoint plan to consummate a series of Transactions whereby WXC will acquire the Missouri assets and customer base of Transpoint and Transpoint will subsequently cease to operate. In particular, the Transactions currently contemplated by Applicants include:

Step 1: A newly formed, wholly owned holding company subsidiary of WXC, Transpoint Holdings Corporation ("THC"), will acquire all of the stock of Transpoint. As a result, Transpoint will become a wholly-owned subsidiary of WXC through THC.

Step 2: Following the indirect acquisition of Transpoint by WXC, all of Transpoint's customers and other operating assets will be assigned on an intra-corporate family basis from Transpoint to WXC. Once the customer assignment is complete, WXC will assume the service obligations to current Transpoint customers.

Step 3: After all of Transpoint's customers and assets have been transferred to WXC, Transpoint will relinquish its authority and will cease to operate in Missouri.

6. In order to complete the proposed series of Transactions, Applicants have entered into several agreements, including a Purchase Agreement, as amended (through which the change in ownership of Transpoint described in Step 1 above will be completed) and an Asset Purchase Agreement, as amended (which relates to the assignment of customers and assets described in Step 2 above).<sup>2</sup> A chart illustrating the proposed Transactions is provided in Exhibit C.

7. The assets to be acquired by WXC include, among other things, all of the regulated operations of Transpoint in Missouri, including Transpoint's existing customer base. Because WXC is already authorized to provide the services Transpoint provides in Missouri, WXC is not seeking authority to acquire Transpoint's operating authority in Missouri.

8. Instead, because WXC proposes to acquire Transpoint's entire customer base and Applicants expect to wind-down Transpoint following the consummation of the Transactions, Applicants respectfully request that through this proceeding the Commission grant any authority necessary to permit Transpoint to discontinue service upon consummation of the Transactions and

---

<sup>2</sup> Applicants will provide copies of the Agreements upon request.

permit Transpoint to relinquish its Missouri certification. In order to permit Applicants sufficient time to close the Transactions after approval, however, Applicants respectfully request that the Commission condition such revocation on the consummation of the proposed Transactions and not on Commission approval. Following consummation, Applicants will file post-consummation notice with the Commission.

9. The proposed Transactions will not directly affect the rates, terms and conditions under which Transpoint customers receive service. WXC and Transpoint have agreed to work together to ensure that Transpoint's customers are transferred seamlessly between Applicants and that no interruptions in service will occur. As mentioned at the beginning of this application, in connection with transfer of Transpoint's customers from Transpoint to WXC, Applicants seek a waiver, to the extent necessary, of the 4 CSR 240-33.150 to enable Applicants to migrate Transpoint's presubscribed customers from Transpoint to WXC.<sup>3</sup> To the extent necessary, WXC will also adopt Transpoint's tariffs or make other appropriate filings to ensure the seamless transition of Transpoint's customers to WXC. As a result, the Transactions will be (other than the change in the name of their service provider) virtually transparent to Transpoint's customers in terms of the services they receive.

10. Neither of the Applicants has pending or final judgments or decisions against it or its affiliates from any state or federal agency or court that involve customer services or rates. No annual

---

<sup>3</sup> Applicants seek a waiver of the requirements of 4 CSR 240-33.150 since the transfer of customers in this matter will be in the context of a transfer of assets subject to the supervision and approval of the Commission, and in that manner the goals and purposes of the slamming rule are being upheld. Insisting on adherence to the slamming rule in this case would be confusing to the customers, and therefore be offensive to the public interest. In conformance with conformance with FCC and state law, Applicants have provided pre-consummation notice to Transpoint's customers using the format provided in Exhibit D.

report or assessment fees are overdue to the Commission from the Applicants. No impact is anticipated on the tax revenues of any political subdivision in which the Applicants are located.

#### **IV. Public Interest Considerations**

11. Applicants respectfully submit that the proposed Transactions serve the public interest. In particular, Applicants submit that (1) the Transactions will increase competition in the Missouri telecommunications market by reinforcing the status of WorldxChange as a viable competitor, and (2) the Transactions will minimize the disruption of service and be virtually transparent to Transpoint's customers.

12. The proposed Transactions are expected to facilitate competition in Missouri by improving the operational position of WXC. The proposed Transactions will permit WXC and Transpoint to combine their complimentary management skills and assets, thereby enhancing WXC's operational flexibility and financial viability. At the same time, the expansion of WXC's customer base which will occur as a result of the transfer of Transpoint's customers to WXC will improve WXC's position in the Missouri telecommunications market and permit WXC to compete more effectively against larger carriers in Missouri.

13. The proposed Transactions will also ensure that customers of Transpoint continue to receive high quality communications services. As noted above, the Transactions will not affect the rates, terms and conditions of the services that current Transpoint customers receive. In addition, WXC and Transpoint have agreed to work closely together to prevent transaction related service interruptions. As a result, the proposed Transactions will be virtually transparent to customers with respect to the services they receive.



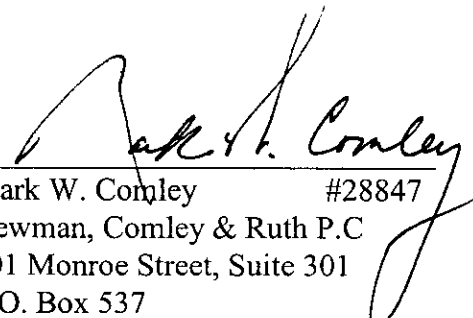
V. Conclusion

For the reasons stated above, Applicants respectfully submit that the public interest, convenience, and necessity would be furthered by a grant of this Application. Accordingly, Applicants respectfully request expedited treatment to permit Applicants to consummate the Transactions described herein as soon as possible.

Respectfully submitted,

William B. Wilhelm, Jr.  
Edward S. Quill, Jr.  
Swidler Berlin Shereff  
Friedman, llp  
3000 K Street, NW, Suite 300  
Washington, DC 20007-5116  
(202) 424-7500 (Tel)  
(202) 424-7645 (Fax)

By:

  
Mark W. Comley #28847  
Newman, Comley & Ruth P.C  
601 Monroe Street, Suite 301  
P.O. Box 537  
Jefferson City, Missouri 65102  
(573) 634-2266 (Tel)  
(573) 636 3306 (Fax)

COUNSEL FOR WORLDXCHANGE CORP.

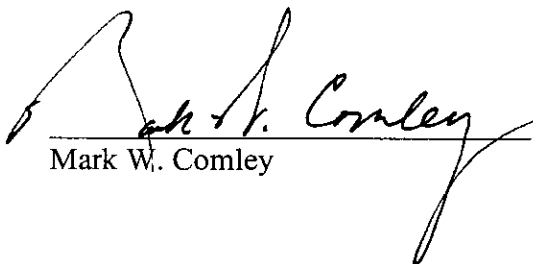
Dated: May 15, 2003

Certificate of Service

I hereby certify that a true and correct copy of the above and foregoing document was sent by U.S. Mail, postage prepaid, or hand delivered, on this 15<sup>th</sup> day of May, 2003, to:

Office of Public Counsel  
P.O. Box 7800  
Jefferson City, MO 65102

General Counsel's Office  
P.O. Box 360  
Jefferson City, MO 65102

  
\_\_\_\_\_  
Mark W. Comley

## LIST OF EXHIBITS

Exhibit A	-	WXC Certificate of Good Standing
Exhibit B	-	Transpoint Certificate of Good Standing and Registration of Fictitious Name
Exhibit C	-	Illustrative Chart
Exhibit D	-	Form of Customer Notice
Verifications		

**Exhibit A**

WXC Certificate of Good Standing

No. F00484572

# STATE OF MISSOURI



Matt Blunt  
Secretary of State

## CORPORATION DIVISION

### CERTIFICATE OF CORPORATE GOOD STANDING - FOREIGN CORPORATION

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


WORLDXCHANGE CORP.

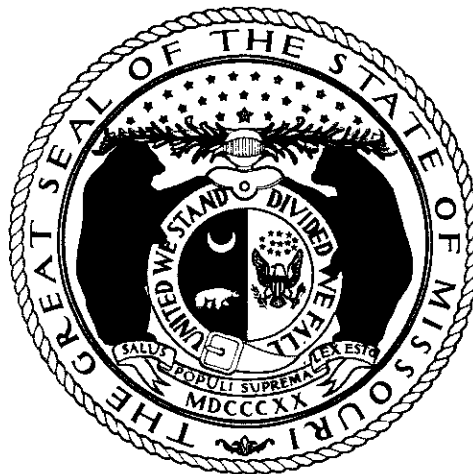
using in Missouri the name

WORLDXCHANGE CORP.

a DELAWARE corporation filed its Evidence of Incorporation  
with this State on the 13th day of JUNE, 2000, 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  
23rd day of APRIL, 2003.

  
Secretary of State



**Exhibit B**

Transpoint Certificate of Good Standing and  
Registration of Fictitious Name

No. FL0041884

# STATE OF MISSOURI



Matt Blunt  
Secretary of State

## CERTIFICATE OF GOOD STANDING

### FOREIGN LIMITED LIABILITY COMPANY

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


LOCAL TELCOM HOLDINGS, LLC

using in Missouri the name

LOCAL TELCOM HOLDINGS, LLC

a DELAWARE Limited Liability Company filed its application for registration in this office on the 15th day of AUGUST, 2000, 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 28th day of APRIL, 2003.

  
Secretary of State





# State of Missouri

No. X 0392099

Rebecca McDowell Cook, Secretary of State

Corporations Division

ST C 35  
**FILED**

## Registration of Fictitious Name

(Submit in duplicate with filing fee of \$7)

JUN 13 2001

(Must be typed or printed)

*Matt Blunt*  
SECRETARY OF STATE

This information is for the use of the public and gives no protection to the name. There is no provision in this Chapter to keep another person or business from adopting and using the same name. (Chapter 417, RSMo.)

We, the undersigned, are doing business under the following name, and at the following address:

Name to be registered: Transpoint Communications  
Missouri Business Address: 112 South Hanley Road  
(P.O. Boxes not accepted)  
City, State and Zip Code: St. Louis, Missouri 63105

The parties having an interest in the business, and the percentage they own are (if a business entity is owner, indicate business name and percentage owned. If all parties are jointly and severally liable, percentage of ownership need not be listed):

Name of Owners, Individual or Business Entity	Street and Number	City	State and Zip Code	If listed, Percentage of ownership must equal 100%
Local Telcom Holdings, LLC <u>FL0041884</u>	<u>26565 West Agoura Road, Suite 305</u>	<u>Calabasas, CA</u>	<u>91302</u>	<u>100%</u>

Return to: Secretary of State  
Corporations Division  
P.O. Box 778  
Jefferson City, Mo. 65102

(Over)



06/01/01 FRI 17:42 FAX 314 863 3821

OTTSEN NAUZE LEG

0003

The undersigned, being all the parties owning interest in the above company, being duly sworn, upon their oaths each did say that the statements and matters set forth herein are true.

Individual  
Owners  
Sign Here

X \_\_\_\_\_ X \_\_\_\_\_  
X \_\_\_\_\_ X \_\_\_\_\_  
X \_\_\_\_\_ X \_\_\_\_\_

6602630

The undersigned business entity has caused this application to be executed in its name by its

\_\_\_\_\_ on this June 7, 2001  
Title of Authorized Person month/day/year

If  
Business Entity  
Is  
Owner,  
Authorized  
Person  
Execute  
Here

X Ralph Metz  
Authorized Signature (If corporation, President or Vice President)  
Y Ralph Metz  
If corporation, Signature of Secretary or Asst. Secretary

RALPH METZ COO/MGR  
Printed Name Title  
RALPH METZ ASST. SECRETARY  
Printed Name Title

FILED

(Corporate Seal)  
If no seal, state "none".  
NONE

JUN 13 2001

Matt Blunt  
SECRETARY OF STATE

State of ~~Missouri~~ CALIFORNIA  
County of LOS ANGELES } ss

I, DAVID E. McMANUS, A Notary Public, do hereby certify that on June 7<sup>TH</sup>, 2001  
month/day/year

personally appeared before me RALPH NETZ, and being duly sworn by me, acknowledged that he/she signed as his/her own free act and deed the foregoing document in the capacity therein set forth and declared that the statements therein contained are true.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year before written.

(Notarial Seal or Stamp)



Corp. #56 (5/99)

David E. McManus  
Notary Public  
My commission expires OCT. 24TH, 2003  
My County of Commission LOS ANGELES

JUN 01 01 18:49

P.04/04

212 753 8101 TO 18188719910

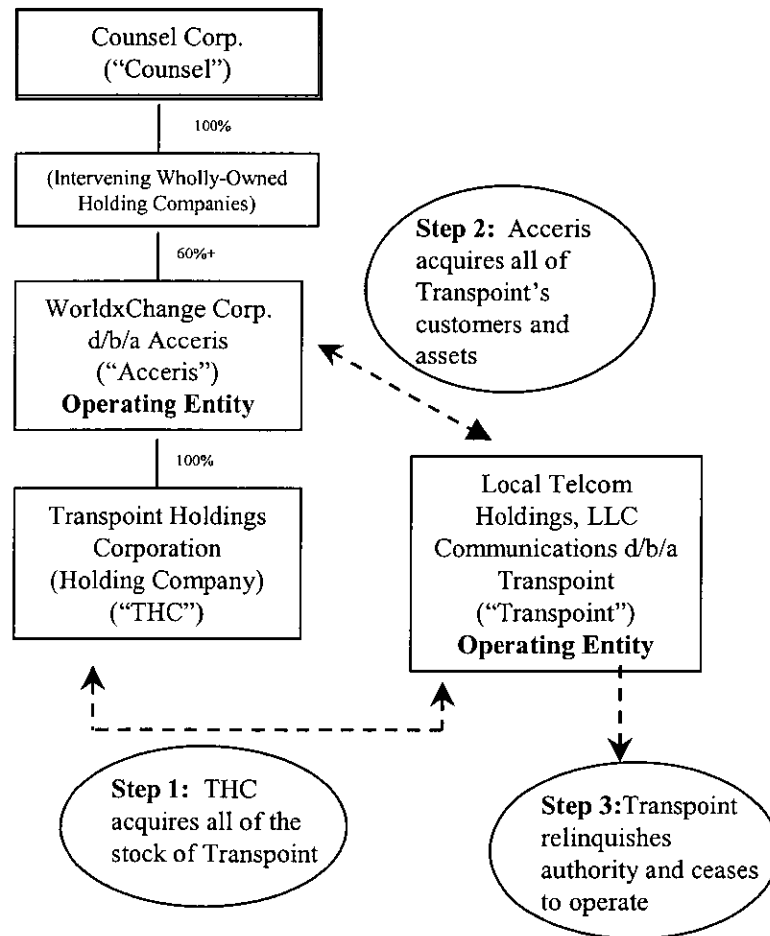
314 863 3821 PAGE.003  
JUN 04 01 11:55 FR KLEIN ZELMAN

**Exhibit C**

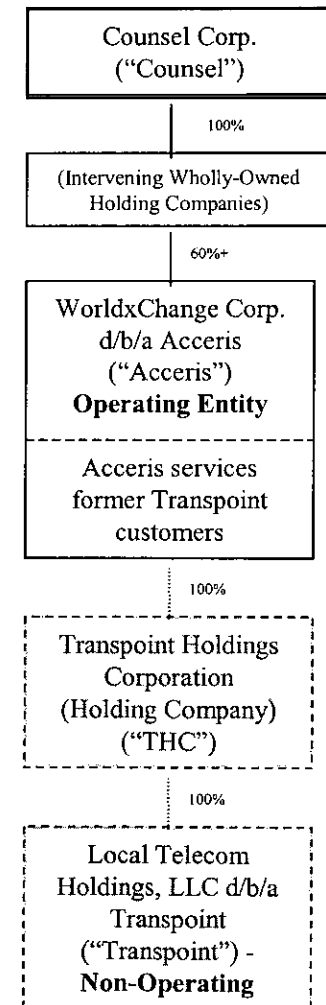
Illustrative Chart

## Illustrative Chart

### Pre-Transaction



### Post-Transaction



**Exhibit D**

**Form of Customer Notice**



Dear Valued Customer:

Recently, WorldxChange Corp. ("WorldxChange"), entered into an agreement to purchase the business of Local Telcom Holdings, LLC d/b/a Transpoint Communications ("Transpoint"). Transpoint today provides its customers with various services, including but not limited to long distance services. Under the terms of the agreement between Transpoint and WorldxChange, WorldxChange will replace Transpoint as your service provider. That transition is currently expected to occur on or about March 20, 2003.

**Please rest assured that the transition of your service to WorldxChange will not affect the services you currently receive. As a customer of WorldxChange, you will continue to receive services with the same rates, features, terms and conditions as the service you currently enjoy. With the operations of WorldxChange and Transpoint integrated and supported by new and improved billing and other systems, you will continue to receive top quality services with performance which meets or exceeds that of the services you currently receive from Transpoint. As a result, this change in providers will be beneficial and virtually seamless for you. Please also be assured that you will incur no carrier change charges related to the transfer of your services from Transpoint to WorldxChange.**

WorldxChange has offered premium communications services nationwide for years. The customer service team at WorldxChange is equipped to assist you with questions about your new service or on-going monthly billing matters. Please feel free to contact us.

You do not need to take any action at this time. You will automatically become a customer of WorldxChange. If you have a PIC Freeze on your line WorldxChange will contact you to assist us in getting your service transferred, after the transfer we will then help you re-establish the PIC Freeze. We recognize that you have the right to choose your telephone service provider and we are pleased to continue to provide your service.

We at WorldxChange look forward to serving you and appreciate your continued business. If you have specific questions about this notice, please contact us at 800-463-0129.

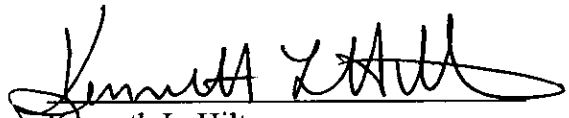
Sincerely,  
Customer Relations  
WorldxChange Corp.

## **Verifications**

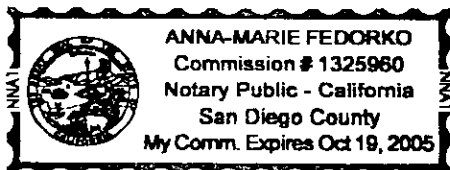
**AFFIDAVIT**

STATE OF CALIFORNIA :  
COUNTY OF SAN DIEGO : ss.  
CITY OF SAN DIEGO :

I, Kenneth L. Hilton, being first duly sworn, state that I am Chief Executive Officer of WorldxChange Corp. d/b/a Acceris Communications Partners; d/b/a Acceris Communications Solutions, a party in the foregoing filing before the Missouri Public Service Commission ; that I am authorized to make this Verification on behalf of WorldxChange Corp. d/b/a Acceris Communications Partners; d/b/a Acceris Communications Solutions and that the contents of the foregoing are true and correct to the best of my knowledge, information, and belief.

  
Kenneth L. Hilton  
Chief Executive Officer  
WorldxChange Corp. d/b/a Acceris  
Communications Partners; d/b/a Acceris  
Communications Solutions

Sworn and subscribed before me this 12<sup>th</sup> day of MARCH, 2003.



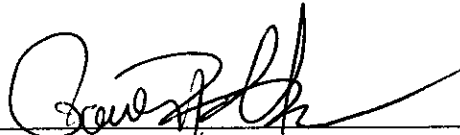
  
Notary Public

My commission expires OCTOBER 19, 2005

**AFFIDAVIT**

STATE OF CALIFORNIA :  
COUNTY OF SAN DIEGO : SS.  
:

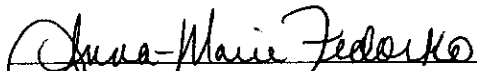
I, Paul G. Black, being first duly sworn, state that I am Managing Member of Local Telcom Holdings, LLC, a party in the foregoing filing before the Missouri Public Service Commission; that I am authorized to make this Verification on behalf of Local Telcom Holdings, LLC and that the contents of the foregoing are true and correct to the best of my knowledge, information, and belief.



Name: Paul G. Black  
Title: Managing Member  
Local Telcom Holdings, LLC

Sworn and subscribed before me this 18<sup>th</sup> day of MARCH, 2003.



  
Notary Public

My commission expires OCTOBER 19, 2005