

Memorandum

To: PSC Data Center
CC: Annual Report File 2006
From: Lisa Hanneken Auditing Dept.
Date: 4/18/2007
Re: Talk America, LDMI, FoneTel and Cavalier 2006 Annual Reports

Talk America – CLEC BMAR-2007-1144
Talk America – IXC BMAR-2007-1145
LDMI – IXC BMAR-2007-1146
Talk America d/b/a Cavalier Telephone – CLEC BMAR-2007-0942
Talk America d/b/a Cavalier Telephone – IXC BMAR-2007-0950
LDMI d/b/a Cavalier Telephone – IXC BMAR-2007-0939
LDMI d/b/a FoneTel – IXC BMAR-2007-0941

The Missouri Public Service Commission has received the 2006 Annual Report from the above companies.

The initial review of the 2006 Annual Report has been completed. The only noted error was an incorrect effective date and case number listed for Talk America d/b/a Cavalier Telephone CLEC and IXC.

Some research was done on these companies as their history is somewhat confusing. In 2005, LDMI and FoneTel were merged in case XM-2005-0492, although FoneTel still holds a certificate. Because of the certificate still being in force an annual report was required to be filed, although the company was merged with LDMI and therefore reports the same information. In addition, in February of 2007 the company received a name change to Cavalier Telephone as listed above, so the annual reports were filed under the old names in use during 2006, as well as the new names.

No deficiencies related to omissions or known errors were reported to the company for correction.

This report has been reviewed only for identifiable errors and omissions and is not a financial statement attestation by the MO PSC Auditing Department.

Staff contact: Lisa Hanneken, Regulatory Auditor IV, Auditing Department