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April 16, 2003

**RECEIVED**

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PUBLIC SERVICE  
COMMISSION

**VIA OVERNIGHT DELIVERY**

Thomas Dorman, Executive Director  
Kentucky Public Service Commission  
211 Sower Boulevard  
Frankfort, KY 40602-8294

Re: WorldxChange Corp. d/b/a Acceris Communications Partners; Acceris  
Communications Solutions and Local Telcom Holdings, LLC d/b/a Transpoint  
Communications

Dear Mr. Dorman:

WorldxChange Corp. d/b/a Acceris Communications Partners; Acceris Communications Solutions ("Acceris") and Local Telcom Holdings, LLC d/b/a Transpoint Communications ("Transpoint") (together the "Parties"), through undersigned counsel, hereby notify the Commission of a series of transactions through which Acceris will acquire indirect ownership of Tranpoint and subsequently, transfer direct ownership of the regulated assets of Transpoint including Transpoint's Kentucky customer base to Acceris. As described in greater detail below, the Parties also respectfully request that the Commission consider Transpoint's Kentucky authorization relinquished effective upon consummation of the transactions proposed herein ("Transactions").

As a result of the proposed Transactions, Transpoint's Kentucky customers will be migrated from Transpoint to Acceris.<sup>1</sup> The Transactions will not affect the services such customers receive and, immediately following the proposed Transactions, Transpoint's customers will continue to receive service from Acceris under the same rates, terms and conditions of service as the service 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.

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

Based on a review of Kentucky law, the Parties believe that Commission approval is not required to complete the Transactions described herein. The Parties currently expect the proposed Transactions to be completed on or about May 31, 2003. An original and ten (10) copies of this filing are enclosed. Please date-stamp the enclosed extra copy of this filing and return it in the self-addressed, postage prepaid envelope provided.

The Parties further state as follows:

**I. Description of the Parties**

**A. WorldxChange Corp. d/b/a Acceris Communications Partners; Acceris Communications Solutions ("Acceris")**

Acceris 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. Acceris 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. In Kentucky, Acceris is a registered provider of interexchange services pursuant to a tariff filed with the Commission effective as of July 23, 2000.<sup>2</sup>

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

Transpoint is a Delaware limited liability company with principal offices located at 28118 Agoura Road, Suite 201, Agoura Hills, California 91301. In Kentucky, Transpoint provides service by virtue of a tariff filed with the Commission on May 2, 2001. Transpoint's current operations in Kentucky consist of the provision of resold interexchange services to residential and commercial customers.

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<sup>2</sup> On February 13, 2003, WorldxChange Corp. filed a notification letter with the Commission advising the Commission of the company's decision to provide service under the Acceris brand name. WorldxChange Corp. expects to initiate use of the Acceris brand names prior to the consummation of the Transactions described herein.

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## **II. Contact Information**

Questions or inquiries concerning this filing may be directed to:

William B. Wilhelm, Jr.  
Edward S. Quill, Jr.  
Swidler Berlin Shereff Friedman, LLP  
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Washington, DC 20007-5116  
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with a copy to:

Joan Stewart  
Womble Carlyle Sandridge & Rice, LLC  
1401 Eye Street, N.W.  
Washington, DC 20005  
(202) 467-6900 (Tel)  
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## **III. Description of the Transactions**

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

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

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

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

In order to complete the proposed series of Transactions, the Parties 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 as described in Step 2 above). A chart illustrating the proposed Transactions is provided in Exhibit A.

The assets to be acquired by Acceris include, among other things, all of the regulated operations of Transpoint in Kentucky, including Transpoint's existing customer base. Because Acceris proposes to acquire Transpoint's entire customer base and the Parties expect to wind-down Transpoint following the consummation of the Transactions, the Parties respectfully request that the Commission treat Transpoint's Kentucky certification as relinquished effective upon consummation of the Transactions. Following consummation, the Parties will file post-consummation notice with the Commission.

The proposed Transactions will not affect the rates, terms and conditions under which Transpoint customers receive service in Kentucky. Acceris and Transpoint have agreed to work together to ensure that Transpoint's customers are transferred seamlessly between the Parties and that no interruptions in service will occur. In connection with transfer of Transpoint's customers from Transpoint to Acceris, the Parties seek a waiver, to the extent necessary, of the Commission's rules on presubscribed carrier changes, to enable the Parties to migrate Transpoint's presubscribed customers from Transpoint to Acceris.<sup>3</sup> To the extent necessary, Acceris will also adopt Transpoint's tariffs or make other appropriate filings to ensure the seamless transition of Transpoint's customers to Acceris. 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.

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

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

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

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,

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<sup>3</sup> In conformance with FCC and state law, the Parties have provided pre-consummation notice to Transpoint's customers using the format provided in Exhibit B.

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terms and conditions of the services that current Transpoint customers receive. Acceris 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, the Parties respectfully submit that the public interest, convenience, and necessity would be furthered by the consummation of the proposed Transactions described herein. Please direct any questions regarding this filing to the undersigned.

Respectfully submitted,

By: 

William B. Wilhelm, Jr.

Edward S. Quill, Jr.

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COUNSEL FOR WORLDXCHANGE CORP.  
d/b/a ACCERIS COMMUNICATIONS  
PARTNERS; ACCERIS  
COMMUNICATIONS SOLUTIONS

**LIST OF EXHIBITS**

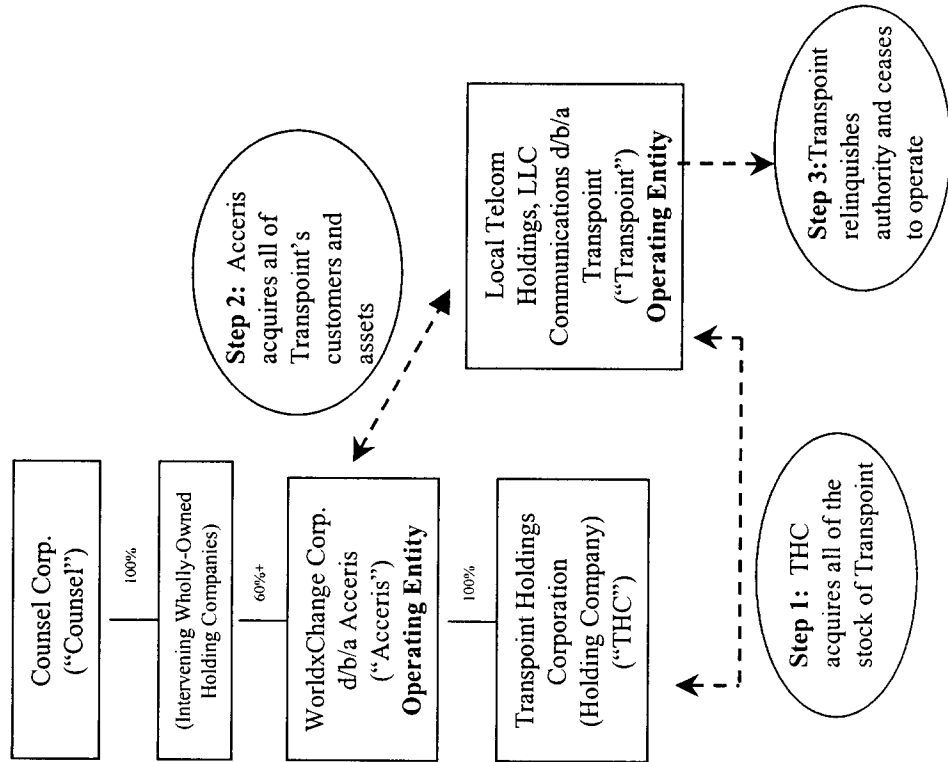
- Exhibit A - Illustrative Chart
- Exhibit B - Form of Customer Notice

**Exhibit A**

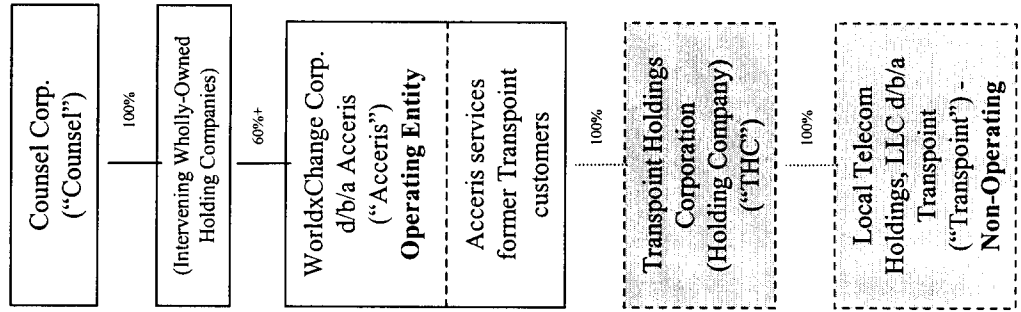
**Illustrative Chart**

# Illustrative Chart

## Pre-Transaction



## Post-Transaction





**Exhibit B**

**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.**