# THE HELEIN LAW GROUP, P.C.

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December 21, 2005

## VIA OVERNIGHT DELIVERY

Florida Public Service Commission Executive Secretary 2540 Shumard Oak Drive Tallahassee, FL 32399 650940-TP

Re:

Notification by Florida Phone Service, Inc. (CLEC – TX597, IXC – TJ789) and Azul Tel, Inc. (CLEC - TX7390, IXC – TJ790) of an Asset Purchase Agreement and request to Waive Verification Requirements of Florida Administrative Code Rule 25-4.118

Dear Sir/Madam -

On behalf of Florida Phone Service, Inc. ("Florida Phone")(CLEC – TX597, IXC – TJ789) and Azul Tel, Inc. ("Azul Tel")(CLEC - TX7390, IXC – TJ790)(together "Applicants"), this letter is to advise the Florida Public Service Commission ("Commission") of an Asset Purchase Agreement (the "Agreement"), whereby Florida Phone will acquire substantially all of the Local Exchange and Long Distance telecommunications assets of Azul Tel, including, but not limited to, Azul Tel's customer accounts in the State of Florida (the "Acquisition"). The Applicants are also requesting that the Commission waive the verification requirements of Florida Administrative Code Rule 25-4.118.

It is our understanding, based upon review of the applicable statutes and regulations, that this transaction does not require prior Commission approval. Accordingly, absent written notice to the contrary within thirty (30) days of the date of this letter, the parties will proceed to consummate the transaction in a timely fashion.

Florida Phone is a privately-held corporation incorporated in the state of Florida. Florida Phone provides resold competitive local exchange telecommunications services to residential consumers and small business customers in the state of Florida.

DOCUMENT NUMBER DATE

Azul Tel is a privately-held corporation incorporated in the state of Florida. Azul Tel provides resold competitive local exchange, intrastate and interstate interexchange, and international telecommunications services, as well as Internet Access services, to residential consumers and small business customers in the state of Florida. Azul Tel also offers a broad range of Internet Protocol-enabled communications services, including retail Voice over Internet Protocol, wholesale international origination and termination service and enhanced prepaid calling services.

Additional information regarding the Applicants:

## Name, Address and Telephone Number of Each Applicant

<u>Transferor</u>: Azul Tel, Inc.

2200 South Dixie Highway, Suite 506

Miami, FL 33133

Florida Telecommunications Licenses held:

CLEC - TX7390, IXC - TJ790

<u>Transferee</u>: Florida Phone Service, Inc.

7181 S.W. 117 Ave. Miami, FL 33183

Florida Telecommunications Licenses held:

CLEC - TX597, IXC - TJ789

## **Contact persons for this Application**

Questions or inquiries concerning this Application may be directed to:

## For Joint Applicants:

Jonathan S. Marashlian The Helein Law Group, P.C. 8180 Greensboro Drive, Suite 700 McLean, Virginia 22102 (703) 714-1313 (Tel) (703) 714-1330 (Fax) Email: jsm@thlglaw.com

## With copies to:

Ali Siddiqi Director of Operations Florida Phone Service, Inc. 7181 S.W. 117 Ave. Miami, FL 33183

Tel: 305-274-9300

Fax: 305-271-4772 Email: ali@gogtg.com

And

Fabio Pizelman
Chief Financial Officer
Azul Tel, Inc.
2200 South Dixie Highway, Suite 506

Tel: 786-497-4050 Dir: 786-497-4063 Fax: 786-497-4057 Email: fabio@azultel.net

## **DESCRIPTION OF TRANSACTION**

On December 1, 2005, Florida Phone entered into an Agreement with Azul Tel whereby Azul Tel agreed to sell and Florida Phone agreed to purchase approximately 1,500 of Azul Tel's local exchange, long distance and Internet Access customer accounts. The exact number of transferred customer accounts will not be known until the transaction closes due to certain conditions specified in the Agreement.

Applicants emphasize that the transition of affected local exchange and long distance customer accounts to Florida Phone will be seamless and transparent to the customers that Florida Phone will acquire. Immediately following the transfer of assets, Florida Phone will continue to provide the same telecommunications services to the affected customers, under the same rates and terms and conditions of service as those customers currently receive from Azul Tel.

Applicants have sent written notice to affected customers informing them of the proposed transaction. The customers of Azul Tel will be given the opportunity to switch their service from Azul Tel to a different carrier prior to their transfer to Florida Phone.

Applicants have also filed a Section 214 Transfer of Assets application with the Federal Communications Commission ("FCC") and a notice and certification regarding "slamming" compliance, as required by Section 64.1120(e) of the FCC's rules. Service to the affected customers will not be transferred until the requisite regulatory approvals have been obtained.

The technical, managerial and financial personnel of Azul Tel will assist with the transition and integration of the acquired Assets after the transaction and the technical, managerial and financial personnel of Florida Phone will continue to serve the transferred Azul Tel customers with the same high level of expertise.

## **PUBLIC INTEREST CONSIDERATIONS**

Critical to the Acquisition is the need to ensure the continuation of high quality service to all customers currently served by Azul Tel. The Acquisition will serve the public interest in that it will

ensure that current Azul Tel customers maintain uninterrupted service. The Acquisition will also serve to create a heightened level of operating efficiency which generally will serve to enhance the overall capacity of Florida Phone to compete in the marketplace and to provide telecommunications services for a greater number of consumers in Florida at competitive rates.

#### CONCLUSION

The Applicants are forwarding this letter to the Commission for informational purposes, to be included in the appropriate files. Absent receipt of written notification to the contrary within thirty (30) days of the date of this letter, we will proceed under the understanding that no approval or other formal action is required by the Commission prior to consummation of the proposed transaction, pending, of course, receipt of other required authorization from the FCC.

Enclosed are the original and six (6) copies of this letter. Please return one (1) of the copies file-stamped in the envelope provided. If you need any further information or have any questions regarding the matters discussed herein, please do not hesitate to contact me.

Respectfully submitted,

By:

(Jonathan S. Marashlian

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Dated: December 22, 2005 Counsel to Joint Applicants