

# AUSLEY & McMULLEN

ATTORNEYS AND COUNSELORS AT LAW

123 SOUTH CALHOUN STREET  
P.O. BOX 391 (ZIP 32302)  
TALLAHASSEE, FLORIDA 32301  
(850) 224-9115 FAX (850) 222-7560

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10 JUN -3 AM 11:12

COMMISSION  
CLERK

June 3, 2010

## VIA HAND DELIVERY

Ms. Ann Cole, Commission Clerk  
Office of the Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

Re: Docket No. 100180-TC; Petition for Approval of Transfer of Controlling  
Stock Interest in ITS Telecommunications Systems, Inc., Cancellation of  
PATS Certificate and Waiver of Carrier Selection Requirements

Dear Ms. Cole:

Enclosed for filing in the above-referenced docket are the original and fifteen (15) copies  
of ITS's Notice of Filing in the above-referenced matter.

Please acknowledge receipt and filing of the above by stamping the duplicate of this  
letter and returning the same to this writer.

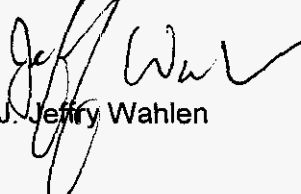
Thank you for your assistance in this matter.

COM \_\_\_\_\_  
APA \_\_\_\_\_  
RCR 1  
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RAD 12  
SSC \_\_\_\_\_  
ADM \_\_\_\_\_  
OPC \_\_\_\_\_  
CLK \_\_\_\_\_

JJW/jh  
Enclosures

cc: Jeffrey S. Leslie, President (w/encls.)  
Timisha Brooks  
J.R.Kelly/Charles J. Beck

Sincerely,



J. Jeffrey Wahlen

DOCUMENT NUMBER-DATE

04612 JUN-3 e

FPSC-COMMUNICATIONS

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for Approval of Transfer )  
of Controlling Stock Interest in ITS )  
Telecommunications Systems, Inc., )  
Cancellation of PATS Certificate No. 7551, )  
and Waiver of Carrier Selection Requirements )  
\_\_\_\_\_ )

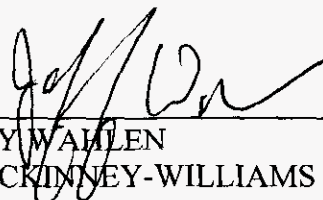
DOCKET NO. 100180-TC

FILED: June 3, 2010

**NOTICE OF FILING**

Applicant, ITS Telecommunications Systems, Inc. ("ITS"), by and through its undersigned attorneys, hereby gives notice of filing the attached letter from Rural Utilities Services memorializing its approval of the change of control proposed in this docket.

Respectfully submitted this 3<sup>rd</sup> day of June, 2010.



\_\_\_\_\_  
J. JEFFRY WAHLEN  
OPAL MCKINNEY-WILLIAMS  
Ausley & McMullen  
Post Office Box 391  
Tallahassee, FL 32302  
Telephone: (850) 224-9115  
Facsimile: (850) 222-7560  
[jwahlen@ausley.com](mailto:jwahlen@ausley.com)  
[omckinney-williams@ausley.com](mailto:omckinney-williams@ausley.com)

DOCUMENT NUMBER-DATE

04612 JUN-3 2010

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**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a copy of the foregoing has been furnished by Hand Delivery on this 3<sup>rd</sup> day of June, 2010, to J. R. Kelly/Charles J. Beck, Office of Public Counsel, c/o The Florida Legislature, 111 W. Madison Street, Room 812, Tallahassee, FL 32399-1400 and Timisha Brooks, Office of General Counsel, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, FL 32399-0850.

\_\_\_\_\_  
Attorney

A handwritten signature in black ink, appearing to read "Jeffrey W. Beck", is written over a horizontal line. The signature is cursive and stylized.



United States Department of Agriculture  
Rural Development

MAY 27 2010

Mr. Jeff Leslie  
President/CEO  
ITS Telecommunications Systems, Inc.  
15925 SW Warfield Blvd.  
Indiantown, Florida 34956

Dear Mr. Leslie:

We have reviewed your letter, dated April 1, 2010, which detailed the terms of your proposed acquisition of Postco, Inc., the parent company of ITS Telecommunications Systems, Inc. (ITS), and the sale by ITS of its Bank stock, presently valued at \$444,030. Based on the details noted in your letter, RUS approves this transaction as presented. However, if any of the terms noted in your letter change, RUS must be notified within 10 calendar days, as it may have implications on our decision. Furthermore, RUS reserves the right to amend our decision if there are any material changes to the representations in your letter of April 1.

If you have any questions, please contact our office at (202) 690-4673.

Sincerely,

KENNETH KUCHNO, Director  
Broadband Division  
Telecommunications Program  
Rural Utilities Service

1400 Independence Ave., S.W., Washington, DC 20250-0700  
Web: <http://www.rurdev.usda.gov>

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To file a complaint of discrimination, write USDA, Director, Office of Civil Rights,  
1400 Independence Avenue, S.W., Washington, DC 20250-9410 or call (800) 795-3272 (Voice) or (202) 720-6382 (TDD).

DOCUMENT NUMBER DATE

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# ITS Telecom

Always here. Always clear.

ITS Telecommunications Systems, Inc.  
15925 SW Warfield Blvd. • P.O. Box 277 • Indiantown, Florida 34956  
772-597-2111 • [www.itstelecom.net](http://www.itstelecom.net)

Mr. Ken Kuchno  
USDA – RUS  
Room 2868-S, STOP 1599  
1400 Independence Ave., S.W.  
Washington, DC 20250-1599

April 1, 2010

Dear Ken,

I would like to formally advise you of my intention to purchase Postco, Inc. (Postco), the holding company of ITS Telecommunications Systems, Inc. (ITS), a RUS borrower in Indiantown, Florida. In accordance with my intent, I would like to advise you of the details of this transaction and obtain RUS approval.

First, some history on Postco and ITS. As you may be aware of from our previous dealings, Postco has been owned by the Robert M. Post, Jr. family since 1998. ITS is a wholly-owned subsidiary of Postco. Postco also owns Indiantown Company, Inc. (ICO), comprised of three local utilities for the city of Indiantown: water, sewer, and garbage. In June of 2007, Mr. Post passed away and the company has since been owned by The Robert M. Post, Jr. Marital Trust, dated April 6, 1999. Since the time of Mr. Post's passing, I have become the company's President and CEO. Prior to that time and since 1996, I was the company's Vice President and CFO.

Which brings us to this time, in which the Trust and Mrs. Post have agreed to sell Postco and its subsidiaries, ITS and ICO, to me. In that regard, I would like to summarize the transaction and its potential impact on ITS, your borrower. A series of items will occur within the main transaction. I will attempt to go over these major points as follows:

- 1) ICO will first sell its garbage company. The garbage company sale will probably close in the next 30 days, and per our agreement, must close before I can close on Postco.
- 2) Upon the sale of the garbage company, we will utilize the proceeds to :
  - a) Fully fund the Postco pension plan which is currently underfunded by approximately \$750,000.
  - b) Repay receivables due from the Trust (approximately \$92,000 - of which approximately \$33,000 is owed to ITS).
  - c) Pay all selling expenses and taxes associated with the sale of the garbage company, and ultimately the sale of ITS's Bank stock.
- 3) ~~ITS~~ will plan to sell its Bank stock, presently on the books at \$444,030.
- 4) Finally, the garbage company sale remainder and the ITS Bank stock proceeds will be distributed to the Trust in exchange for the redemption of 100% of the Trust's Postco shares.

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Most likely, if the closing of my purchase of Postco occurs prior to the sale of the Bank stock, the Trust will purchase the Bank stock to complete the deal.

Once the pension plan is fully funded, the company will take immediate steps to terminate the plan. This will be a substantial savings of \$300,000 annually to Postco, of which \$206,000 relates to ITS. Additionally, upon sale closing, Mrs. Post's compensation would terminate. Her current annual amount is \$480,000, of which \$400,000 applies to ITS. The \$480,000 includes approximately \$132,000 of Pension expense from Mrs. Post also included above, and the \$400,000 amount includes approximately \$109,000. The company will continue to carry Mrs. Post's health insurance until she reaches age 65 in two or three years.

**In summary, the final impact on ITS will be that the Bank stock will be removed from ITS, ITS will no longer incur expenses for Mrs. Post and the Pension, and I will be the owner of Postco, the parent of ITS.**

As noted above, this is a summary of the major aspects of the Postco deal that will impact Postco and ITS. I hope you can plainly see the incredible positive impact that this transaction will have on the company's operations and future. I emailed you a copy of our most recent internally prepared ITS financial statements, as our audited financial statements are not yet available. If you need hard copies of these statements, please advise me.

Let me again thank you for your prompt response earlier today. Hopefully this will be sufficient to get the ball rolling. If you have any questions or concerns, please do not hesitate to contact me at 772-597-2104 work or 561-373-1203 cell or [jeffl@itstelecom.net](mailto:jeffl@itstelecom.net) email. Thank you again.

Sincerely,



Jeff Leslie  
President/CEO  
ITS Telecom