

NOWALSKY, BRONSTON & GOTHARD

A Professional Limited Liability Company
Attorneys at Law

Leon L. Nowalsky
Benjamin W. Bronston
Edward P. Gothard

3500 N. Causeway Boulevard
Suite 1442
Metairie, Louisiana 70002
Telephone: (504) 832-1984
Facsimile: (504) 831-0892

Monica R. Borne
EllenAnn G. Sands

February 11, 2000

Florida Public Service Commission
2540 Shumard Oak Drive
Tallahassee, FL 32399-0850

000180-TX

Re: Notification by NOW Communications, Inc. and Tel-Link, L.L.C. of
an Asset Purchase Agreement

Dear Sir or Madam:

On behalf of NOW Communications, Inc. ("NOW") and Tel-Link, L.L.C. ("Tel-Link") this letter is to advise the Commission of an Asset Purchase Agreement (the "Agreement") which the companies propose to consummate. 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.

NOW and Tel-Link propose to consummate the transactions contemplated by the Agreement (the "Acquisition") whereby NOW will purchase, and Tel-Link will sell, all of the assets of Tel-Link, including all customer accounts, certifications and licenses, to the extent permitted by the Commission (the "Acquisition"). A copy of the Agreement is available for inspection and review upon request by the Commission.

NOW is a privately held Mississippi corporation with principal offices located at 713 Country Place Drive, Jackson, Mississippi 39208-6619. NOW is a non-dominant carrier that resells local service and intrastate, interstate and international long distance service purchased from various facilities-based carriers. NOW is a certificated carrier in this State.¹

DOCUMENT NUMBER - DATE

01903 FEB 14 8

FPSC-RECORDS/REPORTING

MAIL ROOM

¹NOW is a certificated carrier in this State, pursuant to authority granted in Docket No. 980339-TX, order No. PSC 98-0716-FOF-TX, granted on May 22, 1998.

Now = 5652
Tel-Link = 4849

Tel-Link is a Georgia limited liability company with principal offices located at 8601 Dunwoody Place, Suite 406, Atlanta, Georgia 30350. Tel-Link is a non-dominant carrier that resells local service and intrastate, interstate and international long distance service purchased from various facilities-based carriers. Tel-Link is a certificated carrier in this State.²

The proposed Acquisition will accomplish the following:

- a. NOW will buy, and Tel-Link will sell, transfer and assign to NOW, all of Tel-Link's right, title and interest in Tel-Link's assets, as defined in the Agreement;
- b. In consideration for the above transfer and sale of assets, NOW will pay to Tel-Link the purchase consideration as described more fully in the Agreement; and
- c. The assets to be sold to NOW include Tel-Link's customer accounts, certifications and licenses, to the extent permitted by the Commission.

NOW proposes to consummate the Acquisition in order to create a single, larger telecommunications provider operating in a greater number of states. By virtue of the Acquisition, NOW will realize significant economic, marketing and administrative efficiencies.

Following consummation of the Acquisition, NOW will continue to serve all of the present customer accounts of Tel-Link pursuant to Tel-Link's certification previously issued to it by this Commission. Prior to consummation of the Acquisition, NOW intends to notify all current customers of Tel-Link of the Acquisition, by either a separate mailing or bill insert. However, the Acquisition will, in effect, be transparent to the customers of Tel-Link and NOW. Tel-Link's tariffs will remain in place and in effect following consummation of the Acquisition. Thus, the Acquisition should not cause any inconvenience or confusion to the customers of either Tel-Link or NOW.

The technical, managerial and financial personnel of NOW will serve both the existing NOW customers and the Tel-Link customers with the same high level of expertise.

² Tel-Link is a certificated carrier in this state, pursuant to authority granted in Docket No. 970178-TX, Order No. PSC 97-0328-FOF-TX, granted on March 24, 1997.

Critical to the Acquisition is the need to ensure the continuation of high quality service to all customers currently served by both NOW and Tel-Link. The Acquisition will serve the public interest for the following reasons:

- a. It will enable NOW to provide a streamlined level of service for all involved customers by creating a single, larger telecommunications operator to provide local and long distance service to the customers in this State as well as other states.
- b. It will increase the appeal to present and potential customers because of NOW's larger size and greater variety of service offerings.
- c. It will result in cost savings as a result of discounts on quantity ordering of underlying and services.
- d. It will serve to create a heightened level of operating efficiency which generally will serve to enhance the overall capacity of NOW to compete in the marketplace and to provide telecommunications services for a greater number of consumers of this State at competitive rates.
- e. It will enable NOW to possess a larger customer base, and thus be a stronger carrier to provide high quality service to all customers presently serviced by both NOW and Tel-Link.

The parties 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 from the date of this letter, we will proceed with the understanding that no approval or other formal action is required by the Commission prior to consummation of the Acquisition.

Enclosed are the original and six (6) copies of this letter. Please return the additional copy of this letter, file-stamped in the envelope provided. If you need any further information or have any questions, please do not hesitate to contact me. Thank you for your assistance in this matter.

Respectfully submitted,



EllenAnn G. Sands
Nowalsky, Bronston & Gothard
A Professional Limited Liability Company
3500 North Causeway Boulevard
Suite 1442
Metairie, Louisiana 70002
(504) 832-1984
Counsel for NOW Communications, Inc.,
and Tel-Link, L.L.C.