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February 28, 2000

Mr. Walter D'Haeseleer  
Director  
Division of Communications  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0866

000273-TI

**Re: Application for Approval of Transfer of Control**

Dear Mr. D'Haeseleer:

Enclosed for filing are an original and four copies of an Application for Approval of Transfer of Control from The Furst Group, Inc. to Furst Holding, Inc. The Furst Group was granted InterLATA authority in compliance with the Commission's Order No. PSC-93-0666-FOF-TI in Docket No. 930131-TI.

Kindly date stamp and return one copy of this filing in the enclosed postage-paid, self-addressed envelope. Should you require additional information concerning this application, please contact me at, (609) 268-8000, at extension 4372.

Thank you.

Sincerely,

Jill Papenhausen  
Corporate Director  
Consumer & Government Affairs

Enclosure

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DOCUMENT NUMBER-DATE

02715 MAR-18

**BEFORE THE PUBLIC SERVICE COMMISSION  
STATE OF FLORIDA**

In the Matter of )  
 )  
**FURST HOLDING, INC.** )  
 )  
Transferee, )  
 )  
**THE FURST GROUP, INC.** )  
 )  
Transferor, )  
 )  
Application for Approval )  
of Transfer of Control )  
of Authorized Carrier )

Case No. \_\_\_\_\_

**APPLICATION FOR APPROVAL OF TRANSFER OF CONTROL**

Furst Holding, Inc. ("Holding") and The Furst Group, Inc. ("Furst"), hereby respectfully request the Florida Public Service Commission ("Commission's") approval to effectuate nunc pro tunc a transfer of control of a certificated interexchange carrier, Furst, to Holding. Under the proposed transaction, Holding intends to acquire eighty-one percent (81%) of the outstanding shares of Furst from existing Furst shareholders. Since consummation of the transaction occurred on December 31, 1999, nunc pro tunc approval is requested effective as of that date. Both Holding and Furst (collectively, "Applicants") respectfully request expedited treatment of this Application.

As more fully described below, approval of the transfer will permit the Applicants to realize significant economic and marketing efficiencies which will enhance their ability to continue providing high quality, low cost telecommunications services and to compete more effectively in the long distance marketplace. Accordingly, grant of this Application will benefit the public interest.

DOCUMENT NUMBER-DATE  
**02715 MAR-18**  
FPSC-RECORDS/REPORTING

**I. BACKGROUND**

Holding is a privately-held New Jersey corporation whose principal office is located at 459 Oakshade Road, Shamong, NJ 08088. Holding is not a provider of telecommunications services.

Furst is a privately-held New Jersey corporation whose principal office is located at 459 Oakshade Road, Shamong, NJ 08088. By Order in Docket No. 930131-TI, and Order No. PSC-93-0666-FOF-TI, Furst was authorized to operate as a reseller of interexchange telephone services within the State of Florida. Information concerning Furst's financial, technical and managerial abilities is available to the Commission through the proceeding noted above, and is incorporated herein by reference. Furst also provides interstate and international telecommunications services as a non-dominant common carrier pursuant to authority of the Federal Communications Commission.

**II. DESIGNATED CONTACTS**

The designated contacts for questions concerning this Application are:

Jill Papenhausen  
Corporate Director, Consumer and Government Affairs  
The Furst Group, Inc.  
459 Oakshade Road  
Shamong, NJ 08088  
(609) 268-4372 Telephone  
(609) 268-8713 Facsimile

with a copy to:

Thomas K. Crowe, Esq.  
C. Jeffrey Tibbels, Esq.  
Law Offices of Thomas K. Crowe, P.C.  
2300 M Street, N.W., Suite 800  
Washington, D.C. 20037  
(202) 973-2890 Telephone  
(202) 973-2891 Facsimile

### III. THE TRANSACTION

On December 31, 1999, Holding and Furst entered into a stock purchase agreement ("Agreement") whereby Holding purchased 81% of the issued and outstanding capital stock of Furst from numerous, individual Furst shareholders. In exchange for 81% of the shares of Furst, the individual Furst shareholders will receive 1) a sum, pro-rated among each shareholder, equal to one cent (\$0.01) for each one percent (1%) of Furst stock owned by the shareholder; 2) a promissory note issued by Holding to Furst, for and on behalf of the shareholders, in the principal sum of \$750,000 plus interest; and 3) additional consideration, the exact amount to be determined in the future, if there is a further change in control of Furst before December 31, 2003. The transaction closed effective December 31, 1999. Since consummation of the transaction clearly entails a transfer of control, nunc pro tunc approval by this Commission is being sought.

Applicants expect that for the foreseeable future the certificated entity, Furst, will continue its telecommunications operations under its current name, and will continue to provide high quality, affordable telecommunications services to the public. As such, this transaction will not in any way disrupt service or cause inconvenience or confusion to the customers of Furst. Indeed, the acquisition will be virtually seamless to retail customers in terms of the services they currently receive, but it may make additional products and services available to Furst customers throughout the country.

Applicants request approval, nunc pro tunc, for authority to effectuate this transaction, thereby transferring control of Furst to Holding, effective December 31, 1999. Due to time constraints, Applicants were unable to assemble and file a request for approval prior to the closing of the transaction. Applicants regret this delay and request grant of this Application nunc pro tunc

to conform the Applicant's operations to Commission requirements. Applicants respectfully submit that their temporary non-compliance with the Commission's rules is mitigated by the fact that they have voluntarily and promptly come forward to correct their ownership status before the Commission. Moreover, approval will permit Applicants to continue making efforts to enhance their provision of high quality, cost effective services, and thus is in the public interest.

#### **IV. PUBLIC INTEREST**

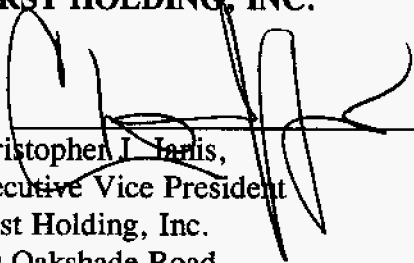
The approval requested herein will serve the public interest in promoting competition among long distance carriers by allowing for a more efficient operating entity with enhanced managerial resources. The new managerial structure envisioned under the proposed transaction is expected to strategically improve the company's competitive position, particularly in the business market. This, in turn, will enable Furst to be a more vigorous competitor facilitating lower prices and higher quality services to the public.

V. **CONCLUSION**


For the reasons stated in this Application, Holding and Furst respectfully submit that the public interest, convenience and necessity would be furthered by grant of this Application on a nunc pro tunc basis, effective as of December 31, 1999.

Respectfully submitted,

**FURST HOLDING, INC.**

By:   
Christopher J. Jarris,  
Executive Vice President  
Furst Holding, Inc.  
459 Oakshade Road  
Shamong, NJ 08088  
(609) 268-4415 Telephone

**THE FURST GROUP, INC.**

By:   
Jill Papenhausen  
Corporate Director,  
Consumer and Government Affairs  
459 Oakshade Road  
Shamong, NJ 08088  
(609) 268-4372 Telephone

Of Counsel:

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Dated: 2-28-2000