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February 9, 2006

## VIA OVERNIGHT DELIVERY

Executive Secretary  
Florida Public Service Commission  
Capital Circle Office Center  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

060119-77

RE: Notification by Telrite Corporation and Line 1 Communications, LLC  
d/b/a Direct Line Communications of a Transfer of Control

Dear Sir or Madam:

On behalf of Line 1 Communications, LLC d/b/a Direct Line Communications ("Direct Line") and Telrite Corporation ("Telrite") (together referred to as the "Parties"), this letter is to advise the Commission of an Asset Purchase Agreement whereby Telrite will acquire substantially all of the local and long distance customer accounts of Direct Line (the "Acquisition").

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. The Parties are also requesting that the Commission waive the verification requirements of Florida Administrative Code Rule 25-4.118.

After the transaction is consummated, the Direct Line local and long distance customers will be served by Telrite with the same services and rates as previously provided by Direct Line. Direct Line will continue to offer VOIP services to customers in the State of Florida after consummation of the transaction and therefore will maintain its long distance certification in Florida.

Direct Line is authorized to provide local, intrastate, interstate and international long distance telecommunication services in 19 states. Direct Line is a certificated provider of

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resold long distance services in this State.<sup>1</sup> Telrite Corporation is a Georgia Corporation which provides long distance in 48 states. Telrite is a certificated provider of resold long distance services in this State.<sup>2</sup>

The proposed transaction will accomplish the following:

The proposed transaction will serve the public interest, convenience, and necessity. Consummation of the proposed transaction will result in net benefits to all of Direct Line's customers by creating a single, larger provider of telecommunications services, facilitating efficiencies to benefit all of Direct Line's and Telrite's customers. The transaction will enhance Telrite's ability to offer a broader range of innovative products and services to customers.

The customers of Direct Line will be given the opportunity to switch their service from Direct Line to a different carrier. None of the customers of Direct Line will experience any change in rates due to the Acquisition. To the extent that any of Direct Line's rates are not presently included in Telrite's tariffs, Telrite will amend its Tariffs accordingly to include such rates. As a result, the transaction should not cause any inconvenience or confusion to the existing customers of Direct Line. Those customers of Direct Line who choose not to switch their service to a different carrier will receive service from Telrite.

The Commission's ability and authority to regulate Direct Line and to ensure that it satisfies all obligations, commitments and regulatory requirements established by the laws of this state and the Commission will remain unchanged. Thus, there are no potential public interest concerns raised by the proposed transaction and there will be clear benefits to the public upon the closing of this transaction.

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 proposed transaction.

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<sup>1</sup> Direct Line received its authority to provide long distance telecommunications services in this State pursuant to Docket No. 010183-TI dated 5/20/02.

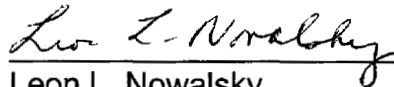
<sup>2</sup> Telrite received its authority to provide long distance telecommunications services in this State pursuant to Docket 030240-TI dated 7/2/2002.

Executive Secretary  
Florida Public Utilities Commission  
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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 the undersigned. Thank you for your assistance in this matter.

Respectfully submitted,



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Direct Line Communications and Telrite  
Corporation

Telrite Corporation

Line 1 Communications, LLC  
d/b/a Direct Line Communications.

(Customer Name)  
(Address)

Dear Customer:

Telrite Corporation ("Telrite") and Line 1 Communications, LLC, d/b/a Direct Line Communications have executed a Letter of Intent, whereby the local and long distance telecommunications assets of Direct Line will be acquired by Telrite, and Telrite will become your telecommunication service provider. Telrite anticipates becoming your telecommunications provider on or before \_\_\_\_\_.

This change in ownership will not affect or in any way disrupt your current service. **The rates and terms and conditions of the services offered by Telrite will be the same as those offered by Direct Line.** No charges or fees will be imposed and no rate increase will occur as a result of this transaction. Telrite will inform you, by bill insert, of any post-transaction changes which may occur.

You have a choice of carriers. If you do not wish to remain a customer, you may change carriers and such change will be at Telrite's expense. Telrite will make every effort to resolve outstanding Direct Line customer complaints. The toll free Customer Service number will remain the same and if you have any questions, please call one of our Customer Service Representatives at 1-866-890-4135.

All customers receiving this notice, including those who have arranged preferred carrier freezes through their local service providers, will be transferred to Telrite.

We at Telrite are pleased to welcome you to our team and would like to express our appreciation for allowing us the opportunity of being your telecommunication service provider. We are confident that you will be pleased with the high quality of our service.