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COMMISSION CLERK

June 19, 2007

VIA OVERNIGHT MAIL

Blanca S. Bayó
Director
Division of the Commission Clerk and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

070000

07 JUN 20 AM 9:25
DISTRIBUTION CENTER

Re: Notification of Transaction between Dialaround Enterprises Inc. and STi Prepaid, LLC

Dear Ms. Bayó:

STi Prepaid, LLC (“STi Prepaid”) and Dialaround Enterprises Inc. (“DEI”), by their attorneys, hereby notify the Florida Public Service Commission (“Commission”) of a pending transaction between STi Prepaid and DEI. DEI and STi Prepaid are authorized to operate as competitive interexchange telecommunications services resellers in Florida.^{1/} Pursuant to the terms of an Asset Purchase and Contribution Agreement between STi Prepaid, DEI, and their respective individual owners and corporate parents dated January 23, 2007, DEI agreed to transfer all or substantially all of its assets to STi Prepaid (the “Transaction”).

After consummation of the Transaction, STi Prepaid will provide intrastate interexchange telecommunications services including dial-around and prepaid calling card services in Florida. It is the Parties’ understanding that no prior Commission approval is required to consummate the Transaction described herein. The Parties therefore submit this notice for the Commission’s information.

1. Parties to the Transaction

STi Prepaid, a Delaware limited liability company, is an indirect subsidiary of Leucadia National Corporation (“Leucadia”), a publicly-traded New York corporation with headquarters at 315 Park Avenue South, New York, NY 10010. The address and telephone number of STi Prepaid is:

^{1/} See Docket No. 070111-T1, Acknowledgment of Registration As an Intrastate Interexchange Telecommunications Company, by STi Prepaid, LLC d/b/a Telco Group, Telco, TGI, Dialaround Enterprises, Dialaround, DEI, VOIP Enterprises, VOIP (effective Feb. 9, 2007). See also, Docket No. 010959-TI, Order Granting Certificate to Provide Interexchange Telecommunications Services (issued Oct. 29, 2001).

Mintz, Levin, Cohn, Ferris, Glovsky and Popeo, P.C.

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STi Prepaid, LLC
30-50 Whitestone Expressway, 4th Floor
Flushing, NY 11354
718-358-5390 (telephone)

DEI is a privately held Delaware corporation with headquarters at 30-50 Whitestone Expressway, 4th Floor, Flushing, New York 11354. Samer Tawfik, a United States citizen, is DEI's sole owner.

2. Contact

All correspondence concerning this notice of Transaction should be addressed to:

Chérie R. Kiser
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3. Effect of Proposed Transaction

The proposed Transaction furthers the public interest, convenience, and necessity. The transfer of DEI's assets to STi Prepaid will benefit consumers by ensuring that consumers continue to have a wide range of telecommunications choices in the long distance market. As an affiliate of Leucadia, a publicly traded company, STi Prepaid will have access to the public capital markets that can provide support for the expansion of the services currently offered by DEI. STi Prepaid will benefit from DEI's experience providing telecommunications services, which will be further enhanced through STi Prepaid's access to the telecommunications expertise of Leucadia, which has previously managed other providers of telecommunications services through various subsidiaries. The combination of existing technical experience at DEI and the financial backing of Leucadia will enhance STi Prepaid's ability to efficiently provide and expand its services.

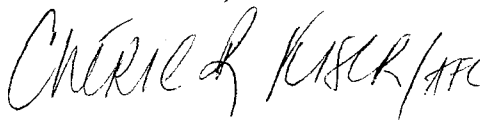
The proposed Transaction does not present any anticompetitive issues. STi Prepaid will operate under the fictitious name of DEI as registered with the Florida Secretary of State. Thus, the Transaction will be transparent to any consumers still using DEI as the service provider. In addition, customer notice is not required in this case because DEI does not have a dedicated customer base. DEI's dial-around services can be used by any person at any time by dialing DEI's access number. DEI has no knowledge of the identity of the persons that utilize its services, and has no direct relationship with the person utilizing the dial-around service. Accordingly, customer notification of this Transaction is unnecessary and would be almost impossible.

Pursuant to the Commission's filing procedures, please find enclosed an original plus three (3) copies of this letter. Please date-stamp the additional copy of this letter and return it to

us in the enclosed envelope. If you have any questions regarding this filing, please contact the undersigned.

Respectfully submitted,

**DIALAROUND ENTERPRISES INC.
and
STi PREPAID, LLC**



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