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May 8, 2009

RECEIVED-FPSC
09 MAY -8 PM 4:37
COMMISSION
CLERK

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

REDACTED

**Re: Docket No. 090246-TP: Notice of Adoption of Existing
Interconnection Agreement between BellSouth Telecommunications,
Inc. and Cbeyond Communications, Inc. by Clective Florida, LLC**

Dear Ms. Cole:

Enclosed is BellSouth Telecommunications, Inc. d/b/a AT&T Florida's
Objection to Notice of Adoption and Petition to Cancel Clective Florida LLC's CLEC
Certificate No. 8736, which we ask that you file in the captioned docket.

Copies have been served to the parties shown on the attached Certificate of
Service.

Sincerely,

Manuel A. Gurdian

COM _____ cc: All parties of record
ECR _____ Jerry Hendrix
GCL 2 _____ Gregory R. Follensbee
OPC _____ E. Earl Edenfield, Jr.
RCP _____
BSC _____
SGA _____
ADM _____
CLK _____

DOCUMENT NUMBER-DATE

04472 MAY-8 8

FPSC-COMMISSION CLERK

CERTIFICATE OF SERVICE
Docket No. 090246-TP

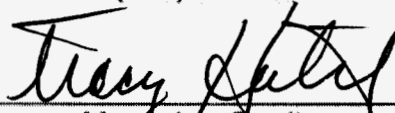
I HEREBY CERTIFY that a true and correct copy of the foregoing was served via

(*) Electronic Mail, (**) Facsimile and First Class U.S. Mail this 8th day of May, 2009 to

the following:

Victor McKay (*)
Staff Counsel
Florida Public Service
Commission
Division of Legal Services
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850
vmckay@psc.state.fl.us

Clective Telecom Florida, LLC (**)
2090 Dunwoody Club Drive, #106-257
Atlanta, GA 30350
Tel. No. (404) 272-0445
Fax. No. (203) 547-6326



Mantel A. Gurdian

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Notice of Adoption of Existing Interconnection) Docket No. 090246-TP
Agreement between BellSouth)
Telecommunications, Inc. and Cbeyond)
Communications, Inc. by Clective Florida, LLC) Filed: May 8, 2009

**AT&T FLORIDA'S OBJECTION TO NOTICE OF ADOPTION AND PETITION
TO CANCEL CLECTIVE FLORIDA, LLC'S CLEC CERTIFICATE NO. 8736**

BellSouth Telecommunications, Inc. d/b/a AT&T Florida ("AT&T Florida") submits this Objection to Clective Telecom Florida, LLC's ("Clective") Notice of Adoption of Existing Interconnection Agreement between BellSouth Telecommunications, Inc. and Cbeyond Communications, LLC and Petition to Cancel Clective's CLEC Certificate No. 8736, pursuant to Rules 25-22.036 and 28-106.201, Florida Administrative Code. For the reasons set forth below, the Florida Public Service Commission should reject Clective's Notice of Adoption, open an investigation into Clective's capability to provide CLEC services and cancel Clective's CLEC Certificate No. 8736 for its failure to maintain "sufficient technical, financial, and managerial capability" pursuant to Florida Statutes § 364.337 to provide CLEC services in Florida.

PARTIES

1. The name and address of the affected agency is the Florida Public Service Commission ("Commission"), 2540 Shumard Oak Blvd., Tallahassee, Florida 32399. The Commission's docket number for this proceeding is 090246-TP.
2. The name of the Petitioner is AT&T Florida. AT&T Florida is a Georgia corporation and its principal place of business is 675 W. Peachtree Street, NE, Atlanta, Georgia 30375.

DOCUMENT NUMBER-DATE

04472 MAY-8 8

FPSC-COMMISSION CLERK

3. AT&T Florida is an Incumbent Local Exchange Carrier under the Communications Act of 1934, as amended by the Telecommunications Act of 1996, Pub. L. No. 104-104, 110 Stat. 56 (“the Act”).

4. All pleadings, notices and other documents filed in this proceeding should be directed to AT&T Florida’s representatives as follows:

E. Earl Edenfield Jr.
Tracy W. Hatch
Manuel A. Gurdian
AT&T Florida
c/o Gregory R. Follensbee
150 South Monroe Street, Ste. 400
Tallahassee, FL 32301
ke2722@att.com
th9467@att.com
mg2708@att.com
305.347.5558 (telephone)
850.222.8640 (fax)

5. Clective is a Florida limited liability company and its address is 2090 Dunwoody Club Drive Ste. 106-257, Atlanta, Georgia 30350. Clective is a Competitive Local Exchange Carrier under the Act.

CLECTIVE’S NOTICE OF ADOPTION

6. On or about April 29, 2009, Clective filed a Notice of Adoption of AT&T Florida’s existing Interconnection Agreement with Cbeyond Communications, LLC dated October 29, 2008 (“the Agreement”).¹

7. AT&T Florida objects to Clective’s adoption of the Agreement because Clective lacks “sufficient technical, financial, and managerial capability” pursuant to Florida Statutes § 364.337 to provide CLEC services in Florida.

¹ On or about November 18, 2008, Clective had requested to adopt an entirely different agreement, AT&T’s Interconnection Agreement with Comcast Phone, LLC. Prior to its April 29, 2009 Notice of Adoption, Clective had not previously advised AT&T Florida that it intended to attempt to adopt the Cbeyond ICA.

CLECTIVE'S APPLICATION TO PROVIDE CLEC SERVICE IN FLORIDA

8. Clective is a relatively new company, having filed its "Articles of Organization for Florida Limited Liability Company" with the Florida Department of State, Division of Corporations on or about May 16, 2008. *See* Articles of Organization attached hereto as Exhibit "A".

9. On or about August 13, 2008, in Docket No. 080545-TX, Clective filed an "Application Form for Authority to Provide Competitive Local Exchange Telecommunications Company Service Within the State of Florida" ("Application"). *See* Application attached hereto as Exhibit "B". The Application provides that Clective has operated and is certificated as a CLEC in Georgia. *See Id* at p. 5. Moreover, the Application provides that the official point of contact for Clective is Evan Katz², Director, and is signed by Patricia Morris, President. *See Id.* at pp. 4, 7. Attached to the Application is "Clective Telecom Florida, LLC Management/Technical Capabilities" which lists Patricia Morris³ as President of Clective Georgia, Inc. ("Clective Georgia") and Evan Katz as Director of Network and Switch Engineering for Clective Georgia. *See Id.* at unnumbered page attached to Application. The remaining individuals listed on "Clective Telecom Florida, LLC Management/Technical Capabilities" are also affiliated with Clective Georgia. *See Id.*

10. On or about August 27, 2008, in support of its Application, Clective filed its "Unaudited Balance Sheet" which provides that Clective had "Total Assets" of "Cash

² In 2004, Evan Katz was employed by Global NAPs, an entity which, after protracted litigation, AT&T disconnected for nonpayment of charges in excess of \$20,000,000 in the states of Florida, Georgia and North Carolina.

³ Clective's president, Patricia Morris, also known as Patricia Katz, is the spouse of Evan Katz. *See* March 11, 2009 Hearing Transcript at p. 11, lines 14-15 in Case No. 1:09-cv-657 RWS, United States District Court, Northern District of Georgia.

in Bank” of \$13,000, “Accounts Receivable” of \$25,000, “Vendor Deposits” of \$5,000 and “Equipment” worth \$50,000. Clective’s “Unaudited Balance Sheet” further provides that it had “Total Liabilities” consisting of “Accounts Payable” of \$5,500 and a “Net Worth” of \$87,500. See “Clective Balance Sheet as of July 31, 2008” attached hereto as Exhibit “C”.

11. On or about October 6, 2008, the Commission entered Order No. PSC-08-0651-PAA-TX in Docket No. 080545-TX and noted that it appeared Clective had “sufficient technical, financial, and managerial capability” to provide CLEC services in Florida and granted Clective Certificate No. 8736.

AT&T’S DISCONNECTION OF CLECTIVE GEORGIA FOR NONPAYMENT

12. [REDACTED] See Confidential Credit Application dated December 5, 2008 attached hereto as Confidential Exhibit “D”.

13. Clective Georgia’s employees and principals are the same individuals indicated by Clective on its Application as the managers and individuals involved in running Clective in Florida. See Exhibit “B” attached hereto.

14. On or about February 10, 2009, AT&T advised Clective Georgia that its account was in default in the amount of \$122,447.82 and subject to disconnection on March 12, 2009. See February 10, 2009 letter from AT&T to Clective Georgia attached hereto as Exhibit “E”.

15. On or about March 10, 2009, two days before Clective Georgia’s scheduled disconnection, Clective Georgia filed two lawsuits against AT&T, one in Georgia state court and one before the Georgia Public Service Commission. See *Clective Georgia, Incorporated v. BellSouth Telecommunications, Inc. d/b/a AT&T Georgia*, Civil

Action File No. 09-CV-165789, Superior Court of Fulton County, Georgia and *In re: Complaint of Clective GA, Inc. against BellSouth Telecommunications, Inc. d/b/a AT&T Georgia*, Georgia Public Service Commission, Docket No. 29365-U. AT&T properly removed the state court action to federal district court. *See Clective Georgia, Inc. v. BellSouth Telecommunications, Inc. d/b/a AT&T Georgia*, Case No. 1:09-CV-0657, United States District Court for the Northern District of Georgia, Atlanta Division. Thereafter, Clective obtained an emergency hearing in federal district court on a motion for an injunction it filed against AT&T seeking to prevent disconnection.

16. On or about March 11, 2009, the Honorable Charles A. Pannell, Sr. heard arguments on Clective Georgia's motion for an injunction in federal district court. During that hearing, Clective Georgia's counsel indicated Clective Georgia "can't post a bond." *See* Exhibit "F" at p. 8, lines 6-7. Clective Georgia later indicated it was willing to "post a bond in the amount of a thousand dollars." *Id.*, p. 11, lines 23-24. Judge Pannell instructed the parties to return on March 12, 2009 at 9:30 a.m. for further proceedings, indicating Clective Georgia would clearly be required to post more than \$1,000. *Id.*, p. 12, lines 16-20. Rather than return to federal district court, Clective Georgia cancelled the March 12, 2009 hearing and filed a Chapter 11 bankruptcy petition.

17. On or about March 11, 2009, Clective Georgia filed a Voluntary Petition in the United States Bankruptcy Court for the Northern District of Georgia in Case No. 09-66475-crm. *See* Clective Georgia's Voluntary Petition attached hereto as Exhibit "G". In its listing of creditors, Clective Georgia indicated that "BellSouth/AT&T" had a

claim against Clective Georgia for \$175,000. No other creditors were listed in the bankruptcy petition.

18. In connection with its bankruptcy petition, Clective Georgia filed certain financial documents. *See* Clective GA, Inc. Statement of Cash Flows, Clective GA, Inc. Balance Sheet, and Clective GA, Inc. Statement of Operations attached hereto as Exhibit "H". The financial documents demonstrate that Clective Georgia's net income through February 2009 was *negative*, and that Clective Georgia has only \$6,083.19 cash on hand.

19. After Clective Georgia filed its bankruptcy petition, AT&T filed an Emergency Motion to Dismiss that matter. In its filing, AT&T explained that the timing of Clective Georgia's bankruptcy petition filing evidenced its intent to frustrate the legitimate efforts of AT&T to enforce its rights, as the bankruptcy petition was filed on the eve of AT&T terminating service, after Clective Georgia elected not to proceed with its attempt to enjoin AT&T. AT&T noted the deficiencies in Clective Georgia's financial documents and made clear that Clective lacked any realistic possibility of an effective reorganization. On or about March 31, 2009, Bankruptcy Judge C. Ray Mullins heard arguments on AT&T's Motion. Following oral argument, Judge Mullins orally granted AT&T's Motion to Dismiss the bankruptcy petition.

20. Clective Georgia then renewed its motion in federal district court seeking to prevent disconnection. On April 1, 2009, the federal district court heard arguments on Clective Georgia's motion, and on April 2, 2009, the federal district court issued an order denying Clective Georgia's request. *See* April 2, 2009 Order attached hereto as Exhibit "I".

21. On or about April 6, 2009, the bankruptcy court issued a written order dismissing Clective Georgia's bankruptcy petition, and AT&T began the disconnection process on that same date. *See* April 6, 2009 Order attached hereto as Exhibit "J".

22. As of April 1, 2009, Clective Georgia owed AT&T a total of \$250,968.71 for AT&T's provision of services to Clective. *See* Joint Affidavit of Cindy Clark and Sandra Cetti attached hereto as Exhibit "K" at ¶ 9.

23. Clearly, the financial documents of Clective Georgia, [REDACTED], reveal that Clective lacks the satisfactory "technical, financial, and managerial capability" necessary to maintain its Florida CLEC authorization issued by this Commission. *See* Florida Statutes Section 364.337. Failure to revoke the CLEC authorization has the potential to allow Clective to continue the strategy that its principals have embraced at Clective Georgia - run up a large bill, which Clective clearly cannot pay, subjecting AT&T to significant financial harm.

**CLECTIVE HAS FAILED TO PAY THE COMMISSION'S
REGULATORY ASSESSMENT FEE**

24. On or about February 20, 2009, the Commission mailed out delinquent notices to those companies - including Clective - that had not paid the 2008 Regulatory Assessment Fee. *See* February 23, 2009 correspondence from Paula Iser with Commission Staff to Clective attached hereto as Exhibit "L".

25. On or about February 23, 2009, Commission Staff again advised Clective that it had failed to pay the 2008 Regulatory Assessment Fee and that if Clective did not comply with the delinquent notice that it would be fined a minimum of \$500.00. *See Id.*

26. On or about April 20, 2009, the Commission Staff opened a "Compliance Investigation of CLEC Certificate No. 8736, issued to Clective Telecom Florida, LLC for

apparent first-time violation of Rule 25-4.0161, F.A.C., Regulatory Assessment Fees; Telecommunications Companies” in Docket No. 090221.

27. On or about May 6, 2009, the Commission entered Order No. PSC-09-0298-PAA-TX in Docket No. 090221-TX which cancels Clective’s CLEC certificate for failure to comply with Section 364.336, Florida Statutes, and Rule 25-4.0161, F.A.C., unless Clective pays a penalty, cost of collection, together totaling \$500, and remits the past due Regulatory Assessment Fees, along with any accrued statutory late payment charges, to the Commission by May 27, 2009.

28. Upon information and belief, to date, Clective has failed to pay its 2008 Regulatory Assessment Fee as well as the penalty, cost of collection, and any accrued statutory late payment charges as ordered by the Commission in Docket No. 090221-TX.

29. Clective’s conduct in failing to pay the mandated Regulatory Assessment Fee is yet another indication that Clective lacks the requisite technical, financial, and managerial capability to operate a CLEC business in Florida.

AT&T FLORIDA’S REQUEST FOR DEPOSIT FROM CLECTIVE

30. On or about February 26, 2009, AT&T requested that Clective provide an initial deposit of [REDACTED] based upon Clective’s likely billing for two months of service. See February 26, 2009 correspondence from AT&T to Clective attached hereto as Confidential Exhibit “M”. However, to date, Clective has not indicated that it will agree to such deposit, and indications from the financial information AT&T has obtained regarding Clective Georgia clearly reflect an inability to pay such deposit.

**CLECTIVE DOES NOT HAVE SUFFICIENT TECHNICAL, FINANCIAL AND
MANAGERIAL CAPABILITY TO PROVIDE SERVICE IN FLORIDA**

31. Clective's financial capability and balance sheet has deteriorated to a level which is not sufficient to provide CLEC service pursuant to the requirements of Florida Statutes § 364.337 and must be cancelled by the Commission per the provisions of Rule 25-24.572.

32. As indicated above, in Order No. PSC-08-0651-PAA-TX in Docket No. 080545-TX, the Commission noted that it appeared that Clective had sufficient technical, financial, and managerial capability to provide service in Florida.

33. Rule 25-24.572(1), Florida Administrative Code, provides that the Commission may cancel a company's certificate for any of the following reasons:

- (a) Violation of the terms and conditions under which the authority was originally granted;
- (b) Violation of Commission rules or orders; or
- (c) Violation of Florida Statutes.

34. Since the granting of Order No. PSC-08-0651-PAA-TX in Docket No. 080545-TX, it would appear that Clective Florida's condition has deteriorated. It is clear that Clective's condition is at the point where it no longer has "sufficient technical, financial, and managerial capability" to provide CLEC service based upon the following: (1) Clective Florida has failed to pay its Regulatory Assessment Fee to the Commission; (2) upon information and belief, has little to no assets; (3) is managed by the same individuals involved in Clective Georgia, [REDACTED], which was disconnected by AT&T for failure to pay its bills for services rendered; (4) Clective has provided no indication that it will agree to provide AT&T Florida with sufficient security for future

services; and (5) upon information and belief, its attempt to move its operations from Georgia to Florida to continue its practice of obtaining services from AT&T and then not paying AT&T for said services.

AT&T FLORIDA WILL BE FINANCIALLY HARMED

35. AT&T Florida will be financially harmed if Clective's Notice of Adoption is not rejected by the Commission and Clective's CLEC certificate is not immediately cancelled by the Commission.

CONCLUSION

36. Accordingly, based upon the foregoing, it is no longer in the public interest to allow Clective to provide telecommunications service in Florida. Clective's certificate was granted based on its assertion of having sufficient technical, financial, and managerial capability to provide CLEC service. Clective does not possess the technical, financial, and managerial capability as required by Section 364.337(3), F.S., to provide CLEC service in the State of Florida. The Commission should reject Clective's Notice of Adoption and, pursuant to Rule 25-24.572, cancel Clective's CLEC Certificate No. 8736 for its demonstrated lack of technical, financial, and managerial capability to operate a telecommunications company in Florida. *See In re: Investigation of Vilaire Communications, Inc.'s eligible telecommunications carrier status and competitive local exchange company certificate status in the State of Florida*, Docket No. 080065-TX, Order No. PSC-08-0090-PAA-TX, p. 9-10 (Issued February 13, 2008)(Where, pursuant to Rule 25-24.572, the Commission found that a CLEC no longer possessed the technical, financial, and managerial capability as required by Section 364.337(3), F.S., to provide CLEC service in Florida and cancelled the CLEC's certificate).

DISPUTED ISSUES OF MATERIAL FACT

37. AT&T Florida is not aware of any disputed issues of material fact as to Clective's failure to possess sufficient technical, financial, and managerial capability to operate a telecommunications company in Florida.

STATUTES AND RULES ENTITLING AT&T FLORIDA TO RELIEF

38. AT&T Florida is entitled to relief under Chapter 120 and 364, Florida Statutes and Chapters 25-22 and 28-106, Florida Administrative Code.

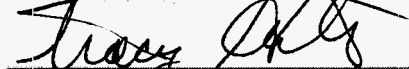
PRAYER FOR RELIEF

WHEREFORE, AT&T Florida respectfully requests that the Commission issue an Order:

- (1) Rejecting Clective's Notice of Adoption;
- (2) Finding that Clective lacks "sufficient technical, financial, and managerial capability" pursuant to Florida Statutes § 364.337 to provide CLEC services in Florida;
- (3) Cancelling Clective's CLEC Certificate No. 8736; and
- (4) Granting such other and further relief as the Commission may deem just and proper.

Respectfully submitted this 8th day of May, 2009.

AT&T FLORIDA



E. EARL EDENFIELD JR.

TRACY W. HATCH

MANUEL A. GURDIAN

c/o Gregory R. Follensbee

150 South Monroe Street, Ste. 400

Tallahassee, FL 32301

(305) 347-5558

EXHIBIT A

H08000131056 3

ARTICLES OF ORGANIZATION FOR FLORIDA LIMITED LIABILITY COMPANY

ARTICLE I – Name:

The name of the Limited Liability Company is: Clective Telecom Florida, LLC

ARTICLE II – Address:

The mailing address and street address of the principal office of the Limited Liability Company is: 2090 Dunwoody Club Drive, Ste 106-257, Atlanta, GA 30360.

ARTICLE III – Registered Agent, Registered Office, & Registered Agent's Signature:

The name and the Florida street address of the registered agent are:

Agents and Corporations, Inc.
300 Fifth Avenue South
Suite 101-330
Naples, FL 34102

Having been named as registered agent and to accept service of process for the above stated limited liability company at the place designated in this certificate, I hereby accept the appointment as registered agent and agree to act in this capacity. I further agree to comply with the provisions of all statutes relating to the proper and complete performance of my duties, and I am familiar with and accept the obligations of my position as registered agent as provided for in Chapter 608, F.S.

Agents and Corporations, Inc.

By: John L. Williams, Vice President

SECRETARY OF STATE
TALLAHASSEE, FLORIDA

09 MAY 16 AM 8:59

FILED


ARTICLE IV – Management (Check box if applicable.) []

The Limited Liability Company is to be managed by one manager or more managers and is, therefore, a manager – managed company.

ARTICLE V – Manager:

The Initial Manager(s) of the Limited Liability Company shall be:

Patricia Morris



Signature of a member or an authorized representative of a member

(In accordance with section 608.408(3), Florida Statutes, the execution of this document constitutes an affirmation under the penalties of perjury that the facts stated herein are true.)

Patricia Morris
Typed or printed name of signee

EXHIBIT B

080545 ORIGINAL

FLORIDA PUBLIC SERVICE COMMISSION

DIVISION OF COMPETITIVE MARKETS AND ENFORCEMENT

APPLICATION FORM
for

DEPOSIT DATE
863 - AUG 14 2008
AUTHORITY TO PROVIDE COMPETITIVE LOCAL EXCHANGE
TELECOMMUNICATIONS COMPANY SERVICE
WITHIN THE STATE OF FLORIDA

CK# 1159
\$ 400.00
8-13-08
RT

Instructions

- A. This form is used as an application for an original certificate and for approval of sale, assignment or transfer of an existing certificate. In the case of a sale, assignment or transfer, the information provided shall be for the purchaser, assignee or transferee (See Page 8).
- B. Print or type all responses to each item requested in the application. If an item is not applicable, please explain.
- C. Use a separate sheet for each answer which will not fit the allotted space.
- D. Once completed, submit the original and two (2) copies of this form along with a non-refundable application fee of \$400.00 to:

Florida Public Service Commission
Division of the Commission Clerk and Administrative Services
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850
(850) 413-6770

- E. A filing fee of \$400.00 is required for the sale, assignment or transfer of an existing certificate to another company (Chapter 25-24.815, F.A.C.).
- F. If you have questions about completing the form, contact:

Florida Public Service Commission
Division of Competitive Markets and Enforcement
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850
(850) 413-6600

- COM _____
- ECR _____
- GCL _____
- OPC _____
- RCP /
- SSC _____
- SGA _____
- ADM _____
- CLK /

DOCUMENT NUMBER - DATE
07219 AUG 13 08
FPSC-COMMISSION CLERK

FORM PSC/CMP-8 (01/06)
Required by Commission Rule Nos. 25-24.810,
and 25-24.815

Note: To complete this interactive form
using your computer, use the tab key
to navigate between data entry fields.

1. This is an application for (check one):

Original certificate (new company).

Approval of transfer of existing certificate: Example, a non-certificated company purchases an existing company and desires to retain the original certificate of authority rather than apply for a new certificate.

Approval of assignment of existing Certificate: Example, a certificated company purchases an existing company and desires to retain the existing certificate of authority and tariff.

2. Name of company: Clective Telecom Florida, LLC

3. Name under which applicant will do business (fictitious name, etc.):

SAME AS ABOVE

4. Official mailing address:

Street/Post Office Box: 2090 Dunwoody Club Drive Suite 106-257
City: Atlanta
State: GA
Zip: 30350

5. Florida address:

Street/Post Office Box: 300 Fifth Ave South Suite 101-330
City: Naples
State: FL
Zip: 34102

6. Structure of organization:

Individual
 Foreign Corporation
 General Partnership
 Other,

Corporation
 Foreign Partnership
 Limited Partnership

7. **If individual**, provide:

Name:
Title:
Street/Post Office Box:
City:
State:
Zip:
Telephone No.:
Fax No.:
E-Mail Address:
Website Address:

8. **If incorporated in Florida**, provide proof of authority to operate in Florida. The Florida Secretary of State corporate registration number is: L08000049129

9. **If foreign corporation**, provide proof of authority to operate in Florida. The Florida Secretary of State corporate registration number is:

10. **If using fictitious name (d/b/a)**, provide proof of compliance with fictitious name statute (Chapter 865.09, FS) to operate in Florida. The Florida Secretary of State fictitious name registration number is:

11. **If a limited liability partnership**, please proof of registration to operate in Florida. The Florida Secretary of State registration number is:

12. **If a partnership**, provide name, title and address of all partners and a copy of the partnership agreement.

Name:
Title:
Street/Post Office Box:
City:
State:
Zip:
Telephone No.:
Fax No.:
E-Mail Address:
Website Address:

13. **If a foreign limited partnership**, provide proof of compliance with the foreign limited partnership statute (Chapter 620.169, FS), if applicable. The Florida registration number is:

14. Provide **F.E.I. Number**(if applicable): 26-3114389

15. Who will serve as liaison to the Commission in regard to the following?

(a) The application:

Name: Evan Katz
Title:
Street name & number: 2090 Dunwoody Club Drive Su 106-257
Post office box:
City: Atlanta
State: GA
Zip: 30350
Telephone No.: 404-537-0101
Fax No.: 877-865-4882
E-Mail Address: ekatz@clective.com
Website Address: www.clective.com

(b) Official point of contact for the ongoing operations of the company:

Name: Evan Katz
Title: Director
Street name & number: 2090 Dunwoody Club Drive Suite 106-257
Post office box:
City: Atlanta
State: GA
Zip: 30350
Telephone No.: 404-272-0445
Fax No.: 877-865-4882
E-Mail Address: ekatz@clective.com
Website Address: www.clective.com

(c) Complaints/Inquiries from customers:

Name: Evan Katz
Title: Director
Street/Post Office Box: 2090 Dunwoody Club Drive Suite 106-257
City: Atlanta
State: GA
Zip: 30350
Telephone No.: 404-272-0445
Fax No.: 877-865-4882
E-Mail Address: ekatz@clective.com
Website Address: www.clective.com

16. List the states in which the applicant:

(a) has operated as a Competitive Local Exchange Telecommunications Company.

Georgia

(b) has applications pending to be certificated as a Competitive Local Exchange Telecommunications Company.

N/A

(c) is certificated to operate as a Competitive Local Exchange Telecommunications Company.

Georgia

(d) has been denied authority to operate as a Competitive Local Exchange Telecommunications Company and the circumstances involved.

NO

(e) has had regulatory penalties imposed for violations of telecommunications statutes and the circumstances involved.

NO

(f) has been involved in civil court proceedings with an interexchange carrier, local exchange company or other telecommunications entity, and the circumstances involved.

NO

17. Indicate if any of the officers, directors, or any of the ten largest stockholders have previously been:

(a) adjudged bankrupt, mentally incompetent (and not had his or her competency restored), or found guilty of any felony or of any crime, or whether such actions may result from pending proceedings. If so, provide explanation.

NO

(b) granted or denied a competitive local exchange certificate in the State of Florida (this includes active and canceled competitive local exchange certificates). If yes, provide explanation and list the certificate holder and certificate number.

NO

(c) an officer, director, partner or stockholder in any other Florida certificated or registered telephone company. If yes, give name of company and relationship. If no longer associated with company, give reason why not.

NO

18. Submit the following:

(a) Managerial capability: resumes of employees/officers of the company that would indicate sufficient managerial experiences of each.

(b) Technical capability: resumes of employees/officers of the company that would indicate sufficient technical experiences or indicate what company has been contracted to conduct technical maintenance.

(c) Financial Capability: applicant's audited financial statements for the most recent three (3) years. If the applicant does not have audited financial statements, it shall so be stated. Unaudited financial statements should be signed by the applicant's chief executive officer and chief financial officer affirming that the financial statements are true and correct and should include:

1. the balance sheet,
2. income statement, and
3. statement of retained earnings.

Note: This documentation may include, but is not limited to, financial statements, a projected profit and loss statement, credit references, credit bureau reports, and descriptions of business relationships with financial institutions.

THIS PAGE MUST BE COMPLETED AND SIGNED

REGULATORY ASSESSMENT FEE: I understand that all telephone companies must pay a regulatory assessment fee. Regardless of the gross operating revenue of a company, a minimum annual assessment fee, as defined by the Commission, is required.

RECEIPT AND UNDERSTANDING OF RULES: I acknowledge receipt and understanding of the Florida Public Service Commission's rules and orders relating to the provisioning of competitive local exchange telecommunications company (CLEC) service in Florida.

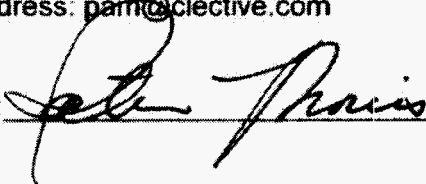
APPLICANT ACKNOWLEDGEMENT: By my signature below, I, the undersigned officer, attest to the accuracy of the information contained in this application and attached documents and that the applicant has the technical expertise, managerial ability, and financial capability to provide competitive local exchange telecommunications company service in the State of Florida. I have read the foregoing and declare that, to the best of my knowledge and belief, the information is true and correct. I attest that I have the authority to sign on behalf of my company and agree to comply, now and in the future, with all applicable Commission rules and orders.

Further, I am aware that, pursuant to Chapter 837.06, Florida Statutes, "**Whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his official duty shall be guilty of a misdemeanor of the second degree, punishable as provided in s. 775.082 and s. 775.083.**"

Company Owner or Officer

Print Name: Patricia Morris
Title: President
Telephone No.: 404-788-8048
E-Mail Address: pam@collective.com

Signature: _____



Date: _____

8/12/08

Clective Telecom Florida, LLC Management/Technical Capabilities

Management Capabilites

Patricia Morris – Serves as the President of Clective GA, Inc., a facilities based Georgia CLEC. In addition she also serves as Director of Customer Relations.
Years of Experience: 20

Brad Mondschein – Formerly served as inhouse counsel for an RBOC with responsibilities of negotiating the first interconnection agreement with CLECs. Currently Brad serves as Director of Regulatory Affairs and General Counsel for Clective GA, Inc. (Total Years of Experience: 15)
Years of Experience: 15

Technical Capabilites

Evan Katz – Worked several years for multiple CLECs maintaining the telephone network infrastructure from operating the telephone switch to managing the transport network. Evan has built out several facilities based data and telecom networks for various ISP's. Currently Evan serves as the Director of Network and Switch Engineering for Clective GA, Inc.

Years of Experience: 20

Joseph Nichols – Worked for RBOC for 26 years as a network engineer and served in a regulatory capacity responsible for CLEC's. Currently Joseph serves as Director of Carrier Interconnection for Clective GA, Inc.

Years of Experience: 35

Hal Finkel – Worked for several ISPs and CLECs. Hal's expertise spans from Software Engineering to SS7 network implementation and design. Currently Hal servers as Director of Software Engineering and SS7 network integration for Clective GA, Inc.

Years of Experience: 12

Alex Balashov – Worked for several different CLECs and Telecommunications Companies. Alex is A specialist in VoIP platform and application engineering, telecommunications systems integration, and carrier CDR/billing mediation. Currently Alex serves as Director of Systems Engineering for Clective GA, Inc.

Years of Experience: 5

EXHIBIT C

State of Florida



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: August 28, 2008
TO: Ann Cole, Commission Clerk – PSC, Office of Commission Clerk
FROM: Toni J. McCoy, Regulatory Analyst II, Division of Regulatory Compliance *TJM*
RE: Docket No. 080545-TX; Clective Telecom Florida, LLC Financials

Please add the attached Balance Sheet for Clective Telecom Florida, LLC to the docket file.

Call 413-6532, if you have any questions.

Attachment

RECEIVED-FPSC
08 AUG 29 PM 3:53
COMMISSION
CLERK

DOCUMENT NUMBER-DATE

07978 AUG 29 08

FPSC-COMMISSION CLERK

Clective Balance Sheet as of July 31, 2008

Assets

Current Assets

Cash in Bank	\$13,000.00
Accounts Receivable	\$25,000.00
Vendor Deposits	\$5,000.00

Total Current Assets \$43,000.00

Fixed assets

Equipment (less depreciation)	\$50,000.00
-------------------------------	-------------

Total Assets \$93,000.00

Liabilities

Current Liabilities

Accounts Payable	\$5,500.00
------------------	------------

Total Current Liabilities \$5,500.00

Total Liabilities \$5,500.00

Net Worth \$87,500.00

Total Liabilities and Net Worth \$92,500.00

I affirm that this Unaudited Balance Sheet is true and correct.

Signature & Title: _____

John Morris PRESIDENT

Date: _____

8/27/08

Toni McCoy

From: Evan Katz [ekatz@clective.com]
Sent: Wednesday, August 27, 2008 3:10 PM
To: Toni McCoy
Cc: ekatz@clective.com
Subject: Re: 060545-TX; FL CLEC Application Financials

Attachments: Clective Balance Sheet 8-27-2008.pdf



Clective
= Sheet 8-2

Dear Ms. McCoy,

As per our conversation on Monday, August 25, 2008. I have attached the balance sheet. Please let me know if you need anything else.

Thank you.

On Thu, August 21, 2008 3:10 pm, Toni McCoy wrote:

> Mr. Katz,
>
>
> I am the Analyst reviewing your CLEC application submitted. I can't
> locate 18(c)'s financial documentation. Did you submit it with the
> application? If not, we need at least a Balance sheet and the CEO and
> CFO must sign a letter affirming that the Balance sheet is true and correct.
>
> Call if you have any questions.
>
>
> Toni Joy McCoy
> Regulatory Analyst
> Florida Public Service Commission
> Division of Regulatory Compliance
> 2540 Shumard Oak Blvd.
> Tallahassee, Florida 32399-0850
> TMCCOY@PSC.STATE.FL.US
> 850/413-6532 Direct Line
> 850/413-6533 Fax Line
>
>
>

Evan Katz
Managing Director
Clective GA, Inc.
ekatz@clective.com
404.272.0445

EXHIBIT D

PROPRIETARY & CONFIDENTIAL

EXHIBIT E



at&t

AT&T Credit & Collections

600 North 19th Street
22nd Floor
Birmingham, Alabama 35203

February 10, 2009

Clective
Attention: Mr. Evan Katz
2090 Dunwoody Club Drive
Suite 106-257
Atlanta, Georgia 30350

PLEASE REMIT PAYMENT TO:

AT&T
ROC-CABS
600 North Point Parkway
Alpharetta, Georgia 30005

Certified: 7000 0600 0028 6830 6020

Dear Mr. Katz:

Attempts to collect past due amounts from Clective have been unsuccessful and to date full payment has not been received. Your account is currently in default in the amount of \$122,447.82 and subject to disconnection. Pursuant to AT&T tariffs defining our business terms, consider this written notice that AT&T will proceed with the discontinuance of existing services in Georgia on March 12, 2009. Pursuant to the same tariffs, it is Clective's responsibility to notify its end users of this impending disconnection.

In order to continue services, Clective must pay, in immediate available funds, the present undisputed balance in the sum of \$122,447.82 to AT&T. Also, payments are expected for any current bills that may become due. If service is interrupted, full non-recurring charges will be applicable to re-establish service. In addition, a security deposit may be required to re-establish service based on your projected recurrent billing amount.

If you have any questions regarding your account, please contact your Collections Service Representative, Bernice H. Fuller at (205) 714-0134, Extension 6- 7705.

Sincerely,

Stacy Rockett
Manager - Credit and Collections
AT&T-Southeast



Proud Sponsor of the U.S. Olympic Team

EXHIBIT F

1 THE COURT: All right. Put me on the record. This is
2 case 09-CV-0657, Clective, Georgia, Incorporated versus
3 BellSouth Telecommunications doing business as AT&T, Georgia as
4 defendant. The case has come to this court today having been
5 removed from the Superior Court of Fulton County. It has been
6 assigned to Judge Story, who is not in the building this
7 afternoon. I'm Judge Pannell, who is the duty judge, so they
8 have sent it to me. It's my understanding that -- well, I'll
9 ask Ms. Lewis to tell me where you are. You represent Clective.

10 MS. LEWIS: I do.

11 THE COURT: The suit was filed in Fulton County how long
12 ago?

13 MS. LEWIS: Yesterday.

14 THE COURT: And you had a hearing set?

15 MS. LEWIS: For today. I'm Anne Lewis. With me is
16 Peggy Brockington and we're from Strickland, Brockington and
17 Lewis. We represent Clective Georgia, Inc. The suit was
18 filed -- two things were filed yesterday. One, an emergency
19 Complaint to the Public Service Commission to determine this
20 dispute under the interconnection agreement between the parties.
21 And second, an action in the Superior Court of Fulton County to
22 get an injunction to stop AT&T from terminating Clective's
23 services tomorrow. If they terminate the services tomorrow,
24 Clective will be out of business, and the PSC typically will
25 determine the dispute under an interconnection agreement, but

1 because the PSC doesn't have any injunctive powers, we had to
2 seek injunctive relief in a forum that had those powers.

3 We sought that in the Superior Court of Fulton County
4 because this isn't a federal issue. Although AT&T filed a
5 notice of removal and argues that the interconnection agreement
6 is provided for under federal law, that there might be an
7 implication of a federal tariff, and that the issue is whether
8 or not federal law has prescribed a rate that AT&T is charging
9 Clective. All of those things make this a federal case. It
10 isn't a federal case. It's a state contract dispute, and the
11 primary authority for determining the contract dispute is within
12 the PSC. But as I said, because the PSC couldn't make a
13 determination before tomorrow, we brought that action. It was
14 assigned to Judge Campbell. Judge Campbell was also not in the
15 office, and so assigned it to Judge Arrington for hearing and
16 Judge Arrington scheduled a hearing for three o'clock this
17 afternoon. However, prior to that I got a Notice of Removal
18 from AT&T, which, of course, stayed the action in the Superior
19 Court. So we are here before you today to ask for several
20 things, I suppose.

21 One is that this Court would remand this back to the
22 Superior Court. This was simply a procedural mechanism not to
23 have a hearing today on the part of AT&T. It is not a federal
24 issue. It should not be before the Federal Court and there is
25 no reason it is here. But now that puts us in this position.

1 Judge Arrington's hearing was scheduled for three a clock. Of
2 course, the time has passed. So what we need from this Court
3 today is an injunction prohibiting AT&T, one, from terminating
4 service to Clective until there is a determination, and most
5 likely by the PSC, as to the answer to the dispute. And two,
6 not to prohibit Clective from ordering additional services, and
7 AT&T has done that on the theory that Clective owes a higher
8 deposit based on the rate that AT&T has charged.

9 I'll tell you a little bit about the facts. Clective is
10 a competitive telecom carrier. What they do is they terminate
11 VoPI traffic computer over the phone traffic to land lines. In
12 the agreement with AT&T, Clective --

13 THE COURT: Let me stop you.

14 MS. LEWIS: Sure.

15 THE COURT: I have really gotten ahead of myself a
16 little. If you all would just tell the court reporter who you
17 are making an appearance for, AT&T and BellSouth.

18 MS. MAYS: I'm Meredith Mays on behalf of AT&T Georgia.
19 Keep the shortened verse.

20 MR. HARRALSON: And I'm James G. Harralson,
21 H-a-r-r-a-l-s-o-n, on behalf of AT&T.

22 THE COURT: And you have a representative of AT&T?

23 MR. FERGUSON: I'm Scot Ferguson, S-c-o-t, Ferguson, and
24 I'm a regulatory representative, headquarters regulatory
25 organization.

1 THE COURT: Okay. All right. Let me go over here to
2 AT&T a minute, but let me just tell you where I'm coming from
3 today. Of course, what I want to do is get you all to agree to
4 some kind of temporary restraining order until I can get Judge
5 Story back in town and turn all of this over to Judge Story. I
6 have called his office, told them this is his case. He is out
7 of the building. I don't expect him back today. I do expect
8 him back in the morning, but I know he has a trial he is
9 involved in that will pick back up in the morning. I do not
10 know when he can schedule you. But now let me ask Ms. Lewis
11 something. Of course you want it to go back to Fulton County.
12 It's probably removed -- I'll be honest with you, I haven't read
13 all this stuff -- probably removed on a diversity question?

14 MR. HARRALSON: Federal question, Your Honor.

15 THE COURT: Federal question, not diversity?

16 MR. HARRALSON: Correct.

17 MS. LEWIS: This is a Georgia corporation. Both
18 corporations are Georgia corporations.

19 THE COURT: It's hard to keep up anymore with AT&T. It
20 is AT&T Georgia. Okay. But if the Public Service Commission is
21 the one that is ultimately going to decide all of this, does it
22 really matter what court you are in?

23 MS. LEWIS: I don't think so.

24 THE COURT: Just as long as you get some kind of
25 preliminary injunction until the PSC can figure this out.

1 MS. LEWIS: I don't want to concede there is federal
2 jurisdiction here, because I don't think there is. And I think
3 the case law is clear that this is not a federal question. It's
4 a state contract dispute. But the truth of the matter is the
5 first arbiter of that dispute is the Public Service Commission
6 and so if -- to answer your question, I don't think it matters.

7 THE COURT: First arbiter? What does that mean? They
8 make the final --

9 MS. LEWIS: Decider.

10 THE COURT: -- decision?

11 MS. LEWIS: The decider.

12 THE COURT: The final decision.

13 MS. LEWIS: Well, if we don't like that decision, then
14 we'll probably be here.

15 THE COURT: Well, somebody does need to figure out the
16 court. Well, what's AT&T's position?

17 MR. HARRALSON: With respect to that claim, Your Honor,
18 we have cited in our petition for removal the MCI Metro case. I
19 believe it is a 2003 case. And the Eleventh Circuit decided in
20 that case that Public Service Commissions have the authority to
21 enforce and interpret interconnection agreements, which is, I
22 suppose, why Ms. Lewis filed a Complaint there. But also noting
23 that all of that occurs under a federal statutory scheme. Under
24 the 1996 Telecom Act, state commissions are given a role of
25 administering federal law. And so probably the surest

1 indication I could give you of why the Court has jurisdiction
2 here is when the Public Service Commission interprets a contract
3 like the one at issue here called an interconnection agreement,
4 the appeal from that comes to this court, comes to a U.S.
5 District Court, and so that's why the Court has jurisdiction and
6 that's why we removed.

7 THE COURT: Well, let me see if I can just break this
8 down into bite sized chunks. Are you all amenable to some kind
9 of temporary restraining order until Judge Story can have a more
10 involved hearing on this matter or do you insist on cutting
11 these people off tomorrow, some poor client that is trying to
12 give you a stream of income, and stimulate your --

13 MR. HARRALSON: We wish that it were so, Your Honor.
14 This is a commercial dispute. We care about being paid for the
15 services we provide. We provided two notices that are at issue
16 here; one back on the 20th of January and one on the 10th of
17 February. And so the reason there is an emergency is because
18 when we gave that notice on the 10th of February, we said the
19 disconnect date will be March 12th. So the reason there is an
20 emergency here is because this is just now being brought to a
21 head. And so from our perspective it's just a question of
22 assurance of payment, and we have asked for payment and we have
23 asked for a deposit, and no offer of anything has been
24 forthcoming.

25 THE COURT: Is your client willing to put up a bond?

1 MS. LEWIS: I don't know that, but I certainly can find
2 that out. But as far as a deposit goes, the payment and the
3 deposit, what Mr. Harralson offered me earlier this morning was
4 we can pay all the money they say we owe into escrow and they
5 wouldn't cut us off. That's \$122,000. That's not a solution.
6 And as for the deposit, the deposit required a two month
7 billing. The billing minus what they are billing us incorrectly
8 amounts to the deposit we have on file, which is five thousand.

9 THE COURT: I'm not trying to solve the whole dispute.
10 To get a temporary restraining order you usually are required to
11 post a bond.

12 MS. LEWIS: I don't know if the client can post a bond
13 in the amount of \$122,000, and, frankly, I don't think should
14 have to, and that's the dispute.

15 THE COURT: Well, have you got another amount in mind?

16 MS. LEWIS: No.

17 THE COURT: You need to go back there and talk to your
18 client?

19 MS. LEWIS: I do. I'll be with you all in just a
20 minute.

21 THE COURT: We'll be at ease here. Go back there and
22 talk to your client. Tyler will show you where a phone is
23 somewhere back there.

24 (Short break in the proceedings)

25 THE COURT: All right. Put us back on the record.

1 MS. LEWIS: Judge Pannell, I talked to Mr. Katz who is
2 the Clective representative, and he said that he wouldn't post a
3 bond because he doesn't owe the money. BellSouth won't be out
4 any other money. This is a dispute between them over a past due
5 amount they say is owed; we say under the interconnection
6 agreement is not owed, so the answer to your question is no,
7 can't post a bond.

8 THE COURT: Can't post or won't?

9 MS. LEWIS: Won't post.

10 THE COURT: Isn't that a requirement for a temporary
11 restraining order?

12 MS. LEWIS: I don't think so under this circumstance,
13 because the dispute is a charge that AT&T has created under the
14 interconnection agreement. The interconnection agreement is
15 clear there is no rate set for this and the parties have agreed
16 to disagree about the rate and then suddenly the rate is set.

17 THE COURT: But you are asking me to make them keep
18 supplying it when they claim they are not paid. Well, let's see
19 what they want to do. Let me think. Go over there and get my
20 clipboard. Story or I are going to wind up hearing this about
21 nine o'clock in the morning, I can see it coming. All right.
22 What's AT&T say?

23 MR. HARRALSON: Your Honor, we want assurance of payment
24 and we have given notice a while back, and so we think in the
25 absence of some kind of security, we don't think a restraining

1 order is warranted in any event, because the test for it is not
2 met, but ultimately it's about having security for payment, and
3 obviously none is being offered.

4 THE COURT: All right. Well, be here at 9:30 in the
5 morning. We'll proceed with a hearing, either I or Judge Story.
6 Report to me. I'm not sure what Judge Story has, but one or the
7 other of us will start a hearing in the morning and see what to
8 do.

9 MS. LEWIS: Well, I'd like to ask AT&T this, your
10 intention is to cut Clective off at midnight tonight?

11 MR. HARRALSON: I don't know.

12 THE COURT: Is it happening that quick? I thought you
13 said tomorrow.

14 MS. LEWIS: It said March 12th, but I don't know what
15 that means.

16 MS. MAYS: I don't have a time.

17 MR. HARRALSON: I don't have a time.

18 THE COURT: Well, do you all need to use the phone?

19 MS. LEWIS: We do need to know that. We may have to
20 take some other action this afternoon in order to stop that if
21 they are going to cut them off. The only other thing he can do
22 to avoid a cut-off is to file a bankruptcy this afternoon, and
23 so if he needs to do that, I mean, certainly AT&T should know
24 what time the cut-off is. This is a standard termination
25 notice. There must be a standard time for a cut-off.

1 MR. HARRALSON: I think it depends on what orders are
2 outstanding for the particular day. I don't think it sets a
3 particular time.

4 THE COURT: Do you need to use the phone?

5 MR. HARRALSON: Yes, sir.

6 MS. LEWIS: I'm sorry. I know you have another hearing.

7 THE COURT: This is Mr. Katz?

8 MS. LEWIS: Yes, Your Honor.

9 (Short recess in the proceeding)

10 THE COURT: Put us on the record. Okay.

11 MS. LEWIS: Judge Pannell, Mr. Katz has joined us from
12 Clective.

13 THE COURT: And he is what, the CEO of Clective?

14 MS. LEWIS: He is a consultant to Clective. His wife is
15 the CEO of Clective.

16 THE COURT: Okay.

17 MS. LEWIS: And Mr. Katz and I spoke about the bond
18 requirement. And, you know, in this case what AT&T is to be
19 protected from, if anything, is continuing to provide service to
20 Mr. Katz during the period of time that a TRO would be in effect
21 until the case could be heard, and Mr. Katz said that that
22 amount, say, for example, over the next week or ten days would
23 be approximately a thousand dollars and he is willing to post a
24 bond in the amount of a thousand dollars.

25 THE COURT: Well, let's see, BellSouth and AT&T were

1 trying -- I think you all were going to make a phone call about
2 the time of termination.

3 MR. HARRALSON: That's correct, Your Honor. And
4 assuming there is going to be a hearing at 9:30 in the morning
5 and some result, we can hold off on discontinuing out the trunks
6 depending on the conclusion of that hearing.

7 THE COURT: All right. Well, I was going to have to
8 consult with Judge Story about this and see exactly where he is,
9 but now in the morning, how long do you all think your hearing
10 is going to take?

11 MS. LEWIS: I wouldn't think it would take more than an
12 hour.

13 THE COURT: All right. Be back up here at 9:30. In the
14 meantime I'll talk with Judge Story about which one is going to
15 hear it on the basis of a TRO, but I'll be honest with you, if I
16 hear it, the bond, I'll require a bond more than a thousand
17 dollars. It may not be 122,000.

18 MS. LEWIS: But somewhere in between.

19 THE COURT: Well, may not be 122,000, but it will be
20 more than a thousand.

21 MS. LEWIS: Yes, sir.

22 THE COURT: If you are claiming that.

23 MS. LEWIS: All right.

24 THE COURT: Any questions?

25 MS. LEWIS: Thank you for hearing us.

1 MR. HARRALSON: Thank you for your time this afternoon,
2 Your Honor.

3
4 C E R T I F I C A T E

5
6 I, Martha J. Frutchey, do hereby certify that I am a U.S.
7 District Court Reporter for the Northern District of Georgia,
8 Atlanta Division; that I reported the foregoing and the same is
9 a true and accurate transcription of my shorthand notes as
10 taken aforesaid.

11
12
13 Martha J. Frutchey

EXHIBIT G

United States Bankruptcy Court
Northern District of Georgia

Voluntary Petition

FILED

Name of Debtor (if individual, enter Last, First, Middle):
Cleative GA, Incorporated

Name of Joint Debtor (Spouse) (Last, First, Middle):

All Other Names used by the Debtor in the last 8 years (include married, maiden, and trade names):

All Other Names used by the Joint Debtor in the last 8 years (include married, maiden, and trade names):

Last four digits of Soc. Sec. or Individual-Taxpayer I.D. (ITIN) No./Complete EIN (if more than one, state all):
208805282

Last four digits of Soc. Sec. or Individual-Taxpayer I.D. (ITIN) No./Complete EIN (if more than one, state all):

Street Address of Debtor (No. and Street, City, and State):
**2090 Dunwoody Club Drive
Suite 106-257, Atlanta, GA**

Street Address of Joint Debtor (No. and Street, City, and State):

ZIP CODE **30350**

County of Residence or of the Principal Place of Business:
Fulton County

County of Residence or of the Principal Place of Business:

Mailing Address of Debtor (if different from street address):

Mailing Address of Joint Debtor (if different from street address):

09-66475

ZIP CODE **30350**

ZIP CODE

Location of Principal Assets of Business Debtor (if different from street address above):

ZIP CODE

<p>Type of Debtor (Form of Organization) (Check one box.)</p> <p><input type="checkbox"/> Individual (includes Joint Debtors) <i>See Exhibit D on page 2 of this form.</i></p> <p><input checked="" type="checkbox"/> Corporation (includes LLC and LLP)</p> <p><input type="checkbox"/> Partnership</p> <p><input type="checkbox"/> Other (If debtor is not one of the above entities, check this box and state type of entity below.)</p>	<p>Nature of Business (Check one box.)</p> <p><input type="checkbox"/> Health Care Business</p> <p><input type="checkbox"/> Single Asset Real Estate as defined in 11 U.S.C. § 101(51E)</p> <p><input type="checkbox"/> Railroad</p> <p><input type="checkbox"/> Stockbroker</p> <p><input type="checkbox"/> Commodity Broker</p> <p><input type="checkbox"/> Clearing Bank</p> <p><input type="checkbox"/> Other</p> <p><input checked="" type="checkbox"/> Telecommunications</p> <p><input type="checkbox"/> Tax-Exempt Entity (Check box, if applicable.)</p> <p><input type="checkbox"/> Debtor is a tax-exempt organization under Title 26 of the United States Code (the Internal Revenue Code).</p>	<p>Chapter of Bankruptcy Code Under Which the Petition is Filed (Check one box.)</p> <p><input type="checkbox"/> Chapter 7</p> <p><input type="checkbox"/> Chapter 9</p> <p><input checked="" type="checkbox"/> Chapter 11</p> <p><input type="checkbox"/> Chapter 12</p> <p><input type="checkbox"/> Chapter 13</p> <p><input type="checkbox"/> Chapter 15 Petition for Recognition of a Foreign Main Proceeding</p> <p><input type="checkbox"/> Chapter 15 Petition for Recognition of a Foreign Nonmain Proceeding</p> <p>Nature of Debts (Check one box.)</p> <p><input type="checkbox"/> Debts are primarily consumer debts, defined in 11 U.S.C. § 101(8) as "incurred by an individual primarily for a personal, family, or household purpose."</p> <p><input checked="" type="checkbox"/> Debts are primarily business debts.</p>
--	--	---

Filing Fee (Check one box.)

Full Filing Fee attached.

Filing Fee to be paid in installments (applicable to individuals only). Must attach signed application for the court's consideration certifying that the debtor is unable to pay fee except in installments. Rule 1006(b). See Official Form 3A.

Filing Fee waiver requested (applicable to chapter 7 individuals only). Must attach signed application for the court's consideration. See Official Form 3B.

Chapter 11 Debtors

Check one box:

Debtor is a small business debtor as defined in 11 U.S.C. § 101(51D).

Debtor is not a small business debtor as defined in 11 U.S.C. § 101(51D).

Check if:

Debtor's aggregate noncontingent liquidated debts (excluding debts owed to insiders or affiliates) are less than \$2,190,000.

Check all applicable boxes:

A plan is being filed with this petition.

Acceptances of the plan were solicited prepetition from one or more classes of creditors, in accordance with 11 U.S.C. § 1126(b).

Statistical/Administrative Information

Debtor estimates that funds will be available for distribution to unsecured creditors.

Debtor estimates that, after any exempt property is excluded and administrative expenses paid, there will be no funds available for distribution to unsecured creditors.

Estimated Number of Creditors

1-49 50-99 100-199 200-999 1,000-5,000 5,001-10,000 10,001-25,000 25,001-50,000 50,001-100,000 Over 100,000

Estimated Assets

\$0 to \$50,000 \$50,001 to \$100,000 \$100,001 to \$500,000 \$500,001 to \$1 million \$1,000,001 to \$10 million \$10,000,001 to \$50 million \$50,000,001 to \$100 million \$100,000,001 to \$500 million \$500,000,001 to \$1 billion More than \$1 billion

Estimated Liabilities

\$0 to \$50,000 \$50,001 to \$100,000 \$100,001 to \$500,000 \$500,001 to \$1 million \$1,000,001 to \$10 million \$10,000,001 to \$50 million \$50,000,001 to \$100 million \$100,000,001 to \$500 million \$500,000,001 to \$1 billion More than \$1 billion

THIS SPACE IS FOR COURT USE ONLY

FILED

U.S. BANKRUPTCY COURT
NORTHERN DISTRICT OF GEORGIA

CLERK'S OFFICE

HAR 11 2009 10:04:04

Voluntary Petition <i>(This page must be completed and filed in every case.)</i>		Name of Debtor(s): Clective GA, Incorporated	
All Prior Bankruptcy Cases Filed Within Last 8 Years (If more than two, attach additional sheet.)			
Location Where Filed:	Case Number:	Date Filed:	
Location Where Filed:	Case Number:	Date Filed:	
Pending Bankruptcy Case Filed by any Spouse, Partner, or Affiliate of this Debtor (If more than one, attach additional sheet.)			
Name of Debtor:	Case Number:	Date Filed:	
District: Northern District of Georgia	Relationship:	Judge:	
Exhibit A		Exhibit B	
(To be completed if debtor is required to file periodic reports (e.g., forms 10K and 10Q) with the Securities and Exchange Commission pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 and is requesting relief under chapter 11.)		(To be completed if debtor is an individual whose debts are primarily consumer debts.)	
<input type="checkbox"/> Exhibit A is attached and made a part of this petition.		I, the attorney for the petitioner named in the foregoing petition, declare that I have informed the petitioner that [he or she] may proceed under chapter 7, 11, 12, or 13 of title 11, United States Code, and have explained the relief available under each such chapter. I further certify that I have delivered to the debtor the notice required by 11 U.S.C. § 342(b).	
		X _____ Signature of Attorney for Debtor(s) (Date)	
Exhibit C			
Does the debtor own or have possession of any property that poses or is alleged to pose a threat of imminent and identifiable harm to public health or safety?			
<input type="checkbox"/> Yes, and Exhibit C is attached and made a part of this petition.			
<input checked="" type="checkbox"/> No.			
Exhibit D			
(To be completed by every individual debtor. If a joint petition is filed, each spouse must complete and attach a separate Exhibit D.)			
<input type="checkbox"/> Exhibit D completed and signed by the debtor is attached and made a part of this petition.			
If this is a joint petition:			
<input type="checkbox"/> Exhibit D also completed and signed by the joint debtor is attached and made a part of this petition.			
Information Regarding the Debtor - Venue (Check any applicable box.)			
<input checked="" type="checkbox"/> Debtor has been domiciled or has had a residence, principal place of business, or principal assets in this District for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other District.			
<input type="checkbox"/> There is a bankruptcy case concerning debtor's affiliate, general partner, or partnership pending in this District.			
<input type="checkbox"/> Debtor is a debtor in a foreign proceeding and has its principal place of business or principal assets in the United States in this District, or has no principal place of business or assets in the United States but is a defendant in an action or proceeding [in a federal or state court] in this District, or the interests of the parties will be served in regard to the relief sought in this District.			
Certification by a Debtor Who Resides as a Tenant of Residential Property (Check all applicable boxes.)			
<input type="checkbox"/> Landlord has a judgment against the debtor for possession of debtor's residence. (If box checked, complete the following.)			
_____ (Name of landlord that obtained judgment)			
_____ (Address of landlord)			
<input type="checkbox"/> Debtor claims that under applicable nonbankruptcy law, there are circumstances under which the debtor would be permitted to cure the entire monetary default that gave rise to the judgment for possession, after the judgment for possession was entered, and			
<input type="checkbox"/> Debtor has included with this petition the deposit with the court of any rent that would become due during the 30-day period after the filing of the petition.			
<input type="checkbox"/> Debtor certifies that he/she has served the Landlord with this certification. (11 U.S.C. § 362(f)).			

Voluntary Petition
(This page must be completed and filed in every case.)

Name of Debtor(s):
 Clective GA, Incorporated

Signatures

Signature(s) of Debtor(s) (Individual/Joint)

I declare under penalty of perjury that the information provided in this petition is true and correct.

[If petitioner is an individual whose debts are primarily consumer debts and has chosen to file under chapter 7] I am aware that I may proceed under chapter 7, 11, 12 or 13 of title 11, United States Code, understand the relief available under each such chapter, and choose to proceed under chapter 7.

[[If no attorney represents me and no bankruptcy petition preparer signs the petition] I have obtained and read the notice required by 11 U.S.C. § 342(b).

I request relief in accordance with the chapter of title 11, United States Code, specified in this petition.

X _____
 Signature of Debtor

X _____
 Signature of Joint Debtor
 4042720446
 Telephone Number (if not represented by attorney)
 3-11-2009
 Date

Signature of a Foreign Representative

I declare under penalty of perjury that the information provided in this petition is true and correct, that I am the foreign representative of a debtor in a foreign proceeding, and that I am authorized to file this petition.

(Check only one box.)

I request relief in accordance with chapter 15 of title 11, United States Code. Certified copies of the documents required by 11 U.S.C. § 1515 are attached.

Pursuant to 11 U.S.C. § 1511, I request relief in accordance with the chapter of title 11 specified in this petition. A certified copy of the order granting recognition of the foreign main proceeding is attached.

X _____
 (Signature of Foreign Representative)

 (Printed Name of Foreign Representative)

 Date

Signature of Attorney*

X _____
 Signature of Attorney for Debtor(s)

 Printed Name of Attorney for Debtor(s)

 Firm Name

 Address

 Telephone Number

 Date

*In a case in which § 707(b)(4)(D) applies, this signature also constitutes a certification that the attorney has no knowledge after an inquiry that the information in the schedules is incorrect.

Signature of Debtor (Corporation/Partnership)

I declare under penalty of perjury that the information provided in this petition is true and correct, and that I have been authorized to file this petition on behalf of the debtor.

The debtor requests the relief in accordance with the chapter of title 11, United States Code, specified in this petition.

X _____
 Signature of Authorized Individual

Patricia Morris
 Printed Name of Authorized Individual
 President

Title of Authorized Individual
 3-11-2009
 Date

Signature of Non-Attorney Bankruptcy Petition Preparer

I declare under penalty of perjury that: (1) I am a bankruptcy petition preparer as defined in 11 U.S.C. § 110; (2) I prepared this document for compensation and have provided the debtor with a copy of this document and the notices and information required under 11 U.S.C. §§ 110(b), 110(h), and 342(b); and, (3) if rules or guidelines have been promulgated pursuant to 11 U.S.C. § 110(h) setting a maximum fee for services chargeable by bankruptcy petition preparers, I have given the debtor notice of the maximum amount before preparing any document for filing for a debtor or accepting any fee from the debtor, as required in that section. Official Form 19 is attached.

 Printed Name and title, if any, of Bankruptcy Petition Preparer

 Social-Security number (If the bankruptcy petition preparer is not an individual, state the Social-Security number of the officer, principal, responsible person or partner of the bankruptcy petition preparer.) (Required by 11 U.S.C. § 110.)

 Address

X _____

 Date

Signature of bankruptcy petition preparer or officer, principal, responsible person, or partner whose Social-Security number is provided above.

Names and Social-Security numbers of all other individuals who prepared or assisted in preparing this document unless the bankruptcy petition preparer is not an individual.

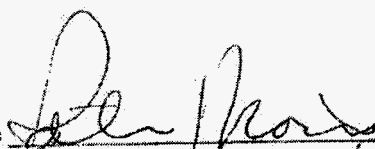
If more than one person prepared this document, attach additional sheets conforming to the appropriate official form for each person.

A bankruptcy petition preparer's failure to comply with the provisions of title 11 and the Federal Rules of Bankruptcy Procedure may result in fines or imprisonment or both. 11 U.S.C. § 110; 18 U.S.C. § 156.

**DECLARATION UNDER PENALTY OF PERJURY
ON BEHALF OF A CORPORATION OR PARTNERSHIP**

I, [the president or other officer or an authorized agent of the corporation] [or a member or an authorized agent of the partnership] named as the debtor in this case, declare under penalty of perjury that I have read the foregoing [list or schedule or amendment or other document (describe)] and that it is true and correct to the best of my information and belief.

Date 3/11/09

Signature 
Patricia Morris / President
(Print Name and Title)

UNITED STATES BANKRUPTCY COURT

Northern District of Georgia

In re GLECTIVE GA, Inc.,
Debtor

Case No. _____

Chapter 11

LIST OF CREDITORS HOLDING 20 LARGEST UNSECURED CLAIMS

Following is the list of the debtor's creditors holding the 20 largest unsecured claims. The list is prepared in accordance with Fed. R. Bankr. P. 1007(d) for filing in this chapter 11 (or chapter 9) case. The list does not include (1) persons who come within the definition of "insider" set forth in 11 U.S.C. § 101, or (2) secured creditors unless the value of the collateral is such that the unsecured deficiency places the creditor among the holders of the 20 largest unsecured claims. If a minor child is one of the creditors holding the 20 largest unsecured claims, state the child's initials and the name and address of the child's parent or guardian, such as "A.B., a minor child, by John Doe, guardian." Do not disclose the child's name. See, 11 U.S.C. §112 and Fed. R. Bankr. P. 1007(m).

(1)	(2)	(3)	(4)	(5)
<i>Name of creditor and complete mailing address, including zip code</i>	<i>Name, telephone number and complete mailing address, including zip code, of employee, agent, or department of creditor familiar with claim, who may be contacted</i>	<i>Nature of claim (trade debt, bank loan, government contract, etc.)</i>	<i>Indicate if claim is contingent, unliquidated, disputed or subject to setoff</i>	<i>Amount of claim (if secured also state value of security)</i>
BellSouth/AT&T	AT&T Services, Inc. 600 North 19th Street 22nd Floor Birmingham, AL 35203 (205) 714-0134	Interconnection Agreement	Disputed	\$175,000

Date: 3-11-2009

GLECTIVE GA, INCORPORATED
Debtor

[Declaration as in Form 2]

LIST OF CREDITORS

(1) BELL SOUTH TELECOMMUNICATIONS, INC.
D/B/A AT&T GEORGIA

~~AT&T~~

675 W. PEACHTREE ST.
SUITE 4300
ATLANTA GA 30375

67-88-03.

EXHIBIT H

Clective GA, Inc.
Statement of Cash Flows
December 2008 - February 2009

	<u>Total</u>
OPERATING ACTIVITIES	
Net Income	-8,751.85
Adjustments to reconcile Net Income to Net Cash provided by operations:	0.00
Accounts Receivable	5,434.47
Customer Deposit	4,281.17
Net cash provided by operating activities	<u>\$663.99</u>
Net cash increase for period	<u>\$663.99</u>
Cash at beginning of period	5,119.20
Cash at end of period	<u><u>\$5,083.19</u></u>

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BY
Janet Davis

WYONNE EVANS
CLERK

FILED
CLERK'S OFFICE
U.S. DISTRICT COURT
NORTHERN DISTRICT
OF GEORGIA

Clective GA, Inc.
Balance Sheet
 As of February 28, 2009

	<u>Total</u>
ASSETS	
Current Assets	
Bank Accounts	
BOA	5,083.19
Total Bank Accounts	<u>\$6,083.19</u>
Accounts Receivable	
Accounts Receivable	2,476.09
Total Accounts Receivable	<u>\$2,476.09</u>
Total Current Assets	<u>\$8,559.28</u>
TOTAL ASSETS	<u>\$8,559.28</u>
LIABILITIES AND EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Customer Deposit	9,281.17
Loan Payable	0.00
Total Other Current Liabilities	<u>\$9,281.17</u>
Total Current Liabilities	<u>\$9,281.17</u>
Total Liabilities	<u>\$9,281.17</u>
Equity	
Retained Earnings	8,029.76
Net Income	-8,751.65
Total Equity	<u>\$ -721.89</u>
TOTAL LIABILITIES AND EQUITY	<u>\$8,559.28</u>

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BY *Jane L. Lewis*
 DEPUTY CLERK

M. YVONNE EVANS
 CLERK

FILED
 IN CLERK'S OFFICE
 U.S. BANKRUPTCY COURT
 NORTHERN DISTRICT
 OF GEORGIA

CASE# 09-66475-crm

Clective GA, Inc.
Statement of Operations
December 2008 - February 2009

	<u>Total</u>
Income	
Sales	104,853.33
Total Income	\$104,853.33
Expenses	
941 tax	7,108.00
accounting services	810.00
car	673.03
cleaning	620.00
deposit on account point one	-10,000.00
donation	667.00
Dues & Subscriptions	9,000.00
equipment Maintenance	2,631.29
exterminator	85.00
form 1120	256.00
form 600	94.00
Insurance	554.30
internet	179.56
landscape	480.00
Legal & Professional Fees	1,130.00
office supplies	200.00
Payroll Expense	29,166.00
Equipment Lease	38,500.00
Shipping, Delivery Expense	69.91
taxes paid	669.50
telecom	36,025.63
unemployment tax	56.00
Utilities	380.76
will mchugh	-4,250.00
wire fee	489.00
Total Expenses:	\$113,804.98
Net Operating Income	\$ -8,751.65
Net Income	\$ -8,751.65

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Yvonne Evans
CLERK

W YVONNE EVANS
CLERK

U.S. CLERK'S OFFICE
NORTH DEKALB COUNTY
COURT HOUSE
ATLANTA, GEORGIA

FILED

EXHIBIT I

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION

CLECTIVE GA, INC.,	:	
	:	
Plaintiff,	:	
	:	
v.	:	CIVIL ACTION NO.
	:	1:09-CV-657-RWS
BELLSOUTH	:	
TELECOMMUNICATIONS, INC.	:	
d/b/a AT&T GEORGIA,	:	
	:	
Defendant.	:	

ORDER

This case is before the Court on Plaintiff's Motion for Preliminary Injunction [Dkt. No. 8]. After considering the entire record, the Court enters the following Order.


It is settled law in this Circuit that a preliminary injunction is an "extraordinary and drastic remedy." Zardui-Quintana v. Richard, 768 F.2d 1213, 1216 (11th Cir. 1985). To obtain such relief, a movant must demonstrate:

- (1) a substantial likelihood of success on the merits of the underlying case, (2) . . . irreparable harm in the absence of an injunction, (3) the harm suffered by the movant in the absence of an injunction would exceed the harm suffered by the opposing party if the injunction issued, and (4) an injunction would not disserve the public interest.

Johnson & Johnson Vision Care, Inc. v. 1-800 Contacts, Inc., 299 F.3d 1242, 1246-47 (11th Cir. 2002).

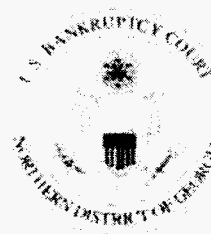
After a hearing before the Court on April 1, 2009, the Court concludes that Plaintiff's Motion must be **DENIED**. First, Plaintiff has failed to demonstrate a substantial likelihood of success on the merits as to the underlying matter. More importantly, any injunctive relief the Court might afford would be conditioned upon the posting of a substantial bond. Because Plaintiff has filed for bankruptcy, the Court has reservations that a bond could be imposed that would afford Defendant adequate protection, because the forfeiture of such a bond may be a prohibited preference for a creditor. In the absence of a bond, Defendant would be unduly harmed by an injunction. Therefore, the Court hereby **DENIES** Plaintiff's Motion for Injunctive Relief [Dkt. No. 8].

SO ORDERED, this 2nd day of April, 2009.



RICHARD W. STORY
United States District Judge

EXHIBIT J



IT IS ORDERED as set forth below:

Date: April 06, 2009

C. Ray Mullins

**C. Ray Mullins
U.S. Bankruptcy Court Judge**

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION**

IN RE:)	CHAPTER 11
)	
CLECTIVE GA, INCORPORATED,)	CASE NO. 09-66475-CRM
)	
Debtor.)	JUDGE MULLINS
)	
_____)	
BELLSOUTH)	CONTESTED MATTER
TELECOMMUNICATIONS, INC. d/b/a)	
AT&T GEORGIA)	
)	
Movant,)	
)	
v.)	
)	
CLECTIVE GA, INCORPORATED,)	
)	
Respondent/Debtor.)	

ORDER DISMISSING CASE PURSUANT TO 11 U.S.C. § 1112(b)

This matter came on for hearing on March 31, 2009, upon the Emergency Motion of BellSouth Telecommunications, Inc. d/b/a AT&T Georgia (i) to Dismiss the Case Pursuant to 11 U.S.C. § 1112(b); (ii) in the First Alternative, for Relief from the Automatic Stay Pursuant to 11 U.S.C. § 362(d)(1); or (iii) in the Second Alternative, for Adequate Assurance Pursuant to 11 U.S.C. § 366 [Docket No. 8] (the "Motion"). For good cause shown, and for the reasons stated on the record and in the Motion, it is:

ORDERED that the Motion is GRANTED with respect to dismissal of the case; and it is further

ORDERED that, pursuant to 11 U.S.C. § 1112(b), this case is, upon entry of this order, dismissed for "cause."

END OF DOCUMENT

Prepared and presented by:

/s/ Paul M. Rosenblatt
Paul M. Rosenblatt, Georgia Bar No. 614522
KILPATRICK STOCKTON LLP
1100 Peachtree Street, Suite 2800
Atlanta, Georgia 30309
Telephone: (404) 815-6500
Facsimile: (404) 815-6555
Counsel for BellSouth Telecommunications, Inc.
d/b/a AT&T Georgia

No Opposition:

/s/ Vivieon E. Kelley
Vivieon E. Kelley, Esq.
Trial Attorney
Georgia Bar No.: 143033
Office of the United States Trustee
362 Richard Russell Federal Building
75 Spring Street
Atlanta, GA 30303
Telephone: (404) 331-4437
Counsel for the United States Trustee

DISTRIBUTION LIST

Paul M. Rosenblatt, Esq.
Kilpatrick Stockton LLP
1100 Peachtree Street, Suite 2800
Atlanta, Georgia 30309

J. Geoffrey Anderson, Esq.
1021 Lake Charles drive
Roswell, GA 30075

Vivieon E. Kelley, Esq.
Office of the United States Trustee
362 Richard Russell Federal Building
75 Spring Street
Atlanta, GA 30303

EXHIBIT K

Exhibit 3

JOINT AFFIDAVIT OF CINDY CLARK AND SANDRA CETTI

1. My name is Cindy Clark. I am over twenty-one (21) years of age and of sound mind. I am competent to testify about all of the matters set out in this Affidavit.

2. I am employed by AT&T Operations, Inc., a wholly-owned subsidiary of AT&T Inc. I was previously employed by BellSouth Telecommunications, Inc. My current title is Senior Quality Manager. In that capacity, I am responsible for, among other things, managing escalating billing claims, analyzing billing data related to disputes, and other special projects related to billing disputes and escalating billing claims. My current business address is in Atlanta, Georgia.

3. As a Senior Quality Manager, I am in a position to investigate all billing and account receivable activities concerning the relationship between BellSouth Telecommunications, Inc. d/b/a AT&T Georgia ("AT&T") and Clective GA, Incorporated ("Clective").

4. My name is Sandra Cetti. I am over twenty-one (21) years of age and of sound mind. I am competent to testify about all of the matters set out in this Affidavit.

5. I am employed by AT&T Services, Inc., a wholly-owned subsidiary of AT&T Inc. I was previously employed by BellSouth Telecommunications, Inc. My current title is Associate Director, Credit and Collections. In that capacity, I am responsible for, among other things, reviewing bankruptcy matters relating to carrier customers, reviewing financial information relating to new and existing carrier customers to determine both their credit risk and the necessity of obtaining security from them in order to protect AT&T, maintaining a working knowledge of billing claims, billing data, and billing disputes. My current business address is in Atlanta, Georgia.

6. As an Associate Director, Credit and Collections, I am familiar with Clective's financial history with AT&T.

7. In preparation for this affidavit, we have conducted an investigation into AT&T's provision of products and services to Clective, including the billing records and account receivable records as they relate to AT&T's provision of products and services to Clective. We have reviewed business records kept in the course of AT&T's regularly conducted business activities with Clective. Based upon our review of these records, we offer this Affidavit on behalf of AT&T concerning matters known to AT&T.

8. We have calculated the sums due and owing to AT&T from Clective for goods and services related to usage accounts, including but not limited to, billing related to Local Traffic, Transit Traffic, and LNP queries.

9. Based upon our review of business records ordinarily kept in the course of AT&T's regular business activities with Clective, we have calculated how much Clective currently owes to AT&T for AT&T's provision of services to Clective. Clective currently owes AT&T a total of \$250,968.71. This sum is increasing on a daily basis depending on a number of factors, including for example the amount of Clective outbound traffic that AT&T either terminates to AT&T customers or sends to other carriers for termination. To date, Clective has failed to pay AT&T the entire amount it is owed.

10. Clective owes AT&T for a number of services; including, but not necessarily limited to, AT&T's Local Number Portability Database Services, Reciprocal Compensation for the exchange of Local Traffic, Transit Traffic, and Multiple Tandem Access.

11. AT&T has billed Clective \$60,630.51 for using AT&T's Local Number Portability Database Services ("LNP services"), which services are provided pursuant to F.C.C. Tariffs. Clective is charged for LNP services due to its failure to provide proper call routing information for the traffic it

delivers to AT&T, which requires AT&T to obtain the necessary routing information to deliver the traffic. See Attachment 2, Sections 1.1, 1.11.1 (“If [Clective] purchases service(s) from a tariff, all terms and conditions and rates as set forth in such tariff shall apply.”). Specifically, LNP services provide AT&T with the information it needs to deliver calls. The rates associated with LNP services are usage based and are billed monthly. Clective has sporadically disputed some LNP services charges it has been billed by AT&T, but has not disputed the entire amount billed.

12. AT&T has billed Clective \$143,693.95 for Transit Traffic. Transit Traffic charges are separate and distinct from other types of reciprocal compensation charges, such as Local Traffic. See Attachment 3, Section 14.1.1.1. The applicable composite rate for Transit Traffic is \$0.0025 per minute of use. See Attachment 3, Exh. A, Tandem Switching Local Intermediary Charge, per MOU (1/1/2008 – expiration). AT&T bills Clective the Transit Traffic rate for traffic that Clective sends to AT&T’s network that is routed to the network of another carrier, for termination by another carrier to that carrier’s end user customers. Transit Traffic minutes of use charges are separate and distinct from charges that apply to the traffic that Clective sends to AT&T’s network that AT&T terminates to AT&T’s end user customers, as explained below. Clective apparently believes that it

is not required by pay AT&T for the traffic that transits AT&T's network and terminates on the network of another carrier. This is incorrect. Transit charges apply to traffic that transits AT&T's network for termination to another carrier.

13. AT&T has billed Clective \$30,977.02 in reciprocal compensation charges for Local Traffic. See Attachment 3, Section 14.2.2. AT&T bills Clective reciprocal compensation for Local Traffic that Clective sends to AT&T's network for termination to AT&T's end user customers. The amount of minutes that constitute Local Traffic is based upon Clective's assertion that 100% of its traffic is Local Traffic. Local Traffic is charged at the rate of \$0.0007 per minute of use, per the interconnection agreement. See Attachment 3, Sections 14.1 and 14.7.1.

14. AT&T has billed Clective \$16,128.03 for using AT&T's Multiple Tandem Access service. This billing is due for the switching and termination charges that apply based on Clective's network architecture. Clective is connected to AT&T's network at only one tandem switch, and AT&T must send some of Clective's calls from one tandem switch to another tandem switch, and which results in additional charges to Clective at the rate of \$0.0004086 per minute of use. See Attachment 3, Exh. A, rate for Multiple Tandem Switching, per MOU.

15. To date, Clective has paid AT&T a total of \$20,514.28 for all of the usage-sensitive services it has received from AT&T and a total of \$7,136.00 for recurring monthly charges. While these payments have been applied to Clective's accounts, it is unclear, based on the disputes that Clective has submitted and the payments that Clective has made, which specific usage-sensitive charges Clective has attempted to pay. Clective does not identify, with its payments, the specific billed amounts that it is paying for. Clective has disputed charges for services that are billed at rates other than \$0.0007, claiming that all usage should be billed at \$0.0007. As AT&T has received billing disputes, it has reviewed the disputes and responded to Clective. AT&T has provided Clective with the details for its billing and held a conference call with Clective's counsel outlining the details for all of the different charges that AT&T bills Clective on January 29, 2009.

16. Clective claims that it is not required to compensate AT&T for the traffic it delivers to AT&T's network. This claim is wrong. Clective relies on Attachment 3, Section 14.12.3 of Interconnection Agreement, but that reliance is misplaced. The language in Section 14.12.3 shows that the parties disagreed whether Computer-to-Phone traffic should be charged at the Exchange Access Rate, which in lay terms means a higher long distance,

or access, rate. The parties did not agree that no rate should be charged for Computer-to-Phone traffic. Even if Clective could prove that the traffic it terminates on AT&T's network was Computer-to-Phone traffic (which it cannot because the calls Clective delivers to AT&T for termination did not originate on Clective's network) Clective has admitted to AT&T that it owes reciprocal compensation for the traffic it terminates. See September 9, 2008 letter from Brad N. Mondschein, Esq. ("[p]ursuant to the recent decision by the 8th Circuit involving Southwestern Bell, VoIP traffic is only subject to reciprocal compensation charges") and January 15, 2009 email from Brad N. Mondschein, Esq ("[u]nder current effective FCC rules, AT&T is entitled to only Reciprocal Compensation at the rate of \$.0007 for VoIP traffic. This is clear by the FCC."). Clective has not fully compensated AT&T at the agreed upon contractual rates for reciprocal compensation traffic.

17. Clective is required to pay AT&T for the services it uses (Attachment 7, Section 1.1.6) and Clective is required to submit billing disputes to AT&T using the contractually agreed upon forms, and by providing specific details. (Attachment 7, Section 1.12.1 and 1.12.2). Clective has not done so.

18. Pursuant to the Agreement, AT&T has the right to suspend or terminate service for nonpayment for amounts not subject to a billing

dispute, using the dispute process specified in the Agreement. Clective has submitted disputes for both facilities and usage. The total of the disputes submitted is \$119,763.20. AT&T has granted Clective some credits, largely on facility billing, in the amount of \$21,463.06. Currently, AT&T shows open disputes in the amount of \$42,297.82. AT&T has denied disputes in the amount of \$56,002.32 and Clective has been notified of these denials. Thus, of the total outstanding amount billed to Clective of \$250,968.71, Clective has not disputed \$120,694.63 and AT&T has a right to disconnect Clective for its nonpayment.

19. Pursuant to the Agreement, AT&T has the right to request a deposit, and to request additional security from Clective when gross monthly billing has increased substantially beyond the level used to determine the amount of the initial deposit. (Attachment 7, Section 1.1.9). Clective's average monthly charges for the last 3 months are in excess of \$43,000. Deducting the average disputes, average current charges are \$31,500 and two months worth of billing results in a deposit requirement of \$63,000 minus \$5,000 in a deposit already made. By letter dated January 20, 2009, AT&T has properly exercised its contractual right to an increased deposit of \$58,000 from Clective, which Clective has failed to pay.

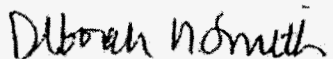
20. After Clective failed to pay AT&T the increased deposit of \$58,000 by February 10, 2009, AT&T stopped accepting new orders for service from Clective, which it had the right to do. (Attachment 7, Section 1.14.2.2). By letter dated February 10, 2009, AT&T notified Clective that its account was in default and would be disconnected on March 12, 2009. In order to prevent disconnection, Clective was instructed to pay AT&T, in immediately available funds, \$122,447.82. AT&T also instructed Clective that payments for bills sent after the date of its letter would be expected.

We declare under penalty of perjury that the foregoing is true and correct.

Executed on this the 1st day of April 2009.


CINDY CLARK

Sworn to and subscribed before me,
this 1st day of April 2009.


Notary Public



My Commission expires: October 28, 2012

Sandra Cetti
SANDRA CETTI

Sworn to and subscribed before me,
this 1st day of April 2009.

Deborah N. Smith
Notary Public



My Commission expires: *October 28, 2012*

EXHIBIT L

Paula Isler

From: Paula Isler
Sent: Monday, February 23, 2009 2:25 PM
To: 'ekatz@clective.com'
Subject: TX975 - Clective Telecom Florida, LLC
Attachments: raf-tx975-08-0-r.pdf; RAF rule.pdf

Good afternoon:

On Friday, February 20, 2009, the Commission mailed out delinquent notices to those companies that either have not paid the 2008 Regulatory Assessment Fee (RAF) or have not paid the 2008 RAF in full. Our records show that the company has not paid the 2008 RAF. I wanted to give you a heads up because those certificate holders not complying with the delinquent notices will be automatically fined \$500 for a first offense, \$1,000 for a second offense, and \$2,000 for a third offense. A copy of the Regulatory Assessment Fee rule is attached.

If the company owes the minimum and if payment is postmarked between January 31 and March 1, the total due is \$636, which is comprised of the \$600 minimum RAF, \$30 penalty, and \$6 interest. If payment is postmarked between March 2 and March 31, the total due is \$672, which is comprised of the \$600 minimum RAF, \$60 penalty, and \$12 interest. A copy of the 2008 RAF return form is also attached. Please complete it and return it with full payment, including the late payment charges. Just as information, late payment charges (penalty and interest) continue to accrue until the RAF is paid.

If your records show that payment was made, let me know right away by providing me with the check number and the date payment was mailed so that I can research this further. Please let me know if you have any questions. Thanks.

Paula Isler
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850
(850) 413-6502-Phone
(850) 413-6503-Fax
PIsler@psc.state.fl.us

4/13/2009

EXHIBIT M

REDACTED



AT&T Credit & Collections
675 W. Peachtree Street NW
Atlanta, GA 30375

T: 404.927.5385
F: 404.949.1699
AF5621@att.com

February 26, 2009

Attn: Patricia Morris
Clective Telecom Florida LLC
2090 Dunwoody Club Dr, Ste 106-257
Atlanta, GA 30350

REDACTED

Dear Ms. Morris,

As you know, AT&T is entitled to request an initial deposit based on an estimate of your likely billing for two months. Based on the service ramp up of your affiliate, Clective Georgia, Inc, we have determined that your initial deposit must be increased to [REDACTED]. This amount is based on two times the monthly charges of your affiliate. Your account(s) will be reviewed periodically which may result in an adjustment to the initial deposit.

The required deposit may be submitted either in cash (check or guaranteed funds), in the form of an Irrevocable Letter of Credit or as a Surety Bond (required formats enclosed).

Do not send any deposit unless you have already signed a contract with AT&T and received certification from the State Regulatory Agency.

<p>Cash deposits should be sent to:</p> <p>AT&T ATTN : Deposit Desk P O Box 16649 Atlanta, GA 30321</p>	<p>An Irrevocable Letter of Credit or Surety Bond should be sent to:</p> <p>Attn: Ann Frye AT&T Credit & Collections 675 W Peachtree ST NW, #10J32 Atlanta, GA 30375</p>
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Sending the deposit to the wrong address will delay the processing of your orders

Do not send the deposit unless you have already signed a contract with AT&T and received certification from the State Regulatory Agency. We must receive the deposit within three (3) months of the date of this letter or your application will be considered cancelled.

I will be available at 404 927-5385 to answer any questions concerning the contents of this letter. Thank you for choosing AT&T to service your telecommunication needs.

Sincerely,

Ann Frye
Senior Credit Analyst

enclosure