

1-800-RECONEX
Because Everybody Needs A Phone™

August 28, 2000

RECEIVED
SEP - 1 2000
Executive
Director's Office

William Bowker
Acting Executive Director
Kentucky Public Service Commission
730 Schenkel Lane
P.O. Box 615
Frankfort, KY 40602

RE: Acquisition of Stock/Change of Control

Dear Mr. Bowker:

Pursuant to my telephone conversation with Mr. Wayne Bates of the Kentucky Public Service Commission on Tuesday, August 8, 2000, I am providing notice that 1-800-RECONEX, Inc., ("RECONEX") intends to sell 52% of its privately held stock to Nova Communications, L.L.C., ("Nova").

RECONEX is certificated in this State, pursuant to authority granted in Case No: 97-288 dated November 18, 1997 (Sterling International Funding dba 1-800-Reconex, Inc.). RECONEX will maintain all of its customer accounts, certifications and licenses, to the extent permitted by this Commission.

This transaction will not in any way be detrimental to the public interest of this State. Following consummation of the Acquisition, RECONEX will continue to serve all of the present customers' accounts of RECONEX pursuant to RECONEX's certification previously issued by this Commission. RECONEX customers will continue to receive the same high quality service presently rendered to them. The technical, managerial and financial personnel of RECONEX will continue to serve the existing RECONEX customers with the same high level of expertise.

The Acquisition will, in effect, be transparent to the customer of RECONEX, and therefore, will not cause any inconvenience or confusion to RECONEX's customers.

The Acquisition of RECONEX stock by Nova will produce significant economic, marketing and administrative efficiencies and increase the financial base and strength of the Parties. This will better enable the Parties to compete, and in doing so, will enhance competition in intrastate, interstate and local markets. Increased competition promises to provide consumers with new and improved products and services, more rapid deployment of new technologies, and lower rates.

Further, this transaction will increase the appeal to present and potential customers because of RECONEX's larger size and greater variety of service offerings. Accordingly, the Acquisition will serve to enhance the overall capacity of RECONEX to compete in the marketplace and to provide telecommunications services for a greater number of consumers of this State at competitive rates.

William Bowker Letter
August 28, 2000
Page 2

Reconex will continue to operate under its existing tariff with any changes being brought to the attention of the Commission pursuant to its normal procedure.

Should you have any questions or concerns regarding this matter, please do not hesitate to contact me directly at (503) 982-5585.

Sincerely,

A handwritten signature in black ink, appearing to read "Jennifer E. Sikes". The signature is fluid and cursive, with a large initial "J" and a long, sweeping underline.

Jennifer E. Sikes
Paralegal

1-800-RECONEX, Inc.

Enclosures. 4

cc: William E. Braun, General Counsel, 1-800-RECONEX, Inc.

File

Doc/State/KY/StockTrfLtr