

# The Telephone Company

a subsidiary of *CA Networks, Inc.*

February 8, 2005

Telecommunications Division  
Kentucky Public Service Commission  
P.O. Box 615  
211 Sower Blvd.  
Frankfort, KY 40602-0615

FEB 17 2005

RE: CLEC No. 05052800

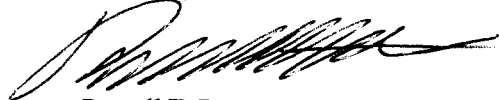
We are currently operating as a CLEC under the name *CA Networks, Inc.*, dba *The Telephone Company*, 111 S. Mulberry St., Suite 201, Elizabethtown, KY 42701. Initially we operated under the name of *CA Networks, Inc.*, dba *Networks Cities*. A component of our original authority was the acquisition of *Networks City*, and a license agreement dated May 1, 2004, with that company.

The license agreement between *Network City* and *CA Networks, Inc.* has been revoked by both parties effective April 30, 2005. Therefore, we hereby apply for separate CLEC authority under which we will continue to operate as *CA Networks, Inc.*, dba *The Telephone Company*.

Enclosed is a copy of the aforementioned license agreement between *CA Networks, Inc.*, and *Network City* and a copy of the revocation, signed by both parties, of that agreement. Also enclosed are materials pertinent to our request for approval as an operating CLEC. Our existing tariffs are on file with your agency.

Please let me know if you need additional information. Your expedient response to our request would be appreciated.

Sincerely,



Russell E. Preston  
President

lsp  
Enclosures

***Tomorrow's Telephony Today!***

Russell E. Preston, President  
Henri R. Hornby, Chief Financial Officer  
Janice W. Gordon, Chief Operations Officer  
Jerald L. Woods, Chief Information Officer  
111 S. Mulberry St., Ste. 201, Elizabethtown, KY 42701  
Phone: (270) 769-0070 • Fax: (270) 769-0212

Before the  
PUBLIC SERVICE COMMISSION OF KENTUCKY

IN THE MATTER OF THE INFORMATIONAL	)	
FILING OF THE <i>THE TELEPHONE COMPANY</i>	)	
(A SUBSIDIARY OF <i>C A NETWORKS, INC.</i> )	)	
AUTHORITY TO OPERATE AS A RESELLER	)	No. _____
OF INTEREXCHANGE AND LOCAL	)	
EXCHANGE TELEPHONE SERVICE	)	
THROUGHOUT KENTUCKY	)	

*The Telephone Company* (a subsidiary of *C A Networks, Inc.*), hereby submits the following information in accordance with the provisions of *Administrative Case No. 359* and its existing tariffs in accordance with 807 KAR 5.011.

1. The name, post office address, telephone and fax numbers of the applicant corporation are:

*The Telephone Company*  
a subsidiary of *C A Networks, Inc.*  
111 S. Mulberry St., Suite 201  
Elizabethtown, KY 42701  
(270) 769-0070 (Phone)  
(800) 215-0203 (Toll-Free)  
(270) 769-0212 (Fax)

2. A copy of the Company's *Articles of Incorporation* and *Kentucky Certificate of Authority* are on file with your agency.

3. The name, street address, telephone and fax numbers of the responsible contact persons for customer complaints and regulatory issues are:

Customer Service Contact  
Ms. Annette DeWitt, Operations Manager  
111 S. Mulberry St., Suite 201  
Elizabethtown, KY 42701  
(270) 769-0070 (Phone)  
(800) 215-0203 (Toll-Free)  
(270) 769-0212 (Fax)

Regulatory Contact  
Mr. Russell E. Preston, President  
111 S. Mulberry St., Suite 201  
Elizabethtown, KY 42701  
(270) 769-0070 (Phone)  
(800) 215-0203 (Toll-Free)  
(270) 769-0212 (Fax)

4. A notarized statement that the Company has not collected funds for intrastate service in Kentucky to date is attached as *Exhibit A*.
5. A statement that the Company does not seek authority to provide Operator-Assisted services to traffic aggregators as defined in *Administrative Code Case No. 330* is attached as *Exhibit B*.
6. The Company's existing tariffs are on file with your agency.

7. A description of the Company's bill is on file in your agency.

WHEREFORE, The Telephone Company, a subsidiary of C A Networks, Inc., requests that the Public Service Commission of the Commonwealth of Kentucky grant authority to engage in the resale of local exchange and interexchange telecommunications services to the public in accordance with applicable laws currently in effect or hereinafter enacted by the Commission.

*The Telephone Company*  
a subsidiary of *C A Networks, Inc.*

By: 

Russell E. Preston, President  
111 S. Mulberry St., Suite 201  
Elizabethtown, KY 42701  
(270) 769-0070

REVOCATION OF LICENSE AGREEMENT

THIS AGREEMENT (*License*) is made on the 8<sup>th</sup> of February 2004 by and between William J. Manis, Managing Partner, Networks City, 400 Ring Road, Suite 200, Elizabethtown, KY 42701 and C A Networks, Inc., 111 S. Mulberry St., Suite 201, Elizabethtown, KY 42701.

NOW, THEREFORE, the parties agree to the following:

Termination of Prior Agreement. The License Agreement between William J. Manis, Managing Partner, Networks City, 400 Ring Road, Suite 200, Elizabethtown, KY 42701 (*Licensor*) and C A Networks, Inc., dba The Telephone Company, 111 S. Mulberry St., Suite 201, Elizabethtown, KY 42701 (*Licensee*), which granted authority to C A Networks to operate as the Networks City competitive local exchange carrier (CLEC) to conduct Licensee business activities in a non-exclusive manner, shall, in accordance with Article 12 of said license, be terminated, by this written agreement of both parties, effective the 30<sup>th</sup> of April 2005.

IN WITNESS WHEREOF, the parties hereto execute this Agreement as of the day and year first above written and hereby certify that they have agency/executive authority to bind and execute this Agreement.

LICENSEE

LICENSOR

Printed Name: Russell E. Preston

Printed Name: William J. Manis

Signature: 

Signature: 

Title: President

Managing Partner

2/8/2005

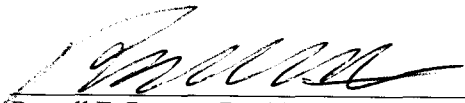
VERIFICATION OF APPLICANT

STATE OF KENTUCKY  
COUNTY OF HARDIN

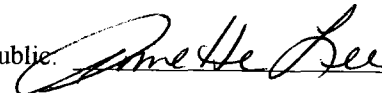
SS:

I, Russell E. Preston, being first duly sworn, state that I am President of *The Telephone Company*, a subsidiary of *CA Networks, Inc.*, the Applicant herein, that I have reviewed the matters set forth in the Application and Exhibits and the statements contained therein are true to the best of my knowledge, except as to those matters which are stated on information or belief, and as to those matters I believe them to be true.

*The Telephone Company*  
A subsidiary of *CA Networks, Inc.*

By:   
Russell E. Preston, President

Sworn and subscribed before me on this 10<sup>th</sup> day of February, 2005.

Notary Public: 

My Commission Expires: 3-12-05



EXHIBIT A

*The Telephone Company*

a subsidiary of *CA Networks, Inc.*

February 8, 2005

STATEMENT

To: Kentucky Public Service Commission  
P.O. Box 615  
211 Sower Blvd.  
Frankfort, KY 40602-0615

From: Russell E. Preston  
President

I, Russell E. Preston, hereby certify that *CA Networks, Inc.*, dba *The Telephone Company* has not collected funds for any intrastate telecommunications prior to this date. Tarriffs have been approved and are on file with your agency.

Russell E. Preston  
President

Date: *Russell Preston*

lsp



*Annette Lee*

*my Notary expires 3-12-05*

*Sworn to me on the 10<sup>th</sup> day of February 2005.*

***Tomorrow's Telephony Today!***

Russell E. Preston, President  
Henri R. Hornby, Chief Financial Officer  
Janice W. Gordon, Chief Operations Officer  
Jerald L. Woods, Chief Information Officer  
111 S. Mulberry St., Ste. 201, Elizabethtown, KY 42701  
Phone: (270) 769-0070 • Fax: (270) 769-0212

EXHIBIT B

# The Telephone Company

a subsidiary of *CA Networks, Inc.*

February 8, 2005

STATEMENT

To: Kentucky Public Service Commission  
P.O. Box 615  
211 Sower Blvd.  
Frankfort, KY 40602-0615

From: Russell E. Preston  
President

*CA Networks, Inc.*, dba *The Telephone Company* hereby states that it will not provide Operator-Assisted Services to traffic aggregators as defined in *Administrative Code Case No. 330*.

Russell E. Preston  
President

Date: \_\_\_\_\_

lsp



Annette Lee  
my Notary expires 3-12-05  
sworn to me on the 10<sup>th</sup> day  
of February 2005.

***Tomorrow's Telephony Today!***

Russell E. Preston, President  
Henri R. Hornby, Chief Financial Officer  
Janice W. Gordon, Chief Operations Officer  
Jerald L. Woods, Chief Information Officer  
111 S. Mulberry St., Ste. 201, Elizabethtown, KY 42701  
Phone: (270) 769-0070 • Fax: (270) 769-0212

# NetWorksCity

400 Ring Road, Elizabethtown, KY 42701  
(270) 735-1702 · Fax: (270) 735-9083  
email: [nwc@networkscity.com](mailto:nwc@networkscity.com)

## LICENSE AGREEMENT

THIS LICENSE AGREEMENT ("License") is made and effective the 1<sup>st</sup> of May 2004, by and between William J. Manis, Managing Partner, Networks City, 400 Ring Road, Suite 200, Elizabethtown, KY 42701, ("Licensor") and CA Networks, Inc., 3653 Hemlock Ct., Reno, NV 89509 ("Licensee"). Licensor desires to lease to Licensee, and Licensee desires to lease from Licensor, certain intangible usage rights.

NOW, THEREFORE, in consideration of the mutual covenants and promises hereinafter set forth, the parties hereto agree as follows:

1. License. Licensor hereby leases to Licensee, and Licensee hereby leases from Licensor, the following described rights (the "License"): Licensee acquires rights to operate the Networks City competitive Local Exchange Carrier "CLEC" license to conduct Licensee business activities in a non-exclusive manner.
2. Term. The term of this License shall commence on 1 May 2004, and shall automatically expire on 30 April 2005, which is 12 months thereafter without renewal, unless renegotiated, purchased in entirety or partially with a new written and paid for agreement. This License is non-revocable by successors, if any, of management of Networks City until the expiration of this agreement, provided Licensee complies with the terms of this agreement.
3. Fee and Deposit. A nominal fee of \$1.00 shall be paid for the first year license. The fee will not be refunded to Licensee following Licensee's performance of all obligations in this License.
4. Use. Licensee shall comply with and conform to all national, state, municipal, police and other laws, ordinances and regulations in any way relating to the, use or maintenance of the License agreement. Licensee content and/or equipment are to be secured/back-up/safeguarded or insured by the Licensee for the entire life of the license for theft, destruction, loss, or so called act of god. Licensee is required to do any and all, or pay any and all Public Service Commission and/or the Federal Communications Commission, rules, fees, fines or any other monetary liability required to utilize the license which is connected with or resulting from Licensee's use of the License.
5. Warranty. Based on consideration received "Fee and Deposit" Licensor warrants nothing; everything is as is, Licensee is totally responsible for fitness for any particular purpose. LICENSOR DISCLAIMS ANY AND ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, EXCEPT THAT LICENSOR WARRANTS THAT LICENSOR HAS THE RIGHT TO THE LICENSE, AS PROVIDED IN THIS AGREEMENT.
6. Loss and Damage. Licensee hereby assumes and shall bear the entire risk of loss and damage to the content from any and every cause whatsoever and shall resort to law any disputed claim. No loss or damage to Licensee equipment or any part thereof shall impair any obligation of Licensee under this License which shall continue in full force and effect throughout the term of the Agreement.
7. Licensor's Payment. In case of failure of Licensee to pay any liability as specified in this agreement, the cost thereof shall be repayable to Licensor and if 60 days in arrears constitutes irreparable default of the License agreement.
8. Indemnity. Licensee shall indemnify Licensor against, and hold Licensor save harmless from, any and all claims, actions, suits, proceedings, costs, expenses, damages and liabilities, including reasonable attorney's fees and costs, arising out of, connected with, or resulting from Licensee's use of the License.
9. Default. If Licensee fails to observe, keep, or perform any provision of this License required to be observed, kept, or performed by Licensee, Licensor shall have the right to exercise any one or more of the following remedies:



A. To declare the entire agreement or any portion within null and void.

B. To sue for and recover all liabilities created by Licensee.

C. To pursue any other remedy at law or in equity.

10. Bankruptcy. This Lease is only assignable by Licensor. If any proceeding under the Bankruptcy Act, as amended, is commenced by or against the Licensee, or if the Licensee is adjudged insolvent, or if Licensee makes any assignment for the benefit of its creditors, or if a writ of attachment or execution is levied on the Licensee and is not released or satisfied within ten (10) days thereafter, or if a receiver is appointed in any proceeding or action to which the Licensee is a party with authority to take possession or control of the Equipment, Licensor shall have and may exercise any one or more of the remedies set forth in Section 9 hereof, and this Lease agreement, at the option of the Licensor, without notice, immediately terminate and shall not be treated as an asset of Licensee after the exercise of said option.

11. Ownership. The License is, and shall at all times be and remain, the sole and exclusive property of Licensor; and the Licensee shall have no right, title or interest therein or thereto except as expressly set forth in this Lease.

12. Entire Agreement. This instrument constitutes the entire agreement between the parties on the subject matter hereof and it shall not be amended, altered, or changed except by a further writing signed by the parties hereto.

13. Notices. Service of all notices under this Agreement shall be sufficient if given personally or mailed certified, return receipt requested, postage prepaid, at the address hereinafter set forth, or to such address as such party may provide in writing from time to time.

If to Licensor:

NetWorksCity  
400 Ring Road  
Elizabethtown, KY 42701

If to Licensee:

CA Networks, Inc.  
3653 Hemlock Ct.  
Reno, NV 89509

14. Assignment. Licensee cannot assign this License or its interest without the prior written consent of Licensor.


15. Governing Law. This Lease shall be construed and enforced according to laws of the Commonwealth of Kentucky.

16. Headings. Headings used in this License are provided for convenience only and shall not be used to construe meaning or intent.

IN WITNESS WHEREOF, the parties hereto have executed this Lease as of the day and year first above written. I hereby certify that I have agency/executive authority to bind this Licensee and to execute this agreement.

LICENSEE

Printed Name: RUSSELL C. PRESTON

Signature: 

Title: PRESIDENT

LICENSOR

William J. Martis

  
Managing Partner