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August 11, 2011

Via Federal Express

Jeff R. Derouen
Executive Director
Kentucky Public Service Commission
211 Sower Blvd.
Frankfort, KY 40602

RECEIVED

AUG 12 2011

PUBLIC SERVICE
COMMISSION

Re: Birch Telecom of the South, Inc. dba Birch Communications of the Southeast and Cordia Communications Corp. - Notification of Transfer of Customers and Assets

Dear Mr. Derouen:

Birch Telecom of the South, Inc. dba Birch Communications of the Southeast (“Birch” or “Purchaser”) and Cordia Communications Corp. (“Cordia” or “Seller”) (Purchaser and Seller collectively, the “Parties”), hereby respectfully notify the Kentucky Public Service Commission (“Commission”) of a pending transaction pursuant to which Cordia will transfer substantially all of its telecommunications assets and Kentucky customer base to Birch (the “Transaction”).

It is the Parties’ understanding that no prior Commission approval is required to consummate the Transaction described herein. The Parties therefore submit this notice for the Commission’s information.

I. PARTIES

A. Birch Telecom of the South, Inc. dba Birch Communications of the Southeast

Birch is a Delaware corporation with headquarters located at 3060 Peachtree Road NW, Suite 1065, Atlanta, GA 30305. Birch is authorized by the Commission to provide local exchange and interexchange telecommunications services in Kentucky.¹ Birch is a wholly owned subsidiary of Birch Communications, Inc. (“BCI”), a Georgia corporation with headquarters located at 3060 Peachtree Road NW, Suite 1065, Atlanta, Georgia 30305. BCI and its subsidiaries provide telecommunications services to both business and residential customers in 38 states.

¹ Utility ID Nos. 5153300 and 22251533.

B. Cordia Communications Corp.

Cordia is a Nevada corporation with headquarters located at 2900 Westchester Avenue, #103, Purchase, New York 10577. Cordia is authorized to provide telecommunications services in Kentucky and holds Utility ID Nos. 4104300 and 5176000.

II. DESIGNATED CONTACTS

Correspondence concerning this matter should be directed to:

For Cordia Communications Corp.	Birch Telecom of the South, Inc. dba Birch Communications of the Southeast
Maria A. Abbagnaro Cordia Communications Corp. 2900 Westchester Avenue, #103 Purchase, New York, 10577 914-881-1405 (telephone) 800-714-9950 (facsimile) mabbagnaro@cordiacorp.com	Angela F. Collins Cahill Gordon & Reindel LLP 1990 K Street, NW, Suite 950 Washington, DC 20006 202-862-8930 (telephone) 202-862-8958 (facsimile) acollins@cgrdc.com

III. DESCRIPTION OF THE TRANSACTION AND PUBLIC INTEREST STATEMENT

On June 17, 2011, BCI submitted a proposal, including an executed Asset Purchase Agreement (“Agreement”), to the United States Bankruptcy Court for the Middle District of Florida (Case No. 6:11-bk-06493-KSJ through 6:11-bk-06497-KSJ) to purchase certain assets and customers of Cordia (as well as its affiliates My Tel Co, Inc. and Northstar Telecom, Inc., which do not provide service in Kentucky). On June 29, 2011, BCI learned that no other entity submitted a similar proposal to the bankruptcy court, and on July 14, 2011, the bankruptcy court approved the Agreement. Pursuant to the Agreement, BCI will purchase the following assets from Cordia: customer accounts, customer agreements and contracts, certain vendor agreements and contracts, and certain intellectual property. BCI, however, will not assume any of Seller’s pre-closing liabilities.

Birch will make any necessary revisions to its rates, terms, and conditions to incorporate Cordia’s current services and rates so that affected customers will continue to receive the same services that they currently receive without any immediate changes to their service offerings, rates, terms, or conditions. The ownership structure of BCI and Birch will not be affected by the Transaction. Upon consummation of the Transaction and after completion of the customer transfer, Birch will provide Cordia’s customers with the same service quality they have come to expect and all billing will be handled under the Birch name. Consummation of the Transaction is contingent on, among other things, receipt of all necessary regulatory approvals.

The proposed transfer will affect all of Cordia’s current Kentucky customers, none of

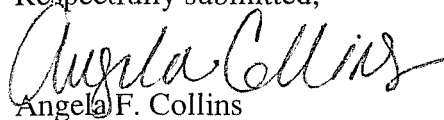
whom will experience any material change to the terms and conditions of their services as a result of this transfer. The transfer is scheduled to take place on or after October 12, 2011. The Parties will provide notice to affected customers in accordance with state requirements and the rules and regulations of the Federal Communications Commission. A draft customer notice letter is attached as Exhibit A.

Upon completion of the Transaction and the migration of customers to Birch, Cordia will no longer offer telecommunications services in Kentucky. After Cordia determines that it no longer needs its Kentucky authorization for operational or billing purposes, Cordia will surrender its authorization in a separate filing.

The proposed Transaction serves the public interest, and will ensure that affected customers enjoy continuity of high-quality telecommunications service. Cordia's current customers will be given prior written notice of the transfer of their account to Birch, in compliance with state and federal customer notice rules. Following the Transaction, the affected customers will receive high-quality service supported by Birch's experienced and well-qualified management team. Consequently, the proposed Transaction will be transparent to customers and will not have a negative impact on the public interest, service to Kentucky customers, or competition.

If you have any questions concerning this matter, please contact the undersigned.

Respectfully submitted,



Angela F. Collins

Counsel for Birch Telecom of the South,
Inc. dba Birch Communications of the
Southeast

Attachment

Exhibit A

Draft Customer Notice



IMPORTANT NOTICE
REGARDING A CHANGE IN YOUR TELECOMMUNICATIONS SERVICES

Dear _____

Birch Communications (“Birch”) and Cordia Communications Corp. (“Cordia”) are pleased to announce that Birch will acquire Cordia’s local and long distance telephone customers. Subject to approval by the Federal Communications Commission and state regulators, Birch will replace Cordia as your current telecommunications service provider on or after **[30 DAYS BEFORE TRANSFER DATE]** (the “Transfer Date”). As a result of this transaction, Birch will assume responsibility for all services previously provided to you by Cordia. Birch is excited about the opportunity to provide your telecommunications service(s) and looks forward to a long and successful business relationship.

Please rest assured, the transition will have little or no impact on your current services, nor will there be any interruption of your service. The agreement between Birch and Cordia has been structured so that the transfer of service will be virtually seamless other than the possibility of a minor change to your voice mail service for which you will receive additional information.¹ There may, however, be other changes to your service plan based on Birch’s unique billing systems (e.g., customers currently utilizing a message or measured local service plan may be switched to a flat rate plan). In those cases, Birch will transition you in a neutral manner and **with no increase to your regular monthly recurring charges**. You will retain all other service rates, features, terms, and conditions of service and your telephone phone number. Birch will not impose any charges for the transfer of your services to Birch and **no action is required from you to continue your telecommunications service(s) with Birch**. You will receive your first billing statement from Birch starting with your **[MONTH]** 2011 or **[MONTH]** 2011 bill. As in the past, you are responsible for paying all bills rendered to you by Cordia during the transition of service.

You do have the right to select a different carrier for the telecommunications service(s) at issue. If you choose to switch to an alternate carrier for services, you may incur a fee from that alternate carrier for the transfer of services to that alternate carrier.

¹ It will be necessary for you to reset your password and re-record your message greeting(s). Additionally, saved messages at the time of the transfer will no longer be retained. Birch will provide further details in a follow-up letter.

If you select a local telephone service provider other than Birch, you should also contact your current long distance provider to ensure that your current long distance plan is not changed.

Please note that if you are a customer of Cordia on the Transfer Date, your account will automatically be transferred to Birch. Please note that when your service is transferred to Birch, any preferred carrier "freeze" you have placed on your existing telephone lines to prevent unauthorized transfer of your services to another carrier will be over-riden for purposes of this transaction and will need to be reinstated by you by contacting Birch after the transfer is complete.

If you have any questions about this transaction or your service or billing prior to the actual Transfer Date, you should contact Cordia at **800-916-9950**.

If you have any questions regarding this transaction or your service or billing after the actual Transfer Date, you should contact Birch at **888-772-4724**.²

Cordia thanks you for your business and Birch looks forward to providing you with quality service for many years to come.

Sincerely,

Cordia Communications Corp. and
Birch Communications

² **About Birch Communications** - Headquartered in Atlanta, Georgia, Birch Communications is one of the largest competitive local exchange carriers in its 38-state southeast, southwest, midwest and northeast regions serving residential and business customers. Birch was the first in its class to deploy its own private IP network utilizing soft switch technology to deliver innovative, high quality, affordable voice and broadband communications services to small and medium business customers.