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A Professional Limited Liability Company

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Philip R. Adams, Jr.

RECEIVED

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PUBLIC SERVICE
COMMISSION

October 29, 2008

Via Overnight Mail

Executive Secretary
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, KY 40602

Re: Notification by First Choice Technology, Inc. and
NetLojix Telecom, Inc. for Approval of an Asset Purchase Agreement

Dear Sir or Madam:

On behalf of First Choice Technology, Inc. ("First Choice") and NetLojix Telecom, Inc. ("NetLojix")(together "Applicants"), this letter is to advise the Commission of an Asset Purchase Agreement (the "Agreement"), whereby First Choice will acquire NetLojix's residential and business long distance customer accounts in this State (the "Acquisition").

It is our understanding, based upon review of the applicable statutes and regulations, that this transaction does not require prior Commission approval. Accordingly, absent written notice to the contrary within thirty (30) days of the date of this letter, the parties will proceed to consummate the transaction in a timely fashion.

First Choice is a Delaware corporation with principal offices located at 601 North Orlando Avenue, Suite 211, Maitland, FL 32751. First Choice is a certified long distance telecommunications provider in this State.¹

¹ First Choice provides resold long distance telecommunications services in this State pursuant to authority granted in Docket No. TFS2004-01138, dated on 8/11/04.

NetLojix is a Delaware corporation, with principal offices located at 7001 Boulevard 26, #323, North Richland Hills, TX 76180. NetLojix is a certified long distance telecommunications provider in this State².

The Acquisition contemplates the following:

- a. First Choice will acquire ownership, right, title and interest in and to substantially all of NetLojix's residential and business customer accounts, as defined in the Agreement.
- b. NetLojix will receive the purchase price set forth in the Agreement,

The Acquisition will consolidate and transfer NetLojix's residential and business accounts to First Choice in order to create a single, larger provider of telecommunications services, facilitating efficiencies to benefit all of First Choice's customers, including those customers acquired from NetLojix. Service to NetLojix's customers will continue uninterrupted.

NetLojix's customers will be given the opportunity to switch their service to a different carrier. First Choice anticipates that none of NetLojix's customers will experience any increase in rates due to the Acquisition. To the extent that any of NetLojix's rates are not presently included in First Choice's Tariffs, First Choice will amend its Tariffs accordingly to include such rates. As a result, the transaction should not cause any inconvenience or confusion to NetLojix customers. Those NetLojix customers who choose not to switch their service to a different carrier will receive service from First Choice.

NetLojix's technical, managerial and financial personnel will assist with the transition and integration of the acquired assets after the transaction and First Choice's technical, managerial and financial personnel will continue to serve the transferred NetLojix customers with the same high level of expertise.

Critical to the Acquisition is the need to ensure the continuation of high quality service to all customers currently served by NetLojix. The Acquisition will serve the public interest in that it will ensure that current NetLojix customers maintain uninterrupted service. The Acquisition will also serve to create a heightened level of operating efficiency, which will serve to enhance the overall capacity of First Choice to compete in the marketplace and to provide telecommunications services to a greater number of consumers in this State at competitive rates.

² NetLojix provides resold long distance telecommunications services in this State pursuant to authority granted on 12/23/99.

Applicants request NetLojix's Certificates of Public Convenience and Necessity be canceled upon consummation of the transaction.

The parties are forwarding this letter to the Commission for informational purposes only, to be included in the appropriate files. Absent receipt of written notification to the contrary within thirty (30) days of the date of this letter, the Applicants will proceed under the understanding that no approval or other formal action is required by the Commission prior to consummation of the proposed transaction.

Enclosed are the original and fourteen (14) copies of this letter. Also enclosed is the Tariff Adoption Notice on behalf of First Choice. Please return one (1) of the copies file-stamped in the envelope provided. If you need any further information or have any questions regarding the matters discussed herein, please do not hesitate to contact me. Thank you for your assistance in this matter.

Respectfully submitted,



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ADOPTION NOTICE

The undersigned of First Choice Technology, Inc. ("First Choice") of Delaware hereby adopts, ratifies, and makes its own, in every respect as if the same had been originally filed and posted by it, all tariffs and supplements containing rates, rules and regulations for furnishing telecommunications service state wide in the Commonwealth of Kentucky filed with the Public Service Commission of Kentucky by Netlojix Telecom, Inc. ("Netlojix") of Delaware and in effect on the date on or about which the management of the public service business of the said Netlojix was taken over by First Choice.

This notice is issued on the 7th day of November, 2008, in conformity with 807 KAR 5:011, Section 10 of the Regulations for filing of Tariffs of Public Utilities with the Public Service Commission of Kentucky.

First Choice Technology, Inc.

By:



Leon L. Nowalsky
Counsel for First Choice Technology, Inc.