



Judith A. Riley, J.D.

2912 Lakeside Drive, Suite 100
Oklahoma City, OK 73120

March 24, 2005

Overnight Delivery

Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40602

Re: Transfer of Assets from Global Crossing to Matrix Telecom, Inc.

Enclosed please find the above described notification.

Please acknowledge receipt of this filing by file stamping the extra copy of the first page of the Notification and returning it in the self-addressed stamped envelope provided for this purpose.

Should there be any questions or additional information required, please do not hesitate to contact me at (405) 755-8177.

Sincerely,

A handwritten signature in black ink that reads "Judith A. Riley". The signature is written in a cursive, flowing style.

Judith A. Riley

Enclosures

**NOTIFICATION OF THE TRANSFER OF OWNERSHIP
OF CERTAIN ASSETS**

Matrix Telecom, Inc., (hereinafter referred to as "Matrix") and Global Crossing Telecommunications, Inc., Global Crossing Local Services, Inc. and Global Crossing Telemangement, Inc. (hereinafter referred to as "GC"), by their undersigned counsel, hereby provide notification of a pending transfer of certain assets held by GC to Matrix. In addition, the parties hereto request a waiver, to the extent necessary, of any applicable anti-slamming regulations that may be violated by this transfer being made without the specific authorization and verification of each subscriber affected.

I. PARTIES.

A. Matrix Telecom, Inc.

Matrix is a corporation organized under the laws of the State of Texas with its principal offices located at 300 N. Meridian, Oklahoma City, OK 73107. Matrix provides domestic and international long distance services to business and residential customers throughout the continental United States. Matrix is authorized to provide intrastate inter-exchange telecommunications services in Kentucky.¹ Matrix has filed its Application For Authority to provide local telecommunications services in Kentucky. This Application is currently pending with the Commission.

B. Global Crossing

Global Crossing Telecommunications, Inc. is a corporation organized under the laws of the State of Michigan with its principal offices located at 1080 Pittsford-Victor Road, Pittsford, New York 14534. Global Crossing Telecommunications is a long-distance carrier that provides voice and data services to business customers throughout the United States, including Kentucky.² Global Crossing Local Services, Inc. is a corporation organized and existing under the laws of the State of Delaware. Global Crossing Local Services provides facilities-based competitive local exchange services in various locations throughout the United States, including Kentucky.³ Global Crossing Telemangement, Inc. is a corporation organized and existing under

1	March 13, 1991	Certificates not issued
2	November 21, 1984	Case 9031
3	April 02, 2000	61-0254

the laws of the State of Wisconsin. Global Crossing Telemanagement provides resale-based competitive local exchange services in various locations throughout the United States, including Kentucky.⁴

II. DESCRIPTION OF THE TRANSACTION.

On March 19, 2005, GC and Matrix entered into an Asset Purchase Agreement (hereinafter referred to as "Agreement"). Pursuant to the terms and subject to the conditions of the Agreement, Matrix will purchase from GC certain assets and assume certain liabilities relating to GC's Small Business Group, which provides voice and data products to small and medium sized business enterprises throughout the United States. Upon consummation of the transactions contemplated in the Agreement, Matrix will serve the Small Business Group customer base, and GC will continue to provide service to those customers not previously served by its Small Business Group. GC will retain its authority to provide telecommunications services in Kentucky in order to continue to serve these customers.⁵

III. CUSTOMER NOTIFICATION.

The parties hereto intend to provide at least 30 days' advance subscriber notice of the transfer to Matrix. Attached hereto as Attachment A is a copy of the Notice that will be sent to all subscribers. The letter attempts to take into account all relevant state and federal notification and consent requirements applicable to this transaction. However, out of an abundance of caution, the parties hereby request a waiver from any applicable anti-slamming regulations that may nevertheless be violated by this transfer being made without the specific authorization and verification of each subscriber affected, to the extent necessary. As stated above, this transaction will affect only sophisticated business customers with whom GC has individual contracts; no residential customers will be affected. Each of the Small Business Group subscribers will receive the requisite advance notice and will see no change in rates, terms or conditions of service from those currently in effect. The proposed transaction will be seamless and virtually transparent to said subscribers. Therefore, the public interest would be served by Commission

4 December 15, 1999 60-1372

5 See, *supra*, notes 2-4 (citing GC's authority to provide services).

grant, to the extent required, of the waiver of anti-slamming regulations applicable to the transaction.

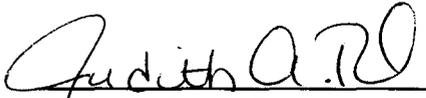
IV. PUBLIC INTEREST

The proposed transaction will serve the public interest. There will be no change to the rates, terms or conditions of service to the Small Business Group customers as a result of the transaction. The parties will notify each affected customer of the pending transaction to ensure a smooth transition from GC to Matrix. Consummation of the proposed transaction will serve the public interest in promoting competition in the intrastate inter-exchange and local telecommunications market by providing Matrix the opportunity to strengthen its competitive position by combining GC's Small Business Group customer base with Matrix's current services, products and expertise. The proposed transaction also will free GC's resources to focus on its core global information services customers and invigorate its service to these customers. Moreover, the acquisition of assets by Matrix will permit Matrix to realize significant economic and marketing efficiencies which will enhance its ability to continue providing high quality, low cost telecommunications services and to compete more effectively in the telecommunications market. Matrix's operations will more readily increase in size and profitability, due to enhanced economies of scale. Accordingly, the proposed acquisition will benefit consumers through improved services and lower rates, thereby promoting competition in the telecommunications market.

Upon review of Kentucky's statutes and the Commission's rules, it is the parties' understanding that prior Commission approval is not required to consummate the transaction described herein. If the parties' understanding regarding the regulatory requirements in Kentucky is incorrect, the parties respectfully request that the Commission notify them as promptly as possible.

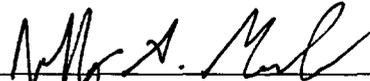
Please direct any questions concerning this submission to the undersigned.

Respectfully Submitted,



Judith A. Riley, Esq.
Telecom Professionals, Inc.
2912 Lakeside Drive
Oklahoma City, OK 73120
Telephone-(405) 755-8177
Facsimile-(405) 755-8377
email-jriley@telecompliance.net

Counsel to Matrix Telecom, Inc.



Teresa D. Baer
Jeffrey A. Marks
Latham & Watkins LLP
555 Eleventh Street, NW
Suite 1000
Washington, DC 20004-1304
Telephone: (202) 637-2200
Facsimile: (202) 637-2201
email: teresa.baer@lw.com
jeffrey.marks@lw.com

Counsel to Global Crossing Telecommunications,
Inc., Global Crossing Local Services, Inc. and
Global Crossing Telemanagement, Inc.

ATTACHMENT A
SUBSCRIBER NOTIFICATION



DATE, 2005

Dear Customer:

Global Crossing Telecommunications, Inc. and its affiliated companies ("Global Crossing") currently provide your local and/or long distance service. Matrix Telecom, Inc. ("Matrix") has agreed to acquire some of the assets of Global Crossing and will shortly begin providing local and/or long distance services to Global Crossing customers currently being served by the Global Crossing Small Business Group. This transfer will not affect your rates or the terms and conditions of your service.

Subject to obtaining state and federal regulatory approvals, we anticipate that the transition will occur in the near future, but not before May 15, 2005. Unless you have begun using a service provider other than Global Crossing prior to this date, Matrix will transition your current local and/or long distance service to Matrix. If Global Crossing is not your local service provider, the change to Matrix will not impact your local carrier selection.

The rates you currently pay for long distance, as well as your terms and conditions of service, will remain unchanged. If, in the future, there are any changes to your rates or the terms and conditions of your service, you will be notified of them by mail.

Except in the event of the existence of a contract for your telecommunications service, you have the right to subscribe to local and long distance service from any service provider you wish. This decision is entirely up to you, and you may choose to switch to another carrier either before or after this change occurs. Matrix values your continued business and will gladly respond to any questions or complaints you may have about your service either prior to or during the change. Because of this change, a carrier change charge may appear on your bill. However, Matrix will be happy to credit any such charges that appear on your bill due to the change to Matrix. However, selecting a carrier other than Matrix may result in a charge being imposed for which Matrix will not be responsible.

If you are a long distance customer only, and you have arranged a preferred carrier freeze through your local carrier on the service(s) involved in this transfer, the freeze will be removed in order to transition your service to Matrix. After the transfer, you must contact your local carrier if you want to re-establish a preferred carrier freeze.

Until the actual transfer date, Global Crossing will continue to be responsible for all customer service and billing issues. You should contact Global Crossing with any complaints or other customer services inquiries you may have prior to the transfer. After the transfer date, you should refer your questions to Matrix.

If you have any questions regarding this notice, please contact Matrix toll-free at (888) 829-6926 or your Global Crossing representative.

Sincerely,
Matrix Telecom, Inc.
Global Crossing Telecommunications, Inc.