



January 4, 2005
Via Overnight Delivery

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Winter Park, FL
32789

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Mr. Brent Kirtley
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, KY 40602-0615
(502) 564-3940

RECEIVED

JAN 05 2005

PUBLIC SERVICE
COMMISSION

**RE: AmeriVision Communications - Transfer of Control
Docket No. 94-152**

Dear Mr. Kirtley,

AmeriVision Communications, Inc. ("AmeriVision") was certificated in Kentucky in July, 1994 in Docket No. 94-152. The stock of AmeriVision is being acquired by Nonprofit and Affinity Marketing, Inc. AmeriVision will continue to operate as a separate, wholly owned subsidiary of Nonprofit and Affinity Marketing, Inc. Details of this transaction are attached for the Commission's files.

Questions or instructions pertaining to this transaction should be directed to my attention at (407) 740-8575. Alternatively, please feel to contact Mr. Stephen Halliday at (202) 661-4761 if I am unavailable or if you have questions specific to the buyer in this transaction.

Please acknowledge receipt of this filing by returning, file-stamped, the extra copy of this cover letter in the self-addressed, stamped envelope enclosed for this purpose.

Sincerely,

Thomas M. Forte
Consultant to AmeriVision Communications, Inc.

TMF/sbm

cc: Stephen Halliday, Nonprofit and Affinity Marketing/AmeriVision
File: AmeriVision - KY
TMS: KYx0501

NOTICE OF CHANGE IN OWNERSHIP

BY

AMERIVISION COMMUNICATIONS, INC.

Nonprofit and Affinity Marketing, Inc. hereby provides notice of its purchase of AmeriVision Communications, Inc. through the United State Bankruptcy Court for the Western District of Oklahoma on December 17, 2004 in Case No. 03-23388-NLJ.

As a result of this purchase, AmeriVision Communications, Inc. ("AmeriVision") will become a wholly owned subsidiary of Nonprofit and Affinity Marketing, Inc. ("NAM").

AmeriVision will continue to operate as an interexchange long distance provide within Kentucky.

AmeriVision Communications, Inc. is a company organized under the laws of Oklahoma on March 4, 1991 with its principal office located in Oklahoma City, Oklahoma. AmeriVision was certificated to provide Interexchange Long Distance Services in the State of Kentucky in Docket # 94-152.

I. THE COMPANY ACQUIRING AMERIVISION COMMUNICATIONS, INC.

Nonprofit and Affinity Marketing, Inc. is a company organized under the laws of Delaware on March 25, 2004 with its principal offices in Washington, DC. NAM has not filed for certification within Kentucky at anytime. NAM will own 100% of AmeriVision upon completion of the Bankruptcy Court proceedings.

II. THE AGREEMENT

NAM received authorization from the United State Bankruptcy Court for the Western District of Oklahoma on December 17, 2004 in Case No. 03-23388-NLJ to purchase the assets and customer base of AmeriVision. NAM will continue to operate AmeriVision as a wholly owned subsidiary. NAM is not requesting that the certificate for AmeriVision be transferred to NAM. The Company is making this filing to inform the Kentucky Public Service Commission about the change in ownership. All services offered within Kentucky will be offered and billed by AmeriVision. A copy of the December 17, 2004 order from the Bankruptcy Court is provided as Exhibit I of this document.

III. CUSTOMER IMPACT

Since AmeriVision will still be the provider of record, the change in ownership will be transparent to the Customers of AmeriVision. Therefore, no customer notice will be required. Customers will continue to contact AmeriVision in the same manner as they currently are for new services and customer service/billing issues.

IV. CONTACT INFORMATION

Correspondence concerning this application should be sent to:

Mr. Stephen D. Halliday
President, Secretary and Treasurer
Nonprofit & Affinity Marketing, Inc./AmeriVision Communications, Inc.
1201 Pennsylvania Avenue, NW, Suite 300
Washington, DC 20004
Telephone: (202) 661 - 4761
Facsimile: (202) 661 - 4699

with copies to:

Thomas M. Forte
Consultant to AmeriVision Communications, Inc.
Technologies Management, Inc.
P.O. Box 200
Winter Park, Florida 32790-0200
Telephone: (407) 740 - 8575
Facsimile: (407) 740 - 0613

A complete listing of officers and directors for AmeriVision Communications, Inc. is attached as Exhibit II. A listing of the officers and stockholders of Nonprofit and Affinity Marketing, Inc. is attached as Exhibit III.

EXHIBIT I

**UNITED STATE BANKRUPTCY COURT
WESTERN DISTRICT OF OKLAHOMA
ORDER IN CASE NO. 03-23388-NLJ
December 17, 2004**

FILED

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF OKLAHOMA

DEC 17 2004

GRANT PRICE
CLERK, U.S. BANKRUPTCY COURT
WESTERN DISTRICT OF OKLAHOMA
BY _____ DEPUTY

In re:)
)
AMERVISION COMMUNICATIONS, INC.,)
d/b/a LIFELINE COMMUNICATIONS, INC.,)
)
Debtor.)

Case No. 03-23388-NLJ
Chapter 11

ORDER CONFIRMING CREDITORS' PLAN OF REORGANIZATION

Debtor filed its Chapter 11 reorganization petition on December 8, 2003, and, in a rather unusual turn, Debtor's proposed Chapter 11 plan ("Debtor's Plan") was challenged by a proposed plan filed by a group comprised of Debtor's principal secured creditor, LINC Credit, LLC ("LINC"), Nonprofit & Affinity Marketing, Inc. ("NAM"), and NAM's president, Stephen D. Halliday ("Halliday"), who is a former CEO of Debtor, holds a significant unsecured claim in Debtor's bankruptcy, and is a defendant in a pending adversary filed by Debtor (hereinafter "Creditors" and the "Creditors' Plan"). Both the Debtor's Plan and the Creditors' Plan came on for hearing on confirmation on October 28-29 and November 3-4, 2004, at the conclusion of which hearing the Court took the matter of confirmation under advisement. Subsequently, the Court received post-trial submissions from Debtor and Creditors, including plan modifications, briefs, responses, and supplements.

After consideration of all the evidence presented at trial, as well as the briefs and authorities submitted by the parties, along with the excellent arguments by counsel, the Court rules as follows.

Two issues are presented to the Court for decision: (1) the confirmability of

each plan and, in the event both plans are confirmable, (2) which of the two plans should be confirmed, since under 11 U.S.C. § 1129(c) the court may only confirm one plan of reorganization.

At the conclusion of the presentation of the evidence, the parties stipulated that both the Debtor's Plan and the Creditors' Plan satisfied the following elements necessary for confirmation: 11 U.S.C. § 1129(a)(4); (a)(5); (a)(6); (a)(7); (a)(9); (a)(10); (a)(12); and (a)(13).¹ The parties were unable to stipulate to satisfaction of the remaining subsections of § 1129(a), nor could they stipulate as to satisfaction of § 1129(b).

With little material disagreement during the hearing, it is the opinion of the Court that the evidence presented clearly established that Creditors' Plan meets the requirements of § 1129(a) and (b) and is confirmable. The main question regarding Creditor's Plan related to compromising and settling certain claims, and based upon the evidence and explanation of counsel, the Court is satisfied the proposed settlement is fair and equitable and should be approved.

There were two primary objections to Debtor's Plan, one of which appears to have been satisfied by Debtor's post-hearing modification. The remaining objection relates to whether or not Debtor's Plan violates the absolute priority rule. While the Court could dedicate several pages to analysis of this issue, that does not appear

¹ Hereinafter, references to the Bankruptcy Code, 11 U.S.C. §§ 101 - 1330 will be by section number only unless the context requires otherwise.

to be necessary. Instead, the Court will proceed as follows: solely for purposes of this opinion, and without in any way ruling on the confirmability of Debtor's Plan, the Court will assume that Debtor's Plan is confirmable. That being said, even giving Debtor's Plan the benefit of the doubt, it is the Court's conclusion that Creditors' Plan should be confirmed for the following reasons.

First, considering the capital contributions being made by LINC and NAM, and the financing being provided by Textron Financial Corporation ("Textron"), another of Debtor's secured creditors, *vis a vis* the funding being proposed by Debtor's Plan, the Court is of the opinion the Creditors' Plan provides more adequate working capital and is the more feasible of the two. Of particular concern to the Court is Debtor's ability to proceed as an ongoing concern. While there was testimony on behalf of Debtor that the decline in the three key operational indicators had flattened, based upon the October Monthly Operating Report such decline continues. The significant decline in all three operational indicators during the course of the bankruptcy brings into question the adequacy of Debtor's cash reserves to implement the plan and potentially could affect Debtor's capacity to borrow additional monies to fund the reorganization. It is the opinion of the Court that of the two plans, Creditors' Plan is the least likely to be followed by liquidation or further reorganization.

Further, the Court believes the creditors of the estate will fare better and the predictability of their treatment is more reliable under Creditors' Plan. Such

treatment is, to a large extent, dependent upon the success of the company in launching products other than long distance services. Mr. Cook's testimony regarding such expansion on behalf of Debtor, while visionary, was largely unsubstantiated by market research, data, or a detailed business plan. On the other hand, Mr. Halliday's testimony regarding the expansion planned by Creditors was supported by research, financial projections, and a well-developed business plan. The Court also heard substantiating testimony from a representative of T.D. Jakes Ministries and viewed other related materials regarding Investments and promotion to be provided by Jay Sekulow, who is affiliated with the American Center for Law and Justice. Jakes and Sekulow are among several well-established ministries/businesses proposing to partner with Creditors in the expansion efforts.

Finally, in determining which of two competing plans to confirm, the Court is to consider the "preferences of creditors and equity security holders in determining which plan to confirm." § 1129(c). As to the creditors, it was represented that one hundred percent (100%) of the Debtor's secured creditors preferred Creditors' Plan, as did creditors representing seventy-eight percent (78%) in value of the voting general unsecured claim-holders. Additionally, ninety-two percent (92%) of the thirty-four (34) creditors holding claims exceeding \$50,000 preferred Creditors' Plan. The Creditors' Plan was not supported by the convenience class. However, only 0.8% of the claimants in this class voted, and their average claim was \$23.36 each.

As to the equity security holders, numerous shareholders attended the

hearing, and several appeared before the Court and spoke on Debtor's behalf. The Court has considered the statements of the shareholders, but must defer to the overwhelming preference of the creditors.

Based upon the testimony, documentary evidence, supplemental materials, and argument of counsel, and for all the reasons set forth above, the Court hereby confirms Creditors' Second Amended Plan of Reorganization as modified.

IT IS SO ORDERED this 17th day of December, 2004.

By the Court.


Miles L. Jackson
U.S. Bankruptcy Judge

EXHIBIT II

**AMERIVISION COMMUNICATIONS, INC.
OFFICERS AND DIRECTORS**

Officers

Robert Cook - President and CEO
Jeff Cato - Vice President Operations
Randy Muth - Chief Financial Officer
Al Jones - Corporate Secretary

Officers and Directors of AmeriVision Communications, Inc. can be contact at AmeriVision Communications, Inc., One Broadway Executive Park, 201 NW 63rd Suite 200, Oklahoma City, OK 73112.

EXHIBIT III

**NONPROFIT AND AFFINITY MARKETING, INC.
OFFICERS AND STOCKHOLDERS**

Officers and Directors

Stephen D. Halliday - President, Secretary and Treasurer

Stockholders - -10% or Greater Owner(s)

Stephen D. Halliday

Dalton Lott

T.D. Jakes, Sr.

American Center for Law and Justice

LINC Financial Corporation

Officers and Directors of Nonprofit and Affinity Marketing, Inc. can be contact at Nonprofit & Affinity Marketing, Inc., 1201 Pennsylvania Avenue, NW, Suite 300, Washington, DC 2004.