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Pittman<sup>LLP</sup>

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PUBLIC SERVICE  
COMMISSION

Glenn S. Richards  
202-663-8215  
glenn.richards@pillsburylaw.com

September 4, 2007

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

Dear Sir or Madam:

AccessLine Holdings, Inc. ("AccessLine"), AccessLine Communications Corporations ("ACC"), and Telanetix, Inc. ("Telanetix") (collectively, the "Parties") transmit an original and ten (10) copies of this filing to notify the Commission of a transaction which will result in a transfer of control of AccessLine to Telanetix. Telanetix and AccessLine entered into an Agreement and Plan of Merger dated September 1, 2007 (the "Agreement") whereby a newly created subsidiary of Telanetix will merge with AccessLine, with AccessLine surviving as a wholly-owned subsidiary of Telanetix. As a result, Telanetix will acquire direct control of AccessLine and indirect control of ACC. ACC is authorized by this Commission to provide long-distance services throughout the state of Kentucky.

The transaction has been structured such that it will be transparent to ACC's customers in Kentucky. The transaction will be a stock transaction by which ACC will continue as a going concern. The transaction will not affect the rates, terms, or conditions under which ACC provides service in Kentucky. The transaction also will not affect the name under which ACC provides service in Kentucky, and will not cause disruption to the services received by ACC customers in Kentucky.

Although the transaction will not change the services provided to ACC's customers, the Parties expect that the transaction will improve their business operations. Specifically, ACC will benefit from the highly qualified and experienced management

and financial resources provided by Telanetix, although the existing management of ACC will continue to oversee on-going operations. As a result, the Parties submit that the transaction will provide ACC access to significant additional resources which will inure to the benefit of its customers.

It is the Parties' understanding that Commission approval is not required to complete the transaction described herein. Accordingly, the Parties submit this letter for informational purposes only to ensure the continuing accuracy of the Commission's records. The Parties further state as follows:

## **I. DESCRIPTION OF THE PARTIES**

### **A. AccessLine Holdings, Inc.**

AccessLine is a Delaware corporation with offices located at 11201 SE 8<sup>th</sup> Street, Bellevue, Washington 98004.

### **B. AccessLine Communications Corporation**

ACC is a wholly owned subsidiary of AccessLine Holdings, Inc. ACC provides long-distance services throughout the United States. In Kentucky, ACC is authorized to provide long-distance telephone service. *See* AccessLine Filing of 11/19/04 (effective 12/19/04).

### **C. Telanetix**

Telanetix is a Delaware corporation with offices located at 6197 Cornerstone Court E. Ste. 108, San Diego, California 92121. Telanetix is a leading developer of IP-based video and conferencing solutions which provides high-quality video conference services through its Digital Presence System. The corporation is publicly traded on the OTC Bulletin Board (symbol: TNXI).

## **II. CONTACTS**

Questions or any correspondence, orders, or other materials pertaining to this Application should be directed to:

Glenn S. Richards  
Pillsbury Winthrop Shaw Pittman LLP  
2300 N Street, NW  
Washington, DC 20037  
(202) 663-8215 (phone)  
(202) 513-8006 (fax)  
glenn.richards@pillsburylaw.com

With copies to:

Rick Ono  
Chief Operating Officer  
Telanetix, Inc.  
6197 Cornerstone Court, Suite 108  
San Diego, CA 92121  
(858) 362-2250 (phone)  
(858) 362-2251 (fax)  
rick@telanetix.com

and

Mark Klebanoff  
Chief Financial Officer  
AccessLine Communications Corporation  
11201 SE 8<sup>th</sup> Street  
Bellevue, Washington 98004  
(206) 621-3500 (phone)  
(425) 646-9078 (fax)  
mklebanoff@AccessLine.com (email)

### **III. DESCRIPTION OF TRANSACTION**

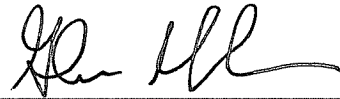
Telanetix and AccessLine entered into an Agreement and Plan of Merger dated September 1, 2007 (the "Agreement") whereby a newly created subsidiary of Telanetix will merge with AccessLine, with AccessLine surviving. As a result, Telanetix will acquire direct control of AccessLine and indirect control of ACC. Immediately following the consummation of the proposed transaction, ACC will continue to offer service with no change in the rates or terms and conditions of service. Further, ACC will continue to provide service to its customers under the same name. Therefore, the transfer of control of AccessLine will be seamless and transparent to customers. The transaction is scheduled to close on September 14, 2007.

#### IV. PUBLIC INTEREST CONSIDERATIONS

Applicants submit that the transaction described herein will serve the public interest. The Parties believe the transaction will enhance the ability of the entities to expand their respective operations both in terms of service area coverage and through the ability of each entity to offer customers an expanded line of products and services. In addition, the Parties expect that the transaction will yield substantial operational and financial benefits to the combined companies.

Please contact the undersigned if you have any questions. Also, please forward us a stamped receipt copy in the enclosed self-addressed stamped envelope.

Respectfully submitted,



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Glenn S. Richards  
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Washington, DC 20037  
(202) 663-8215 (phone)  
(202) 513-8006 (fax)  
glenn.richards@pillsburylaw.com

Dated: September 4, 2007

*Counsel for AccessLine Holdings, Inc,  
AccessLine Communications  
Corporation, and Telanetix, Inc..*

STATE OF CALIFORNIA  
COUNTY OF SAN DIEGO

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VERIFICATION

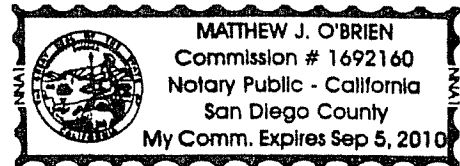
I, Reck Ono, state that I am the President of Telanetix, Inc.; that I am authorized to make this Verification on behalf of Telanetix, Inc. ("Applicant"); that the foregoing filing was prepared under my direction and supervision; and that the contents with respect to Applicant are true and correct to the best of my knowledge, information, and belief.

[Signature]  
Name  
President  
Title  
Telanetix, Inc.

Sworn and subscribed before me this 28 day of August, 2007.

[Signature]  
Notary Public

My commission expires Sep 5, 2010



STATE OF WASHINGTON

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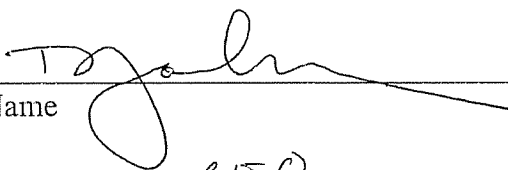
COUNTY OF KING

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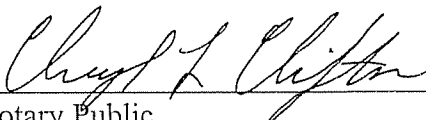
**VERIFICATION**

I, Doug Johnson, state that I am the CEO of AccessLine Holdings, Inc.; that I am authorized to make this Verification on behalf of AccessLine Holdings, Inc. and AccessLine Communications Corporation (together, "Applicants"); that the foregoing filing was prepared under my direction and supervision; and that the contents with respect to Applicants are true and correct to the best of my knowledge, information, and belief.

  
Name  
CEO  
Title

AccessLine Holdings, Inc.

Sworn and subscribed before me this 27 day of August, 2007.

  
Notary Public

My commission expires 3-12-08