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January 12, 2007

VIA UPS

Ms. Stephanie Bell  
Secretary of the Commission  
Kentucky Public Service Commission  
211 Sower Boulevard  
Frankfort, Kentucky 40602

RECEIVED

JAN 16 2007

PUBLIC SERVICE  
COMMISSION

Re: *Informational Filing* Regarding a Change in Ownership of OPEX  
Communications, Inc.

Dear Ms. Bell:

OPEX Communications, Inc. ("OPEX"), Premiercom Management Company ("Premiercom") and Total Call International, Inc. ("Total Call") (collectively, "Parties"), by their counsel, hereby respectfully advise the Kentucky Public Service Commission ("Commission") of their intent to transfer control of OPEX as a result of the acquisition of 100% of the issued and outstanding shares of capital stock of OPEX by Total Call.<sup>1</sup> OPEX is a competitive carrier that offers resold long distance telecommunications services throughout the United States, including in Kentucky. The Parties submit that the transfer of control does not require prior Commission approval pursuant to the exemptions set forth in the Administrative Case Nos. 359 and 370. Thus, this information is being submitted to the Commission for informational purposes only.

This change in control does not involve a transfer of operating authority, assets or customers, and therefore, will not affect the identity of the company authorized to provide telecommunications services in Kentucky. OPEX will continue to offer the same services at the same rates, terms and conditions as at present. Accordingly, the contemplated transfer of control will be transparent to consumers. The only change will be that OPEX will be wholly-owned by Total Call.

<sup>1</sup> Total Call is also authorized to provide telecommunications services in Kentucky, as noted below. This entity is not affected by the proposed transfer of control described herein. At this time, it will continue to operate pursuant to its existing authorization.

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In support of this Notification, the Parties provide the following information:

**The Parties**

**Total Call International, Inc.** is a privately-held California corporation with its headquarters at 707 Wilshire Boulevard, 12<sup>th</sup> Floor, Los Angeles, California 90017, (213) 995-9700. Since 1999, Total Call has been a provider of telecommunications services to business and residential customers nationwide. Total Call is a long distance reseller offering customers traditional long distance service, dial-up and DSL Internet service, VoIP, prepaid calling card and wireless services. The following U.S. citizens hold 10% or more of the outstanding stock of Total Call: Mr. Mark Leafstedt (70%) and Mr. Daniel Ing (21.6%). Each of these shareholders are in the telecommunications business and can be located at 707 Wilshire Boulevard, 12<sup>th</sup> Floor, Los Angeles, CA 90017. No other person or entity holds 10% or more of the outstanding stock of Total Call. Total Call has one (1) affiliate that provides resold wireless telecommunications services: Total Call Mobile, Inc. ("Total Call Mobile"). Total Call Mobile provides resold wireless services nationwide.

Total Call is authorized to provide resold long distance telecommunications services virtually nationwide. In Kentucky, Total Call is authorized to provide intrastate resold long distance telecommunications services pursuant to its registration accepted on March 22, 2001. Total Call is also authorized by the Federal Communications Commission ("FCC") to provide domestic interstate and facilities-based and resold international telecommunications services.

**OPEX Communications, Inc.** is an Illinois corporation with its headquarters at 500 East Higgins Road, Suite 200, Elk Grove Village, Illinois 60007. Established in 1998, OPEX has been a provider of telecommunications services to business and residential customers nationwide. OPEX is a long distance reseller offering customers traditional long distance service, toll-free calling, calling card, mobile and fixed wireless, dial-up and dedicated Internet access, VoIP, conference calling and other Internet-based services. OPEX is 100% wholly owned by Premiercom Management Company, a privately-held Illinois corporation that functions as a holding company and is located at 500 East Higgins Road, Suite 200, Elk Grove Village, Illinois 60007. The following U.S. citizens hold 10% or more of the outstanding stock of Premiercom: Mr. Tom Jacobs (33.3%), Mr. John Wonak (33.3%) and Mr. Sean Trepeta (26.7%). All of these shareholders are in the telecommunications business and can be located at 500 East Higgins Road, Suite 200, Elk Grove Village, Illinois 60007. No other person or entity holds 10% or more of the outstanding stock of Premiercom. OPEX does not have any affiliates that offer domestic or international telecommunications services.

OPEX is authorized to provide resold long distance telecommunications services in all of the contiguous 48 states (except for Alaska), Hawaii and the District of Columbia. OPEX is also authorized to provide resold local telecommunications services in Kentucky, North Carolina,

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New Jersey and Wisconsin.<sup>2</sup> OPEX is also authorized by the FCC to provide domestic interstate resold international telecommunications services.

A diagram showing the current corporate structure of OPEX is provided in Exhibit A.

### **Description of the Transaction**

Pursuant to the terms of a Stock Purchase Agreement (“Agreement”) dated January 10, 2007, between Total Call and Premiercom, Total Call will purchase from Premiercom all of the issued and outstanding shares of capital stock of OPEX for a note and cash (the “Transaction”). As a result, OPEX will become a direct, wholly-owned subsidiary of Total Call. The closing of the Transaction will be contingent upon the receipt of the required regulatory approvals, among other things.

The proposed Transaction does not involve the transfer of any operating authority, assets, or customers. Total Call’s ownership, operations and customers will not be affected by the Transaction. Although OPEX’s ownership will change, its operations and customers likewise will not be affected by the Transaction. Immediately following the closing, OPEX will continue to offer to its customers the same services at the same rates, terms and conditions as at present pursuant to existing authorizations, tariffs, contracts, and published rates and charges. Accordingly, the contemplated Transaction will be generally transparent to consumers. The only change will be that OPEX will be owned by Total Call. The Transaction is not expected to result in any discontinuance of service for any customer.

OPEX will continue to have the managerial, technical and financial qualifications necessary to provide quality telecommunications services to consumers in Kentucky, supported by the significant resources of Total Call. The Commission has previously reviewed and passed on Total Call’s financial, managerial and technical qualifications to be an authorized telecommunications provider in Kentucky in connection with its certification docket noted above. The combined company will continue to assess the benefits of post-close consolidations, market coverage and/or mergers of the operating entities. When and if the combined company determines that it will pursue such plans, it will seek all appropriate regulatory approvals.

A diagram showing the corporate structure of OPEX post-Transaction is provided in Exhibit B.

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<sup>2</sup> OPEX registered initially on October 21, 1998, name change on June 25, 1999, filing #T60-735; filing #TFS2006-01452, September 25, 2006 (local resale).

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**Public Interest Considerations**

The proposed Transaction will serve the public interest. After consummation of the Transaction, OPEX and Total Call will continue to offer services under the same names and operating authorities as at present in Kentucky. The Transaction involves no change in the entities offering service to consumers, or the services, rates, terms and conditions of such service. All existing tariffs will remain in place at this time. Any future changes will be made in accordance with applicable Commission requirements. The Transaction will be transparent to consumers in Kentucky and will not have any adverse impact on them. The only change will be in the ownership of OPEX.<sup>3</sup>

Further, the Transaction will serve the public interest because consumers will benefit from the operation of two strong telecommunications providers under one umbrella company. Both OPEX and Total Call share a similar serving strategy and focus on customer service. The combination of these companies will increase the scope of each of the existing companies and should enable the companies to compete more effectively in the highly competitive market for telecommunications services. The companies will benefit from increased economies of scale that will permit them to operate more efficiently and thus realize substantial financial synergies that should enable them to increase their operating income and free cash flow. Given the difficulties with which the competitive telecommunications industry is now struggling, the enhancement of OPEX and Total Call in this manner would benefit consumers.

Finally, the proposed Transaction does not present any anticompetitive issues. OPEX and Total Call will continue to compete with the combined Verizon/MCI and AT&T/SBC/BellSouth as well as other CLECs and IXC's in the long distance market. In the geographic markets in Kentucky in which the operations of OPEX and Total Call overlap, the combined market share in the interexchange market is less than 10 percent. There are a number of other competitors operating in each market, as well as the incumbent carrier, which in each market controls a substantial share.

The Parties submit that no prior Commission approval is required for the Parties to consummate the proposed Transaction described herein. Should the Commission believe that any action is required, the Parties respectfully request that the Commission notify the undersigned at its earliest convenience. In the absence of any response from the Commission, the Parties will proceed with their plans to consummate the Transaction as contemplated.

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<sup>3</sup> The contemplated transfer of control does not raise any slamming concerns or necessitate compliance with FCC or state procedures to notify customers prior to a carrier-to-carrier sale or transfer of subscribers as the contemplated transaction does not involve any change in a customer's existing service provider. OPEX's customers will remain with their company and will continue to be served under OPEX's existing authorization.

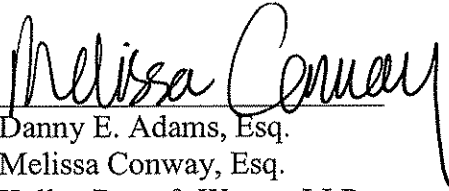
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Enclosed please find four (4) copies, a duplicate copy and a self-addressed, postage-paid envelope. Please date-stamp the envelope upon receipt and return it in the envelope provided. Should the Commission have any questions regarding this matter, please do not hesitate to contact Melissa Conway at (202) 342-8552.


Respectfully submitted,

**Total Call International, Inc.**

  
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Danny E. Adams, Esq.  
Melissa Conway, Esq.  
Kelley Drye & Warren LLP  
3050 K Street NW  
Suite 400  
Washington, DC 20007  
(202) 342-8552

Its Counsel

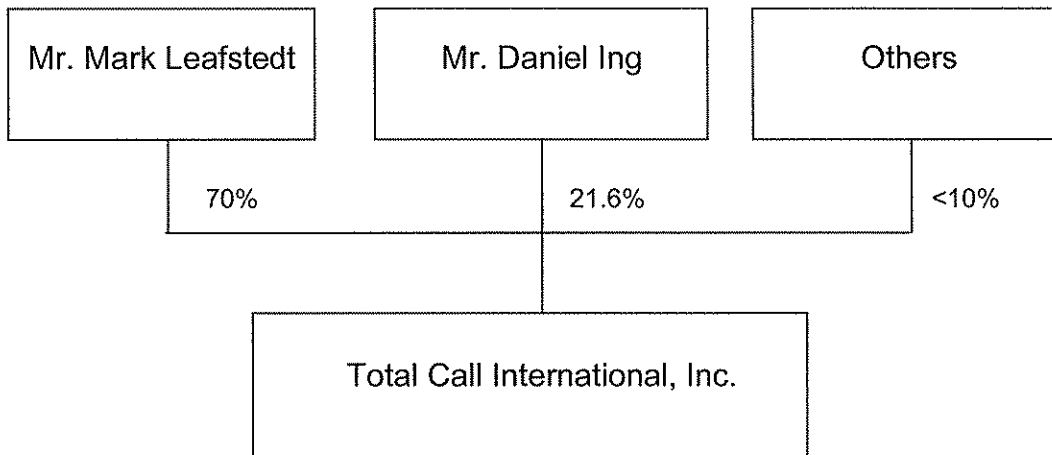
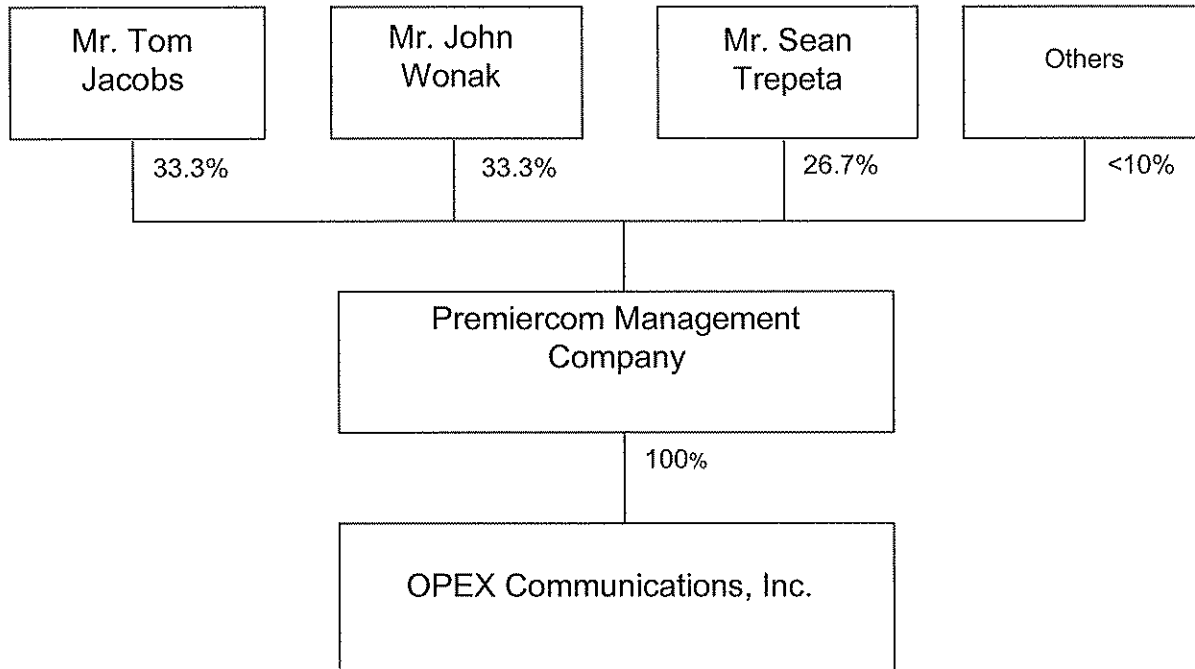
**OPEX Communications, Inc. and  
Premiercom Management Company**

  
\_\_\_\_\_  
Patrick Crocker, Esq.  
Early, Lennon, Crocker and Bartosiewicz,  
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Their Counsel

# **EXHIBIT A**

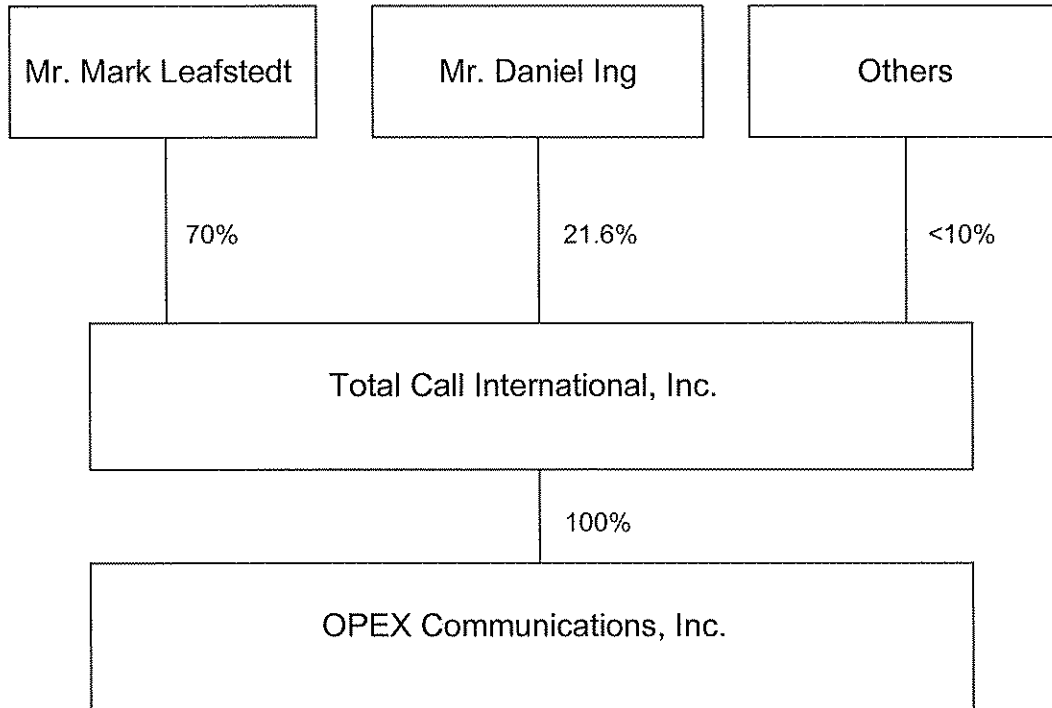
# Current Corporate Structure



# **EXHIBIT B**



# Corporate Structure Post-Close



## VERIFICATION

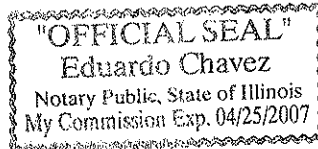
I, John Wonak, am CFO of OPEX Communications, Inc. I am authorized to represent it and its affiliates, including Premiercom Management Company, and to make this verification on their behalf. The statements in the foregoing document relating to OPEX Communications, Inc. and its affiliates, except as otherwise specifically attributed, are true and correct to the best of my knowledge and belief.

I declare under penalty of perjury that the foregoing is true and correct.



Subscribed and sworn to before me this 4th day of  
January 2007.

Eduardo Chavez  
Notary Public



My Commission expires: 4/25/07

**VERIFICATION**

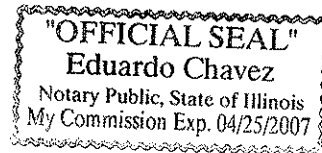
I, Mark Leafsteadt, am CEO of Total Call International, Inc. I am authorized to represent it and its affiliates and to make this verification on their behalf. The statements in the foregoing document relating to Total Call International, Inc. and its affiliates, except as otherwise specifically attributed, are true and correct to the best of my knowledge and belief.

I declare under penalty of perjury that the foregoing is true and correct.

Mark Leafsteadt

Subscribed and sworn to before me this 4<sup>th</sup> day of January 2007.

Eduardo Chavez  
Notary Public



My Commission expires: 4/25/07