

BEFORE THE TENNESSEE REGULATORY AUTHORITY AT

NASHVILLE, TENNESSEE

October 10, 2000

IN RE:)	
)	
APPLICATION OF QUINTELCO, INC.)	DOCKET NO.
AND LOCAL TELCOM HOLDINGS, LLC)	00-00722
d/b/a TRANSPPOINT COMMUNICATIONS)	
FOR APPROVAL OF A TRANSFER OF)	
AUTHORITY TO PROVIDE RESOLD)	
TELECOMMUNICATIONS SERVICES)	

ORDER APPROVING TRANSFER OF AUTHORITY

This matter came before the Tennessee Regulatory Authority (the "Authority") on the Application (the "Application") of Quintelco, Inc. ("Quintelco") and Local Telcom Holdings, LLC d/b/a Transpoint Communications ("Transpoint"), pursuant to the provisions of Tenn. Code Ann. § 65-4-113, for approval of a transfer of authority to provide utility services in Tennessee from Quintelco to Transpoint.

Requirement of and Standards for Authority Approval

Tenn. Code Ann. § 65-4-113 requires a public utility to obtain Authority approval to transfer its authority to provide utility services. Tenn. Code Ann. § 65-4-113 provides as follows:

(a) No public utility, as defined in § 65-4-101, shall transfer all or any part of its authority to provide utility services, derived from its certificate of public convenience and necessity issued by the authority, to any individual, partnership, corporation or other entity without first obtaining the approval of the authority.

Tenn. Code Ann. § 65-4-113 also provides the standards by which the Authority shall consider an application for transfer of authority, as follows:

(b) Upon petition for approval of the transfer of authority to provide utility services, the authority shall take into consideration all relevant factors, including,

but not limited to, the suitability, the financial responsibility, and capability of the proposed transferee to perform efficiently the utility services to be transferred and the benefit to the consuming public to be gained from the transfer. . . .

The Application

The Application states that Quintelco, a wholly owned subsidiary of Quintel Communications Inc., was incorporated under the laws of Delaware and has its principal offices in Pearl River, New York. Transpoint is a Delaware Limited Liability Company with its principal offices in New York, New York.

As is further stated in the Application, Quintelco was granted authority in Tennessee to provide resold intrastate services on July 2, 1998 in Authority Docket No. 97-01304. Quintelco is not currently providing regulated services in the State of Tennessee.

As stated in the Application, the proposed transfer of authority is part of a sale to Transpoint, effective April 20, 2000, of Quintelco's telecommunications license assets. The Application states that the proposed transfer of authority will have no adverse impact on Tennessee consumers as Quintelco currently has no customers and is not offering service to the public. The Application also states that the transfer of authority will further the public interest by providing for new ownership that plans to offer competitive local and interexchange telecommunications services in Tennessee.

Findings

The Directors of the Authority considered this matter at a regularly scheduled Authority Conference held on August 29, 2000. Based upon careful consideration of the Petition and the Exhibits thereto, and of the entire record of this matter, the Authority finds and concludes as follows:

1. That the Authority has jurisdiction over the subject matter of this Application pursuant to Tenn. Code Ann. § 65-4-113;

2. That Quintelco has been granted authority to provide telecommunications service in Tennessee;

3. That as part of a sale to Transpoint of the telecommunications license assets previously owned by Quintelco, the authority granted Quintelco will be transferred to Transpoint;

4. That Transpoint has the suitability, financial responsibility, and capability to perform efficiently the utility service to be transferred to it; and

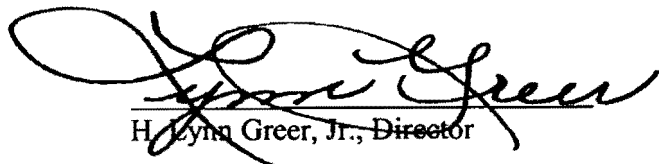
5. That the transfer of authority will benefit the consuming public.

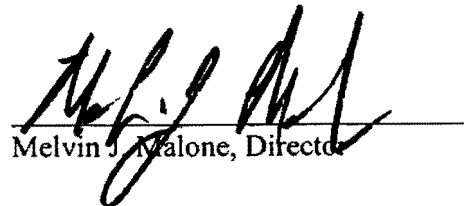
IT IS THEREFORE ORDERED THAT:

1. The Petition of Quintelco, Inc. and Local Telcom Holdings, LLC d/b/a Transpoint Communications for approval of the transfer of authority described herein is granted; and

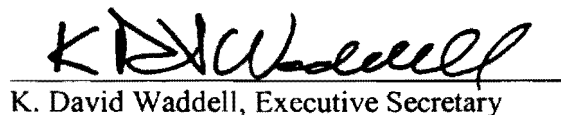
2. Any party aggrieved by the Authority's decision in this matter may file a Petition for Reconsideration with the Authority within fifteen (15) days from and after the date of this Order.


Sara Kyle, Chairman


H. Lynn Greer, Jr., Director


Melvin J. Malone, Director

ATTEST:


K. David Waddell, Executive Secretary

Secretary of State
Division of Business Services
312 Eighth Avenue North
6th Floor, William R. Snodgrass Tower
Nashville, Tennessee 37243

DATE: 03/13/01
REQUEST NUMBER: 4141-0977
TELEPHONE CONTACT: (615) 741-2286
FILE DATE/TIME: 03/03/01 1252
EFFECTIVE DATE/TIME: 03/03/01 1252
CONTROL NUMBER: 0404816

TO:
INTERCOUNTY CLEARANCE CORPORATION
440 NINTH AVE
NEW YORK, NY 10001

RE:
LOCAL TELCOM HOLDINGS, LLC
APPLICATION FOR CERTIFICATE OF AUTHORITY -
LIMITED LIABILITY COMPANY

WELCOME TO THE STATE OF TENNESSEE. THE ATTACHED LIMITED LIABILITY COMPANY
CERTIFICATE OF AUTHORITY HAS BEEN FILED WITH AN EFFECTIVE DATE AS INDICATED
ABOVE.

A LIMITED LIABILITY COMPANY ANNUAL REPORT MUST BE FILED WITH THE SECRETARY OF
STATE ON OR BEFORE THE FIRST DAY OF THE FOURTH MONTH FOLLOWING THE CLOSE OF THE
LIMITED LIABILITY COMPANY'S FISCAL YEAR. ONCE THE FISCAL YEAR HAS BEEN
ESTABLISHED, PLEASE PROVIDE THIS OFFICE WITH WRITTEN NOTIFICATION. THIS OFFICE
WILL MAIL THE REPORT DURING THE LAST MONTH OF SAID FISCAL YEAR TO THE LIMITED
LIABILITY COMPANY AT THE ADDRESS OF ITS PRINCIPAL OFFICE OR TO A MAILING
ADDRESS PROVIDED TO THIS OFFICE IN WRITING. FAILURE TO FILE THIS REPORT OR TO
MAINTAIN A REGISTERED AGENT AND OFFICE WILL SUBJECT THE LIMITED LIABILITY
COMPANY TO ADMINISTRATIVE REVOCATION OF ITS CERTIFICATE OF AUTHORITY.

WHEN CORRESPONDING WITH THIS OFFICE OR SUBMITTING DOCUMENTS FOR FILING, PLEASE
REFER TO THE LIMITED LIABILITY COMPANY CONTROL NUMBER GIVEN ABOVE.

FOR: APPLICATION FOR CERTIFICATE OF AUTHORITY -
LIMITED LIABILITY COMPANY

ON DATE: 03/13/01

FROM:
INTERCOUNTY CLEARANCE (NY)
440 9TH AVE

NEW YORK, NY 10001-0000

	FEES	
RECEIVED:	\$300.00	\$0.00
TOTAL PAYMENT RECEIVED:		\$300.00

RECEIPT NUMBER: 00002827449
ACCOUNT NUMBER: 00318475



Riley C. Darnell

RILEY C. DARNELL
SECRETARY OF STATE

State of Tennessee



Department of State
Corporation Section
18th Floor, James K. Polk Building
Nashville, TN 37243-0306

For Office Use Only

APPLICATION FOR
CERTIFICATE OF AUTHORITY

APPLICATION FOR CERTIFICATE OF AUTHORITY FOR:
LOCAL TELCOM HOLDINGS, LLC

To the Secretary of State of the State of Tennessee:

Pursuant to the provisions of § 48-246-301 of the Tennessee Limited Liability Company Act, the undersigned hereby applies for a certificate of authority to transact business in the State of Tennessee, and for that purpose sets forth:

1. The name of the Limited Liability Company is: LOCAL TELCOM HOLDINGS, LLC

If different, the name under which the certificate of authority is to be obtained is:

NOTE: The Secretary of State of the State of Tennessee may not issue a certificate of authority to a foreign Limited Liability Company if its name does not comply with the requirements of § 48-207-101 of the Tennessee Limited Liability Company Act. If obtaining a certificate of authority under an assumed Limited Liability Company name, an application must be filed pursuant to § 48-207-101(d).

2. The state or country under whose law it is formed is: DELAWARE

3. The date of its organization is: APRIL 7, 2000 (must be month, day and year)

4. The complete street address (including zip code) of its principal office is:

26565 WEST AGOURA ROAD, SUITE 305 CALABASAS, CA 91302
Street City/State Zip Code

5. The complete street address (including the county and the zip code) of its registered office in Tennessee:

1900 Church Street, Suite 400, Nashville, TN, County of Davidson 37203

Street City/State County Zip Code

The name of its registered agent at that office is: National Registered Agents, Inc.

6. The number of members at the date of filing _____

7. If the limited liability company commenced doing business in Tennessee prior to the approval of this application, the date of commencement (month, day and year) N/A.

NOTE: This application must be accompanied by a certificate of existence (or a document of similar import) duly authenticated by the Secretary of State or other official having custody of the Limited Liability Company records in the state or country under whose law it is organized. The certificate shall not bear a date of more than two (2) months prior to the date the application is filed in this state.

FEBRUARY 20, 2001

Signature Date

MANAGER

Signer's Capacity

LOCAL TELCOM HOLDINGS, LLC

Name of Limited Liability Company

Ralph Metz

Signature

RALPH METZ

Name (typed or printed)

Office of the Secretary of State

I, HARRIET SMITH WINDSOR, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY "LOCAL TELCOM HOLDINGS, LLC" IS DULY FORMED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE EIGHTH DAY OF MARCH, A.D. 2001.

AND I DO HEREBY FURTHER CERTIFY THAT THE SAID "LOCAL TELCOM HOLDINGS, LLC" WAS FORMED ON THE SEVENTH DAY OF APRIL, A.D. 2000.

AND I DO HEREBY FURTHER CERTIFY THAT THE ANNUAL TAXES HAVE NOT BEEN ASSESSED TO DATE.

RECEIVED
CLERK OF THE SECRETARY OF STATE
01 MAR 13 PM 12:52
HARRIET SMITH WINDSOR
SECRETARY OF STATE



Harriet Smith Windsor
Harriet Smith Windsor, Secretary of State

3209610 8300

AUTHENTICATION: 1012172

010117022

DATE: 03-08-01