



December 9, 2008

Ms. Sharla Dillon, Docket Manager  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, Tennessee 37243-0505

Re: Docket No. 08-00094 In re Joint Petition of U.S. South Communications, Inc.,  
and First Data Corporation

Notice of Termination of Indirect Transfer of Control of U.S. South  
Communications, Inc. to First Data Corporation

Dear Ms. Dillon:

In the Order dated August 7, 2008, in the above-referenced docket, the Commission approved the proposed transfer of control of U.S. South Communications, Inc. ("U.S. South") to First Data Corporation ("First Data") as part of the merger of U.S. South's parent company, InComm, and First Data. We are hereby advising you of the termination of those plans.

First Data and InComm have mutually agreed to terminate the planned acquisition of InComm, U.S. South's parent company, which would have included a transfer of control of U.S. South to First Data. Instead, First Data and InComm have signed a distribution agreement and will continue to support their joint customers with prepaid card processing, program management and a distribution network that allows First Data and its merchants to sell prepaid products in InComm prepaid card malls. This distribution agreement does not relate to or involve U.S. South. A copy of the joint press release is attached.

U.S. South's customers will not be affected by this action, and all customers will be updated regarding this change by U.S. South. U.S. South will continue to provide resold intrastate long distance services to small and large businesses, as well as residential customers under its existing Tennessee authority. U.S. South will also continue to provide the same services under the same name to its existing customers and will be accessible by customers and the Commission at the same contact numbers as always.



First Data and U.S. South are filing this letter to notify the Commission that the proposed merger has been terminated and to ensure the continuing accuracy of the Commission's records. All of the contact information currently on file with the Commission for U.S. South will remain the same.

An original and four (4) copies are enclosed. Should you have any questions regarding this notification, please do not hesitate to contact either Bobbi Ferguson, U.S. South's regulatory consultant, at 205-909-3783 or via email to [bobbi.vcs@comcast.net](mailto:bobbi.vcs@comcast.net) or Michelle Richardson, its Long Distance Manager at 770-240-6160 or via email to [MRichardson@incomm.com](mailto:MRichardson@incomm.com).

Thank you for your attention to this matter.

Very truly yours,

A handwritten signature in black ink, appearing to be "M. Gruenhut", written over a horizontal line.

Michael D. Gruenhut  
General Counsel  
U.S. South Communications, Inc.  
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Office: (770) 240-6145

A handwritten signature in black ink, appearing to be "Timothy G. Pfeifer", written over a horizontal line.

Timothy G. Pfeifer  
Managing Attorney  
Strategy & Business Development  
First Data Corporation  
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Enclosures



## **First Data and InComm Mutually Agree To Terminate Acquisition Plan**

DENVER & ATLANTA — Nov. 4, 2008 — First Data, a global leader in electronic commerce and payment processing services, and InComm, an industry leading marketer and distributor of stored value, gift and prepaid products, announced today that they have mutually agreed to terminate the planned acquisition of InComm.

Instead, First Data and InComm have signed a distribution agreement and will continue to support their joint customers with prepaid card processing, program management and a distribution network that allows First Data and its merchants to sell prepaid products in InComm prepaid card malls.

"First Data and InComm are leaders in the stored value market, and we're pleased to continue working together to deliver tremendous value to our mutual customers," said Brooks Smith, president and chief executive officer of InComm.

"As a strategic partner for many years, this decision lets both parties focus on the unique value we each bring to our mutual customers and the market," said Ed Labry, president of First Data's USA division. "We look forward to continuing our relationship with InComm and building on the successful relationships we have with our customers."

### **About InComm**

InComm is a leader in the marketing, distributing and technology innovation of stored-value gift and prepaid products using state-of-the-art point-of-sale transaction technology and payment solutions to revolutionize retail product sales and customer experiences. With almost \$8 billion in retail sales transactions processed in 2007, InComm is one of the nation's largest distributors of gift cards, prepaid wireless products, reloadable debit cards, digital music downloads, content, games, software and bill payment solutions. InComm partners with consumer brand leaders around the world to provide more than 145,000 retail locations the products and services their customers demand. Since 1992, InComm's patented technologies have made the buying process easier for consumers while streamlining the selling process for product and retail partners. To learn more about InComm, visit [www.incomm.com](http://www.incomm.com) or call 1-800-352-3084. InComm is headquartered in Atlanta with offices in Japan, Canada, the United Kingdom, Puerto Rico, Colorado, Texas, Florida, New Jersey, Oregon, Arkansas, Alabama and Minnesota.

### **About First Data**

First Data is a global technology leader in information commerce. The company processes transaction data of all kinds, harnesses the power of that data and delivers innovations in secure infrastructure, intelligence and insight for its customers. With operations in 37 countries, First Data serves more than 5.4 million merchant locations and more than 2,000 card issuers and their customers. It powers the global economy by making it easy, fast and secure for people and businesses around the world to buy goods and services using virtually any form of payment. The company's portfolio of services and solutions includes merchant transaction processing services; credit, debit, private-label, gift, payroll and other prepaid card offerings; fraud protection and authentication solutions; electronic check acceptance services through TeleCheck; as well as Internet commerce and mobile payment solutions. The company's STAR Network offers PIN-secured debit acceptance at 2.1 million ATM and retail locations. Through First Data's centers of excellence, such as security, analytics, customer loyalty and mobile payments, it offers data-driven commerce solutions for customers around the globe. For more information, visit [www.firstdata.com](http://www.firstdata.com).



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