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January 24, 2013

Via Electronic and Hand-Delivery

Ms. Kelly Grams, Hearing Officer c/o Sharla Dillon (sharla.dillon@tn.gov)
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243

Re: Budget PrePay, Inc. v BellSouth Telecommunications d/b/a AT&T Tennessee Docket No. 12-00102

Dear Hearing Officer Grams:

The Tennessee Regulatory Authority in its Order dated November 26, 2013 required the parties to file status updates every sixty (60) days while this matter is held in abeyance. I am authorized by my client, co-counsel, and Joelle Phillips, AT&T Tennessee Counsel, to inform you that Budget Prepay, Inc. and AT&T have reached agreement on settlement documents, and the parties are currently working to complete signatures. Budget provided signatures for the settlement documents to AT&T on January 24, 2013, and AT&T is currently pursuing its signatures as well. Budget and AT&T intend that after completion and receipt of respective signatures to the settlement documents, they will coordinate on appropriate steps to jointly dismiss the adversarial proceedings before the TRA and all claims and counterclaims therein with prejudice. Thus, Budget and AT&T anticipate that this matter will be concluded within the next 30 days if not sooner.

Sincerely,

H. LaDon Baltimore,

Counsel for Budget PrePay, Inc.

H. John Baltin

cc: Certificate of Service

CERTIFICATE OF SERVICE

I hereby certify that a copy of the above and foregoing has this date been served via e-mail or U.S. Mail, postage prepaid, to:

Joelle Phillips AT&T Tennessee 333 Commerce Street, Suite 2101 Nashville, TN 37201-3300 Jp3881@att.com

Henry Walker Bradley Arant Boult Cummings, LLP 1600 Division Street, Suite 700 Nashville, TN 37203 hwalker@babc.com

This 2/ day of January, 2013.

H. LaDon Baltimore