

**BEFORE THE PUBLIC SERVICE COMMISSION
STATE OF MISSOURI**

In the Matter of the Application of)	
First Choice Technology, Inc. and)	Case No. _____
NetLojix Telecom, Inc. for)	
Approval of an Asset Purchase Agreement)	

JOINT APPLICATION

COME NOW First Choice Technology, Inc. ("First Choice") and NetLojix Telecom, Inc. ("NetLojix") (together "Applicants"), pursuant to Section 392.300.1, RSMo, 4 CSR 240-2.060 and 4 CSR 240-3.525, by and through undersigned counsel, and hereby file this Joint Application requesting Commission approval of a transaction whereby, pursuant to the Asset Purchase Agreement (the "Agreement")¹, First Choice will acquire NetLojix's residential and business long distance customer accounts in this State (the "Acquisition").

Applicants respectfully submit that the expeditious completion of the Acquisition is necessary to ensure uninterrupted service to NetLojix's customers. Applicants emphasize that the Acquisition will not change the rates, terms and conditions under which NetLojix's customers presently receive service. The Acquisition benefits NetLojix's customers by providing them assurances that they will continue to receive the same high quality services previously rendered to them. In compliance with applicable law, NetLojix's customers will be informed of the Acquisition². Accordingly, approval of the Acquisition will not in any way be detrimental to the public interest of this State.

In support of this Application, Applicants submit the following:

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- 1 A copy of the Agreement is attached hereto as **Exhibit "A"**.
 - 2 The proposed form of the customer notice is provided in **Exhibit "B"** attached hereto.

I. THE PARTIES

1. First Choice is a Delaware corporation with principal offices located at 601 North Orlando Avenue, Suite 211, Maitland, Florida (FL) 32751. The nature of First Choice's business is the provision of telecommunications services. First Choice is a certificated long distance telecommunications provider in this State.³ A copy of a certificate of good standing for First Choice from the Missouri Secretary of State, as required by 4 CSR 240-2.060(1)(C), is a matter of record with the Commission in Case No. TA-2007-0033. Applicants respectfully request that the Commission take official notice of that certificate and incorporate it herein by reference pursuant to 4 CSR 240-2.060(1)(G).

2. NetLojix is a Delaware corporation, with principal offices located at 7001 Boulevard 26, #323, North Richland Hills, Texas (TX) 76180. The nature of NetLojix's business is the provision of telecommunications services. NetLojix is a certificated long distance telecommunications provider in this State.⁴ A copy of a certificate of good standing for First Choice from the Missouri Secretary of State, as required by 4 CSR 240-2.060(1)(C), is a matter of record with the Commission in Case No. TA-2000-340. Applicants respectfully request that the Commission take official notice of that certificate and incorporate it herein by reference pursuant to 4 CSR 240-2.060(1)(G).

3 First Choice provides resold long distance telecommunications services in this State pursuant to authority granted in Case No. TA-2007-0033, issued 8/21/06 and effective 9/8/06; Tariff Tracking No. YX-2007-0046.

4 NetLojix provides long distance telecommunications services in this State pursuant to authority granted in Case No. TA-2000-340, issued 1/5/2000 and effective 1/7/2000; Tariff Tracking No. JX-2003-0740.

II. DESIGNATED CONTACTS

3. Correspondence or communications pertaining to this Application should be directed to:

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Mary Ann (Garr) Young
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III. REQUEST FOR APPROVAL OF THE ACQUISITION

4. Pursuant to the Asset Purchase Agreement (the "Agreement"), First Choice will acquire NetLojix's residential and business long distance customer accounts in this State (the "Acquisition"). A copy of the Agreement is attached hereto as **Exhibit "A"**. It is being filed as a separate pdf document, **designated as "Highly Confidential" (HC)** pursuant to 4 CSR 240-2.135.

5. The Acquisition contemplates the following:

a. First Choice will receive ownership, right, title and interest in and to NetLojix's residential and business customer accounts, as defined in the Agreements.

b. NetLojix will receive the purchase price set forth in the Agreements.

6. First Choice is qualified to consummate the transaction that is the subject of this Application. NetLojix's technical, managerial and financial personnel will assist First Choice with the transition and integration of the acquired Assets after consummation of the transaction.

7. NetLojix will cease providing long distance telecommunications service in Missouri following consummation of the transaction, and requests cancellation of its Missouri certificate of service authority and tariff at that time.

IV. PUBLIC INTEREST CONSIDERATIONS

8. Crucial to the Acquisition is the need to ensure the continuation of high quality, uninterrupted service to all customers currently served by NetLojix. The Acquisition will serve the public interest in that it will ensure that current NetLojix customers maintain uninterrupted service.

9. The Acquisition will not have any impact on NetLojix's customers in terms of the services that they receive. In particular, the Acquisition will not cause any rates increases, or changes to the terms and conditions of service that NetLojix's customers receive. If necessary, First Choice will incorporate such rates, terms and conditions into its tariffs by separate filing.

10. The Acquisition will also provide First Choice with a heightened level of operating efficiency, which will serve to enhance its overall capacity to compete in the marketplace and to provide telecommunications services for a greater number of consumers in this State at competitive rates.

11. For these reasons, approval of the Joint Application will not be detrimental to

the public interest but will, in fact, promote the public interest.

V. RESPONSES TO 4 CSR 240-3.520

12. Applicants have complied with the requirements of the Commission's rules at 4 CSR 240-3.520 (2) as follows:

(A) Brief Description of the Property Involved: Approximately zero residential Interexchange service customer accounts, and no business Interexchange customer accounts, of NetLojix in Missouri. First Choice has approximately 25 residential Interexchange service customer accounts, and no business Interexchange customer accounts, in Missouri before the proposed transaction.

(B) Contract or Agreement of Sale: Copies attached as **Exhibit A (HC)**.

(C) Verification of Authority of Person Signing: Requirement not applicable per 4 CSR 240-3.520(1).

(D) Reasons not Detrimental to the Public Interest: Please see Section IV., above.

(E) Balance Sheet and Income Statement: Requirement not applicable per 4 CSR 240-3.525(1).

(F) Tax Impact: None. The proposed transaction will have no impact on the tax revenues of any political subdivision of the state.

(G) Customer Notice: See **Exhibit B** for form of customer notice.

VI. ADDITIONAL INFORMATION REQUIRED BY RULES

13. Pursuant to the requirements of 4 CSR 240-2.060(K), Applicants state that they do not have any pending action or unsatisfied final judgments or decisions against them in any state or federal agency or court which involve customer service or rates, which

action, judgment or decision occurred within the last three (3) years.

14. Pursuant to the requirements of 4 CSR 240-2.060(L), Applicants state that, to the best of their knowledge, they have no annual report or assessment fees that are overdue.

VII. CONCLUSION

WHEREFORE, for the reasons stated herein, Applicants respectfully request Commission approval of the Application and request that the Commission also grant all other relief specifically requested herein.

Respectfully submitted,

/s/ William D. Steinmeier

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COUNSEL FOR FIRST CHOICE
TECHNOLOGY, INC. AND
NETLOJIX TELECOM, INC.

Dated: January 13, 2009

Certificate of Service

I hereby certify that a copy of this document has been electronically transmitted to the Office of the General Counsel of the Missouri Public Service Commission, and to the Office of Public Counsel, on this 13th day of January 2009.

/s/ William D. Steinmeier

William D. Steinmeier

EXHIBIT "A"

ASSET PURCHASE AGREEMENT

(Being filed as a separate pdf document)

HIGHLY CONFIDENTIAL ("HC")

HC

EXHIBIT "B"

SAMPLE CUSTOMER NOTICE

Netlojix Telecom, Inc.
7001 Boulevard 26, #323
North Richland Hills, TX 76180

First Choice Technology, Inc.
601 North Orlando Avenue, #211
Maitland, FL 32751

Dear Customer:

Netlojix Telecom, Inc. is selling its residential long distance customers to First Choice Technology, Inc. This transaction will require certain regulatory approvals. While awaiting those approvals, First Choice will be managing your account on behalf of Netlojix. The companies expect the transaction to be completed by February 1, 2009.

The potential change in ownership of your account will not affect or disrupt your current service in any way. Your rates and the terms and conditions of your existing service will not be adversely affected as a result of this transaction. First Choice will notify you of any changes to your rates, terms and conditions of service after the transaction is completed.

You should not incur any carrier-change charges from your local telephone company as a result of this transaction. If such a charge appears on the bill from your local telephone company, please call the customer service department toll-free at (888) 598-0672 and a representative will reimburse you or credit your account accordingly.

You have a choice of long distance providers and have the right to choose a different carrier for your services. If you decide to switch to a different carrier and you have **not** informed Netlojix by the date of the transfer, your services and account will be transferred to First Choice. First Choice will be responsible for any outstanding Netlojix inquiries or complaints after the date of the transfer. Please contact a Customer Service Representative at (888) 598-0672 if you have any questions.

First Choice welcomes you and appreciates the opportunity to be your long distance service provider.

Sincerely,

Scott Howsare, President
First Choice Technology, Inc.

Greg Wilson, CFO
Netlojix Telecom, Inc.

VERIFICATIONS

STATE OF

FLORIDA

COUNTY OF

ORANGE

VERIFICATION

I, Scott Howsare, am the President of First Choice Technology, Inc., and am authorized to make this verification on its behalf. The statements made in the foregoing Application are true of my own knowledge, except as to those matters which are therein stated on information and belief, and as to those matters I believe them to be true.

By: _____

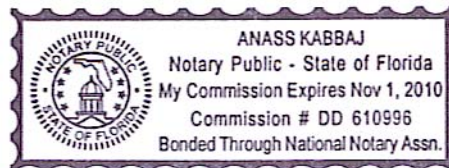
Name: Scott Howsare

Title: President

Sworn to and subscribed before me, Notary Public, in and for the State and County named above, this 14 day of November, 2008.

Notary Public


My commission expires: NOV 1, 2010



STATE OF California
COUNTY OF Santa Barbara

VERIFICATION

I, Gregory J. Wilson, am the Chief Financial Officer of Netlojix Telecom, Inc., and am authorized to make this verification on its behalf. The statements made in the foregoing Application are true of my own knowledge, except as to those matters which are therein stated on information and belief, and as to those matters I believe them to be true.

By: 
Name: Gregory J. Wilson
Title: Chief Financial Officer

Sworn to and subscribed before me, Notary Public, in and for the State and County named above, this ____ day of November, 2008.

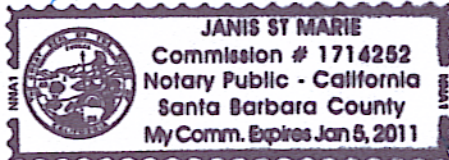
Notary Public

My commission expires:

State of California
County of Santa Barbara

Subscribed and sworn to (or affirmed) before me on this 26
day of November, 2008, by Gregory J. Wilson

proved to me on the basis of satisfactory evidence to be the
person(s) who appeared before me.



(Seal)

Signature

Janis St. Marie