BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

IN THE MATTER OF THE	
JOINT APPLICATION OF	
NETWORK US, INC.	
D/B/A CA AFFINITY AND	CASE NUMBER
MOTION TELECOM, INC.	
FOR APPROVAL OF	
TRANSFER OF ASSETS	

JOINT APPLICATION

Network US, Inc. d/b/a CA Affinity ("NUS") and Motion Telecom, Inc. ("Motion") (sometimes referred to jointly herein as "Applicants"), by and through counsel, pursuant to Sections 392.290 and 392.300 RSMo., and 4 CSR 240-2.060, and hereby jointly request: 1) Commission approval of a transfer of assets pursuant to an Asset Purchase Agreement¹ (the "Agreement'), whereby NUS will purchase substantially all of the telecommunications assets of Motion, including but not limited to Motion's customer accounts (the "Acquisition"), 2) waiver of the subscriber authorization and verification requirements for the change of customers' interexchange carrier in 4 CSR 240-33.150, 3) cancellation of Motion's interexchange certificate of service authority and tariff after consummation of the transfer of assets, and 4) such other relief as is appropriate. As regulated competitive telecommunications companies, NUS and Motion hereby seek Commission approval of the tranfer of assets and waiver of 4 CSR 240-33.150 at this time, and cancellation of Motion's certificate and transfer at a later date.

Following consummation of the Acquisition, NUS will serve all of the present customer accounts of Motion under NUS' tariff, billing customers under NUS' name. NUS' tariff will be revised as required to offer the same services and rates currently being provided to Motion customers. Motion does not intend to provide telecommunications services in Missouri in the future. Therefore, upon transfer of customers, NUS will provide the Commission with notification that the transaction has closed, whereupon Motion's certificate and tariff may be cancelled.

Commission approval of the asset transfer will be beneficial to the involved companies as well as their customers. Following consummation of the Agreement, NUS will be able to provide communications services to its customers in a more efficient manner. Approval of the transfer of assets will not in any way be detrimental to the public interest. Current customers of both NUS and Motion will continue to receive the same high quality service presently rendered to them. Additionally, no party to the Agreement will be given undue advantage over any other party.

In support of this verified Application, Applicants state the following:

I. THE PARTIES

1. NUS is a privately held Illinois corporation with principal offices located at 180 N. LaSalle Street, Suite 1820, Chicago, IL 60601. NUS is a certified long distance telecommunications provider in this State. NUS provides intrastate interexchange telecommunications services in this State pursuant to authority granted in TA-2002-188 Documentation from the Missouri Secretary of State was filed Case. No. TA-2002-188, and is incorporated herein by reference pursuant to 4 CSR 240-2.060(1)(G). NUS states that it does not have any outstanding Annual Reports or assessment fees owed

to the Missouri Public Service Commission and it does not have any pending action or final unsatisfied judgments or decisions against it from any state or federal agency or court which involve customer service or customer rates, which action, judgment, or decision has occurred within three years of the date of this application. NUS' officer's verification is attached to this Application.

2. Motion is a privately held Colorado corporation with principal offices located at 7101 S. Fulton Street, Suite 200, Englewood, Colorado 80112. Motion is a certificated telecommunications provider in this State. Motion provides intrastate interexchange telecommunications services in this State pursuant to authority granted in Case No. Case No. XA-2004-0037. Documentation from the Missouri Secretary of State was filed Case. No. XA-2004-0037, and is incorporated herein by reference pursuant to 4 CSR 240-2.060(1)(G). Motion states that it does not have any outstanding Annual Reports or assessment fees owed to the Missouri Public Service Commission and it does not have any pending action or final unsatisfied judgments or decisions against it from any state or federal agency or court which involve customer service or customer rates, which action, judgment, or decision has occurred within three years of the date of this application. Motion's officer's verification is also attached to this Application.

II. DESIGNATED CONTACTS

5. The designated contact for questions concerning this Application is:

Mary Ann (Garr) Young WILLIAM D. STEINMEIER, P.C. 2031 Tower Drive P.O. Box 104595 Jefferson City MO 65110-4595 Phone: (573) 634-8109 Fax: (573) 634-8224

Email: <u>myoung0654@aol.com</u>

6. Copies of such correspondence should also be sent to:

EllenAnn G. Sands Nowalsky, Bronston & Gothard A Professional Limited Liability Company 3500 North Causeway Blvd, Suite 1442 Metairie, Louisiana 70002

Telephone: (504) 832-1984 Telefax: (504) 831-0892

Email: esands@nbglaw.com

Barbara H. Vonderheid Vonderheid & Associates 8101 E. Dartmouth Avenue, #95 Denver, Colorado 80231 (303) 784-5329

III. REQUEST FOR APPROVAL OF THE ASSET TRANSFER

- 7. Applicants submit that the Acquisition will accomplish the following:
 - Motion will sell, transfer and assign to NUS all of Motion's right,
 title and interest in and to Motion's telecommunications assets in
 Missouri.
 - b. Motion requests cancellation of its authority to provide telecommunications services in this State and of its tariff, upon consummation of the transfer of customers.
- 8. The customers of Motion will be given notice of the proposed transfer and the opportunity to switch their service from Motion to a different carrier. Those

customers of Motion who choose not to switch their service to a different carrier will continue to receive service pursuant to authority previously granted to Motion by this State until such time as this Commission grants the instant application at which time the customers will be serviced under NUS' authority. Prior to consummation of the Transaction, NUS intends to notify all current end users of Motion regarding the Transaction and provide them the opportunity to switch their service to a substantially similar product offering of NUS or to choose a different carrier. The notification will be sent in the form of a bill insert, a copy of which is attached hereto as Exhibit A.

- 9. NUS and Motion seek waiver of 4 CSR 240-33.150, which contains subscriber authorization and verification requirements for the change of customers' interexchange carrier. This waiver is appropriate and in the public interest because this is not the type of transfer to which the "anti-slamming" rule was intended to apply. In addition, Applicants submit that the notice to be provided to customers will reasonably and adequately advise them of both the change in their telecommunications services provider and their opportunity to choose another provider.
- 10. The technical, managerial and financial personnel of Motion will assist with the transition and integration of the acquired Assets after the transaction, and the technical, managerial and financial personnel of NUS will continue to serve the transferred Motion customers with the same high level of expertise that they have enjoyed in the past.

IV. PUBLIC INTEREST CONSIDERATION

- 11. Critical to the Transaction and consolidation of customer accounts is the need to ensure the continuation of high quality, uninterrupted service to all customers currently served by Motion. The Acquisition will also serve to create a heightened level of operating efficiency which generally will serve to enhance the overall capacity of NUS to compete in the marketplace and to provide telecommunications services for a greater number of consumers in this State at competitive rates.
- 12. The transfer will have no impact on the tax revenues of any political subdivision in the state of Missouri.

V. NO TRANSFER OF CERTIFICATES

13. Applicants do <u>not</u> request transfer of Motion's Certificate of Public Convenience and Necessity, or other operating authority, to NUS. Motion will discontinue servicing its customers upon consummation of the Transaction and by way of this Application, requests that the Commission cancel Motion's operating authority previously granted by this Commission upon notification of the Commission that the transfer of customers has been completed.

VI. CONCLUSION

WHEREFORE, for the reasons stated herein, Applicant respectfully requests that the Commission approve the transfer of customers from Motion to NUS, approve waiver of 4 CSR 240-33.150, and cancel the certificate of service authority and tariff of Motion Telecom, Inc., upon notification by NUS that the customers of Motion have been transferred to NUS.

DATED this 3rd day of November 2004.

Respectfully submitted,

/s/Mary Ann Young

Mary Ann (Garr) Young Mo. Bar #27951 WILLIAM D. STEINMEIER, P.C. 2031 Tower Drive, P.O. Box 104595 Jefferson City MO 65110-4595

Phone: (573) 634-8109 Fax: (573) 634-8224

Email: myoung0654@aol.com

COUNSEL FOR NETWORK US, INC. D/B/A CA AFFINITY AND MOTION TELECOM, INC.

Certificate of Service

I hereby certify that a copy of this document has been served electronically on the Office of the General Counsel of the Missouri Public Service Commission and the Office of Public Counsel, on this 3rd day of November, 2004.

/s/Mary Ann Young

Mary Ann (Garr) Young

EXHIBIT A

Customer Notification Letter

Network US, Inc. d/b/a CA Affinity

Motion Telecom, Inc.

(Customer Name) (Address)

Dear Customer:

Network US, Inc. d/b/a CA Affinity ("NUS") and Motion Telecom, Inc. ("Motion") have entered into an agreement whereby the telecommunications assets of Motion will be acquired by NUS, and NUS will become your telecommunication service provider. NUS anticipates becoming your telecommunications provider on ______ or shortly thereafter.

This change in ownership will not affect or in any way disrupt your current service. The rates and terms and conditions of the services offered by NUS will be the same as those offered by Motion. A copy of NUS's terms and conditions for long distance services is attached hereto along with your billed rate plan. No charges or fees will be imposed and no rate increase will occur as a result of this transaction. NUS will inform you, by bill insert, of any post-transaction changes which may occur.

You have a choice of carriers. If you do not wish to remain a customer, you may change carriers and such change will be at NUS's expense. NUS will make every effort to resolve outstanding Motion customer complaints. The toll free Customer Service number will remain the same and if you have any questions, please call one of our Customer Service Representatives at 1-800-[].

All customers receiving this notice, including those who have arranged preferred carrier freezes through their local service providers, will be transferred to NUS.

We at Network US, Inc. are pleased to welcome you to our team and would like to express our appreciation for allowing us the opportunity of being your telecommunication service provider. We are confident that you will be pleased with the high quality of our service.

VERIFICATIONS

STATE OF LAUSIANA COUNTY OF OLIEANS

VERIFICATION

I, Bernard A. Goldman, am the Executive Vice President/Assistant Secretary of Network US, Inc. d/b/a CA Affinity 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.

Title: Executive Vice President/Assistant Secretary

Sworn to and subscribed before me, Notary Public, in and for the State and County named above, this Ath day of July, 2004.

My commission expires: <u>at dush</u>

ELLEN ANN G. SANDS ELLEN ANN G. SANDS

Notary Public, State of Louisiana

My Commission is issued for life My Commission is issued for life. Notary Number: 45206

STATE OF

COLORADO

COUNTY OF

ARAPAHOE

VERIFICATION

I, Mark Gritz, am the President and Treasurer of Motion 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.

Name: Mark Gritz

Title: President and Treasurer

Sworn to and subscribed before me, Notary Public, in and for the State and

County named above, this 4th day of August, 2004.

Notary Public

My commission expires: