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August 15, 2011

### **VIA ELECTRONIC FILING**

Dave Danner
Executive Director/Secretary
Washington Utilities and Transportation Commission
P.O. Box 47250
1300 S. Evergreen Park Dr., S.W.
Olympia, WA 98504-7250

Re: Ionex Communications North, Inc. d/b/a Birch Communications, Cordia Communications Corp., My Tel Co, Inc., and Northstar Telecom, Inc. - Notification of Transfer of Customers and Assets

Dear Mr. Danner:

Ionex Communications North, Inc. d/b/a Birch Communications ("Ionex" or "Purchaser"), Cordia Communications Corp. ("Cordia"), My Tel Co, Inc. ("MyTel"), and Northstar Telecom, Inc. (Cordia, MyTel and Northstar collectively, "Sellers") (Purchaser and Sellers collectively, the "Parties") hereby respectfully notify the Washington Utilities and Transportation Commission ("Commission") of a pending transaction between Sellers and Ionex pursuant to which Sellers will transfer substantially all of their telecommunications assets and Washington customer base to Ionex (the "Transaction").

It is the Parties' understanding that no prior Commission approval is required to consummate the Transaction described herein. The Parties therefore submit this notice for the Commission's information.

#### I. PARTIES

### A. Ionex Communications North, Inc. dba Birch Communications

Ionex is a South Dakota corporation with headquarters located at 3060 Peachtree Road NW, Suite 1065, Atlanta, Georgia 30305. Ionex is authorized by the Commission to provide local exchange and interexchange telecommunications services in Washington. Ionex is a wholly owned subsidiary of Birch Communications, Inc. ("BCI"), a Georgia corporation with

Docket No. UT-101335 (Sept. 2, 2010).

headquarters located at 3060 Peachtree Road NW, Suite 1065, Atlanta, Georgia 30305. BCI and its subsidiaries provide telecommunications services to both business and residential customers in 38 states.

## **B.** Cordia Communications Corp.

Cordia is a Nevada corporation with headquarters located at 2900 Westchester Avenue, #103, Purchase, New York 10577. Cordia was authorized to provide telecommunications services in Washington in Docket No. UT-041919.

### C. My Tel Co, Inc.

MyTel is an affiliate of Cordia, and is a New York corporation with offices located at 2900 Westchester Avenue, #103, Purchase, New York 10577. MyTel was authorized to provide telecommunications services in Washington in Docket No. UT-061599.

#### D. Northstar Telecom, Inc.

Northstar is an affiliate of Cordia, and is a Nebraska corporation with offices located at 2900 Westchester Avenue, #103, Purchase, New York 10577. Northstar was authorized to provide telecommunications services in Washington in Docket No. UT-041934.

#### II. DESIGNATED CONTACTS

Correspondence concerning this matter should be directed to:

| For Cordia, MyTel, and Northstar | For Ionex Communications North, Inc. d/b/a Birch Communications |
|----------------------------------|---|
| Maria A. Abbagnaro               | Angela F. Collins   |
| Cordia Communications Corp.      | Cahill Gordon & Reindel LLP                                     |
| 2900 Westchester Avenue, #103    | 1990 K Street, NW, Suite 950                                    |
| Purchase, New York, 10577        | Washington, DC 20006  |
| 914-881-1405 (telephone)         | 202-862-8930 (telephone)  |
| 800-714-9950 (facsimile)         | 202-862-8958 (facsimile)  |
| mabbagnaro@cordiacorp.com        | acollins@cgrdc.com  |

# III. DESCRIPTION OF THE TRANSACTION AND PUBLIC INTEREST STATEMENT

On June 17, 2011, BCI submitted a proposal, including an executed Asset Purchase Agreement ("Agreement"), to the United States Bankruptcy Court for the Middle District of Florida (Case No. 6:11-bk-06493-KSJ through 6:11-bk-06497-KSJ) to purchase certain assets and customers of Cordia, MyTel, and Northstar. On June 29, 2011, BCI learned that no other entity submitted a similar proposal to the bankruptcy court, and on July 14, 2011, the bankruptcy

court approved the Agreement. Pursuant to the Agreement, BCI will purchase the following assets from Sellers: customer accounts, customer agreements and contracts, certain vendor agreements and contracts, and certain intellectual property. BCI, however, will not assume any of Sellers' pre-closing liabilities.

Ionex will make any necessary revisions to its rates, terms, and conditions to incorporate Sellers' current services and rates so that affected customers will continue to receive the same services that they currently receive without any immediate changes to their service offerings, rates, terms, or conditions. The ownership structure of BCI and Ionex will not be affected by the Transaction. Upon consummation of the Transaction and after completion of the customer transfer, Ionex will provide Sellers' customers with the same service quality they have come to expect and all billing will be handled under the Birch name. Consummation of the Transaction is contingent on, among other things, receipt of all necessary regulatory approvals.

The proposed transfer will affect all of Sellers' current Washington customers, none of whom will experience any material change to the terms and conditions of their services as a result of this transfer. The transfer is scheduled to take place on or after October 12, 2011. The Parties will provide notice to affected customers in accordance with state requirements and the rules and regulations of the Federal Communications Commission. Draft customer notice letters are attached as **Exhibit A**.

Upon completion of the Transaction and the migration of customers to Ionex, Sellers will no longer offer telecommunications services in Washington. After Sellers determine that they no longer need their Washington authorizations for operational or billing purposes, Sellers will surrender their authorizations in a separate filing.

The proposed Transaction serves the public interest, and will ensure that affected customers enjoy continuity of high-quality telecommunications service. Sellers' current customers will be given prior written notice of the transfer of their account to Ionex, in compliance with state and federal customer notice rules. Following the Transaction, the affected customers will receive high-quality service supported by Ionex's experienced and well-qualified management team. Consequently, the proposed Transaction will be transparent to customers and will not have a negative impact on the public interest, service to Washington customers, or competition.

If you have any questions concerning this matter, please contact the undersigned.

Respectfully submitted,

Angela F. Collins

Counsel for Ionex Communications North,

Inc. d/b/a Birch Communications

Attachments

# Exhibit A



Dear



# IMPORTANT NOTICE REGARDING A CHANGE IN YOUR TELECOMMUNICATIONS SERVICES

| Birch Communications ("Birch") and Cordia Communications Corp. ("Cordia") are          |
|--|
| pleased to announce that Birch will acquire Cordia's local and long distance telephone |
| customers. Subject to approval by the Federal Communications Commission and state      |
| no miletane. Binch will made a Comile as your company telegramme in the company in     |

regulators, Birch will replace Cordia as your current telecommunications service provider on or after [30 DAYS BEFORE TRANSFER DATE] (the "Transfer Date"). As a result of this transaction, Birch will assume responsibility for all services previously provided to you by Cordia. Birch is excited about the opportunity to provide your telecommunications service(s) and looks forward to a long and successful business relationship.

Please rest assured, the transition will have little or no impact on your current services, nor will there be any interruption of your service. The agreement between Birch and Cordia has been structured so that the transfer of service will be virtually seamless other than the possibility of a minor change to your voice mail service for which you will receive additional information. There may, however, be other changes to your service plan based on Birch's unique billing systems (e.g., customers currently utilizing a message or measured local service plan may be switched to a flat rate plan). In those cases, Birch will transition you in a neutral manner and with no increase to your regular monthly recurring charges. You will retain all other service rates, features, terms, and conditions of service and your telephone phone number. Birch will not impose any charges for the transfer of your services to Birch and no action is required from you to continue your telecommunications service(s) with Birch. You will receive your first billing statement from Birch starting with your [MONTH] 2011 or [MONTH] 2011 bill. As in the past, you are responsible for paying all bills rendered to you by Cordia during the transition of service.

You do have the right to select a different carrier for the telecommunications service(s) at issue. If you choose to switch to an alternate carrier for services, you may incur a fee from that alternate carrier for the transfer of services to that alternate carrier.

<sup>&</sup>lt;sup>1</sup> It will be necessary for you to reset your password and re-record your message greeting(s). Additionally, saved messages at the time of the transfer will no longer be retained. Birch will provide further details in a follow-up letter.

If you select a local telephone service provider other than Birch, you should also contact your current long distance provider to ensure that your current long distance plan is not changed.

Please note that if you are a customer of Cordia on the Transfer Date, your account will automatically be transferred to Birch. Please note that when your service is transferred to Birch, any preferred carrier "freeze" you have placed on your existing telephone lines to prevent unauthorized transfer of your services to another carrier will be over-ridden for purposes of this transaction and will need to be reinstated by you by contacting Birch after the transfer is complete.

If you have any questions about this transaction or your service or billing prior to the actual Transfer Date, you should contact Cordia at **800-916-9950**.

If you have any questions regarding this transaction or your service or billing after the actual Transfer Date, you should contact Birch at **888-772-4724**.<sup>2</sup>

Cordia thanks you for your business and Birch looks forward to providing you with quality service for many years to come.

Sincerely,

Cordia Communications Corp. and Birch Communications

All other states Cordia

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About Birch Communications - Headquartered in Atlanta, Georgia, Birch Communications is one of the largest competitive local exchange carriers in its 38-state southeast, southwest, midwest and northeast regions serving residential and business customers. Birch was the first in its class to deploy its own private IP network utilizing soft switch technology to deliver innovative, high quality, affordable voice and broadband communications services to small and medium business customers.



Dear \_\_\_\_\_



# **IMPORTANT NOTICE** REGARDING A CHANGE IN YOUR TELECOMMUNICATIONS SERVICES

| Birch Communications ("Birch") and My Tel Co, Inc. ("MyTel") are pleased to           |
|---|
| announce that Birch will acquire MyTel's local and long distance telephone customers. |
| Subject to approval by the Federal Communications Commission and state regulators,    |

Birch will replace MyTel as your current telecommunications service provider on or after [30 DAYS BEFORE TRANSFER DATE] (the "Transfer Date"). As a result of this transaction, Birch will assume responsibility for all services previously provided to you by MyTel. Birch is excited about the opportunity to provide your telecommunications

service(s) and looks forward to a long and successful business relationship.

Please rest assured, the transition will have little or no impact on your current services, nor will there be any interruption of your service. The agreement between Birch and MyTel has been structured so that the transfer of service will be virtually seamless other than the possibility of a minor change to your voice mail service for which you will receive additional information. There may, however, be other changes to your service plan based on Birch's unique billing systems (e.g., customers currently utilizing a message or measured local service plan may be switched to a flat rate plan). In those cases, Birch will transition you in a neutral manner and with no increase to your regular monthly recurring charges. You will retain all other service rates, features, terms, and conditions of service and your telephone phone number. Birch will not impose any charges for the transfer of your services to Birch and no action is required from you to continue your telecommunications service(s) with Birch. You will receive your first billing statement from Birch starting with your [MONTH] 2011 or [MONTH] 2011 bill. As in the past, you are responsible for paying all bills rendered to you by MyTel during the transition of service.

You do have the right to select a different carrier for the telecommunications service(s) at issue. If you choose to switch to an alternate carrier for services, you may incur a fee from that alternate carrier for the transfer of services to that alternate carrier. If you select a local telephone service provider other than Birch, you should also contact

It will be necessary for you to reset your password and re-record your message greeting(s). Additionally, saved messages at the time of the transfer will no longer be retained. Birch will provide further details in a follow-up letter.

your current long distance provider to ensure that your current long distance plan is not changed.

Please note that if you are a customer of MyTel on the Transfer Date, your account will automatically be transferred to Birch. Please note that when your service is transferred to Birch, any preferred carrier "freeze" you have placed on your existing telephone lines to prevent unauthorized transfer of your services to another carrier will be over-ridden for purposes of this transaction and will need to be reinstated by you by contacting Birch after the transfer is complete.

If you have any questions about this transaction or your service or billing prior to the actual Transfer Date, you should contact MyTel at **800-871-2250**.

If you have any questions regarding this transaction or your service or billing after the actual Transfer Date, you should contact Birch at **888-772-4724**.<sup>2</sup>

MyTel thanks you for your business and Birch looks forward to providing you with quality service for many years to come.

Sincerely,

My Tel Co, Inc. and Birch Communications

Other states - MTC

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About Birch Communications - Headquartered in Atlanta, Georgia, Birch Communications is one of the largest competitive local exchange carriers in its 38-state southeast, southwest, midwest and northeast regions serving residential and business customers. Birch was the first in its class to deploy its own private IP network utilizing soft switch technology to deliver innovative, high quality, affordable voice and broadband communications services to small and medium business customers.



Dear \_\_\_\_\_



# IMPORTANT NOTICE REGARDING A CHANGE IN YOUR TELECOMMUNICATIONS SERVICES

| Birch Communications ("Birch") and Northstar Telecom, Inc. ("Northstar") are          |
|---|
| pleased to announce that Birch will acquire Northstar's local and long distance       |
| telephone customers. Subject to approval by the Federal Communications Commission     |
| and state regulators. Birch will replace Northstar as your current telecommunications |

and state regulators, Birch will replace Northstar as your current telecommunications service provider on or after [30 DAYS BEFORE TRANSFER DATE] (the "Transfer Date"). As a result of this transaction, Birch will assume responsibility for all services previously provided to you by Northstar. Birch is excited about the opportunity to provide your telecommunications service(s) and looks forward to a long and successful business relationship.

Please rest assured, the transition will have little or no impact on your current services, nor will there be any interruption of your service. The agreement between Birch and Northstar has been structured so that the transfer of service will be virtually seamless other than the possibility of a minor change to your voice mail service for which you will receive additional information. There may, however, be other changes to your service plan based on Birch's unique billing systems (e.g., customers currently utilizing a message or measured local service plan may be switched to a flat rate plan). In those cases, Birch will transition you in a neutral manner and with no increase to your regular monthly recurring charges. You will retain all other service rates, features, terms, and conditions of service and your telephone phone number. Birch will not impose any charges for the transfer of your services to Birch and no action is required from you to continue your telecommunications service(s) with Birch. You will receive your first billing statement from Birch starting with your [MONTH] 2011 or [MONTH] 2011 bill. As in the past, you are responsible for paying all bills rendered to you by Northstar during the transition of service.

You do have the right to select a different carrier for the telecommunications service(s) at issue. If you choose to switch to an alternate carrier for services, you may incur a fee from that alternate carrier for the transfer of services to that alternate carrier. If you select a local telephone service provider other than Birch, you should also contact

<sup>&</sup>lt;sup>1</sup> It will be necessary for you to reset your password and re-record your message greeting(s). Additionally, saved messages at the time of the transfer will no longer be retained. Birch will provide further details in a follow-up letter.

your current long distance provider to ensure that your current long distance plan is not changed.

Please note that if you are a customer of Northstar on the Transfer Date, your account will automatically be transferred to Birch. Please note that when your service is transferred to Birch, any preferred carrier "freeze" you have placed on your existing telephone lines to prevent unauthorized transfer of your services to another carrier will be over-ridden for purposes of this transaction and will need to be reinstated by you by contacting Birch after the transfer is complete.

If you have any questions about this transaction or your service or billing prior to the actual Transfer Date, you should contact Northstar at **866-565-4082**.

If you have any questions regarding this transaction or your service or billing after the actual Transfer Date, you should contact Birch at **888-772-4724**.<sup>2</sup>

Northstar thanks you for your business and Birch looks forward to providing you with quality service for many years to come.

Sincerely,

Northstar Telecom, Inc. and Birch Communications

All other states NST

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About Birch Communications - Headquartered in Atlanta, Georgia, Birch Communications is one of the largest competitive local exchange carriers in its 38-state southeast, southwest, midwest and northeast regions serving residential and business customers. Birch was the first in its class to deploy its own private IP network utilizing soft switch technology to deliver innovative, high quality, affordable voice and broadband communications services to small and medium business customers.