

Tracy W. Hatch General Attorney AT&T Florida 150 South Monroe Street Suite 400 Tallahassee, FL 32301

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COMMISSION CLERK

12 AUG -2 PH 4: 36

August 2, 2012

Ms. Ann Cole Commission Clerk Office of the Commission Clerk Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850

Re: Docket No.: 120201-TX

Application for Authority to Provide Competitive Local
Exchange Telecommunications Company Service for
LTS of Rocky Mount, LLC

Dear Ms. Cole:

Enclosed is an original and seven copies of BellSouth Telecommunications, LLC d/b/a AT&T Florida's Objection to LTS' Application for a CLEC Certificate, which we ask that you file in the captioned docket.

Copies have been served to the Parties shown on the attached Certificate of Service list.

Sincerely,

Tracy W. Hatch

COM	Parties of Record
AFD	Gregory R. Follensbee
APA	Suzanne L. Montgomery
ECO	Guzanne E. Montgomery
ENG	2189
GCL	
IDM	
1ED 1	
CLK	

DOCUMENT NUMBER-PATE

05264 AUG-22

Certificate of Service Docket No. 120201-TX

I HEREBY CERTIFY that a true and correct copy was served via Electronic Mail and First Class U. S. Mail this 2nd day of August, 2012 to the following:

Adam Teitzman, General Counsel Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850 ateitzma@psc.state.fl.us

LTS of Rocky Mount, LLC Thomas M. Armstrong, President 1803 W. Fairfield Drive, Unit 1 Pensacola, FL 32501

Tel. No.: 850-291-6415 Fax. No.: 850-308-1155

tom.armstrong.sr@gmail.com

reacy territor

1042141

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Application for Authority to Provide Competitive)	Docket No.: 120201-TX
Local Exchange Telecommunications Company)	
Service for LTS of Rocky Mount, LLC)	
·)	Filed: August 2, 2012

AT&T FLORIDA'S OBJECTION TO LTS' APPLICATION FOR A CLEC CERTIFICATE

BellSouth Telecommunications, LLC d/b/a AT&T Florida ("AT&T Florida") submits this Objection to the Application for Authority to Provide Competitive Local Exchange Telecommunications Company Service filed by LTS of Rocky Mount, LLC ("LTS"). AT&T Florida respectfully requests that the Commission deny LTS' Application because LTS does not have "sufficient technical, financial, and managerial capability" as required by § 364.335(2), Fla. Stat. to provide competitive local exchange services. LTS was recently purchased by two individuals who own two other CLECs in Florida – Express Phone Service, Inc. and Digital Express, Inc. – both of which were recently disconnected by AT&T Florida for failing to cure nonpayment breaches of their respective interconnection agreements. These companies, which are under common ownership with LTS, owe AT&T Florida a combined amount in excess of \$1,700,000. Allowing yet another CLEC under this same ownership to be certificated in Florida would be contrary to the public interest. Alternatively, AT&T Florida respectfully requests that the Commission thoroughly investigate LTS prior to issuance of a certificate.

In support thereof, AT&T Florida states as follows:

I. Parties

1. The name and address of the affected agency is the Florida Public Service Commission, 2540 Shumard Oak Blvd., Tallahassee, Florida 32399. The Commission's docket number for this proceeding is 120201-TX.

DECUMENT NUMBER - DATE

05264 AUG-22

2. AT&T Florida is a Georgia limited liability company with its principal place of business at 675 W. Peachtree Street, NE, Atlanta, Georgia 30375. AT&T Florida is an incumbent local exchange carrier under the Communications Act of 1934, as amended. All pleadings, notices and other documents filed in this proceeding should be directed to AT&T Florida's representatives as follows:

Suzanne L. Montgomery Tracy W. Hatch c/o Gregory R. Follensbee 150 South Monroe Street Suite 400 Tallahassee, Florida 32301 (305) 347-5558 sm6526@att.com th9467@att.com

3. LTS recently filed an application with the Florida Department of State – Division of Corporations for authorization to transact business in Florida. See Exhibit 1. According to that application, LTS is a North Carolina limited liability company with its principal address at 1803 W. Fairfield Drive, Unit 1, Pensacola, Florida 32501. In that filing, LTS claims that the nature of its business is "[f]or the purpose of operating and managing a telephone and related services company and conducting or promoting any other lawful business." *Id*.

II. Standard to Receive a CLEC Certificate

4. An applicant for a certificate of authority as a competitive local exchange company must provide an application to the Commission listing, among other things: (a) the "name, address, and telephone number of an officer, partner, owner, member, or manager as a contact person for the applicant to whom questions or concerns may be addressed"; and (b) "[i]nformation demonstrating the applicant's managerial, technical, and financial ability to

provide telecommunications service, including an attestation to the accuracy of the information provided." § 364.335(1)(a)(4), (5), Fla. Stat.

- 5. The Commission has a specific application that it requires certificate applicants to complete. Among other things, the applicant must submit information demonstrating the following:
 - (a) Managerial capability: résumés of employees/officers of the company that would indicate sufficient managerial experiences of each.
 - (b) Technical capability: résumés of employees/officers of the company that would indicate sufficient technical experiences or indicate what company has been contracted to conduct technical maintenance.
 - (c) Financial Capability: applicant's audited financial statements for the most recent three (3) years. If the applicant does not have audited financial statements, it shall so be stated. Unaudited financial statements should be signed by the applicant's chief executive officer and chief financial officer affirming that the financial statements are true and correct and should include:
 - 1. the balance sheet,
 - 2. income statement, and
 - 3. statement of retained earnings.
- 6. The Commission can only "grant a certificate of authority to provide telecommunications service upon a showing that the applicant has sufficient technical, financial, and managerial capability to provide such service in the geographic area proposed to be served." § 364.335(2), Fla. Stat.

III. LTS' Application for CLEC Certification

- 7. On July 24, 2012, LTS filed its application for CLEC certification with the Commission.
- 8. On its application, LTS listed 1803 W. Fairfield Dr., Unit 1, Pensacola, FL 32501 as both its official mailing address and its Florida address. *See* Application at 2.

- 9. According to its application, LTS is an existing CLEC in North Carolina¹ and was purchased in 2011 by Thomas M. Armstrong and William Kloss. LTS identifies Thomas Armstrong as its "President" and William Kloss as its "Chairman." *Id.* at 7. LTS listed Thomas M. Armstrong as its liaison to the Commission for the applicant, as its point of contact for the ongoing operations of the company, and its contact for complaints/inquiries from customers. *See id.* at 4.
- 10. Armstrong and Kloss are the President and Vice President, respectively, of two other certificated CLECs in Florida: Express Phone Service, Inc. ("Express Phone") and Digital Express, Inc. ("Digital Express"). *See id.* at 7-8.
- 11. As its support that it has "managerial capability" to operate LTS as a CLEC in Florida, LTS simply references and attaches the résumés of Armstrong and Kloss. *See id.* at 7.
 - 12. With regard to "technical capability," LTS simply states:

Service to end users will be provided on resale basis with technical maintenance being provided by the incumbent local exchange company and at the same level the incumbent local exchange company provides its end users.

Id.

13. For its "financial capability," LTS attaches the balance sheet and income statement for LTS since its acquisition by Armstrong and Kloss. *See id.* at 8. AT&T Florida was unable to review these documents because they were filed on a confidential basis.

IV. Relationship Between AT&T Florida and LTS

14. AT&T Florida and LTS are parties to a "Resale Standalone Agreement," entered in January 2008, which is available on AT&T's public CLEC website at:

https://clec.att.com/clec_cms/clec/docs/0f8a4b258bd24ef29ae9201c8a4f776c.pdf. Per its terms,

¹ According to its Application, LTS was also a CLEC in Virginia, but withdrew its certification earlier this year after it was fined for consummating the sale transaction without the prior approval of the Virginia Commission, which apparently was in violation of Virginia law.

this agreement applies in the nine former BellSouth states, including Florida. AT&T and LTS entered this agreement when LTS was under different ownership, and AT&T North Carolina has been providing service to LTS under this agreement since before LTS was purchased by Armstrong and Kloss.

15. With regard to a state such as Florida where LTS does not currently have a CLEC certificate, the Resale Standalone Agreement provides:

To the extent LTS of Rocky Mount is not certified as a CLEC in each state covered by this Agreement as of the execution hereof, LTS of Rocky Mount may not purchase services hereunder in that state. LTS of Rocky Mount will notify AT&T in writing and provide CLEC certification from the Commission when it becomes certified to operate in, as well as an effective certification to do business issued by the secretary of state or equivalent authority for, any other state covered by this Agreement. Upon receipt thereof, AT&T will file this Agreement in that state, and LTS of Rocky Mount may purchase services pursuant to this Agreement in that state, subject to establishing appropriate accounts in the additional state as described in Attachment 3.

Id. § 1.2.

- 16. On July 24, 2012, LTS sent AT&T a notice of its intent to negotiate a "replacement agreement to be effective beginning on the expiration date" of its current agreement. See Exhibit 2. LTS did not specify for which states it was seeking to negotiate a replacement agreement. AT&T received this letter on July 30, 2012.
- Agreement is not operational for Florida, on July 26, 2012, LTS submitted a Credit Application to AT&T Florida, stating that it will be providing resale services in Florida. See Confidential Credit Application, Exhibit 3. In its Credit Application, LTS provided a low amount for its estimated monthly billing. See id. AT&T Florida uses the Credit Application as part of its assessment of the amount of security deposit required for a CLEC's account before it activates the account.

V. Express Phone and Digital Express

- According to filings made at the Commission, Express Phone and Digital Express have the same business addresses as LTS: 1803 W. Fairfield Dr., Unit 1, Pensacola, FL 32501. AT&T Florida is a party to interconnection agreements with both Express Phone and Digital Express, and previously provided resale services to both of them. Both Express Phone and Digital Express breached their respective interconnection agreements by failing to pay their bills for services rendered, and their services were disconnected as a result.
- 19. Specifically, Express Phone's interconnection agreement required it to pay the full amount of charges, including disputed amounts, and Express Phone failed to do so. As the Commission found in an Order issued just this week, "Express Phone has not paid its disputed amounts as required by the terms and conditions of its 2006 ICA. Express Phone's failure to comply with the terms and conditions of the 2006 ICA is a material breach of the binding agreement." Final Order on Notice of Adoption, In re: Notice of adoption of existing interconnection, unbundling, resale, and collocation agreement between BellSouth Telecomms., Inc. d/b/a AT&T Florida d/b/a AT&T Southeast and Image Access, Inc. d/b/a NewPhone, Inc. by Express Phone Serv., Inc., Docket No. 110087-TP, Order No. PSC-12-0390-FOF-TP, at 8 (July 30, 2012) ("Express Phone Adoption Order"). As a result of this nonpayment breach, AT&T Florida disconnected Express Phone's services in April 2011.
- 20. Similarly, Digital Express breached its interconnection agreement in two ways:

 (a) by refusing to increase its security deposit to an amount commensurate with its actual monthly billings with AT&T Florida as required by the ICA; and (b) by refusing to pay its bills as required by its agreement based on "disputes" that were not made in good faith and that were

inconsistent with the terms of its agreement.² As a result of these breaches, AT&T Florida disconnected Digital Express' services last week, on July 18, 2012.

- 21. Of particular note to this docket, prior to activating an account with AT&T Florida, Digital Express submitted a Credit Application with an amount for anticipated monthly billings that was similar to the amount that LTS stated in its Credit Application last week. Compare Exhibit 3 (LTS Credit Application), with AT&T Florida Response in Docket 120169-TP at Exhibit 2 (Digital Express Credit Application). As AT&T Florida explained in greater detail in its response in Docket No. 120169-TP, that amount proved to be woefully inadequate, as shortly after Digital Express began operating, it was billing at more than 30 times its estimate. See AT&T Florida Response in Docket 120169-TP at 3. Digital Express' failure to be forthcoming about the actual scope of its intended business led to AT&T Florida being inadequately protected financially.
- 22. Together, Express Phone and Digital Express owe AT&T Florida in excess of \$1,700,000 on their Florida accounts alone. In addition, in 2011, AT&T disconnected Express Phone's services in Alabama and Mississippi for non-payment. Express Phone owes AT&T more than \$700,000 for those states, bringing the total due to more than \$2,400,000.
- 23. Upon information and belief, despite AT&T Florida's advance notice and more than sufficient opportunity to cure, both Express Phone and Digital Express allowed their services to be disconnected with little or no notice to their end users.

² See Response of AT&T Florida to Notice of Adoption Filed by Digital Express, Inc., Notice of adoption of existing interconnection, unbundling, resale, and collocation agreement between BellSouth Telecomms., Inc. d/b/a AT&T Florida d/b/a AT&T Southeast and New Talk, Inc. by Digital Express, Inc., Docket No. 120169-TP, at 5-6 nn. 5, 7 (filed July 9, 2012) ("AT&T Florida Response in Docket 120169-TP").

- 24. For example, AT&T Florida put Digital Express on notice on May 24, 2012, that it would be disconnecting Digital Express' services for failing to cure its security deposit breach on June 18, 2012, and AT&T Florida later extended that disconnect date by nearly a month until July 17. See AT&T Florida Response in Docket 120169-TP at 4-5. However, despite all that advance warning, on July 17, Digital Express approached AT&T Florida requesting more time so that it could notify its end users. Because Digital Express had failed to cure its breaches and had more than adequate notice, AT&T Florida disconnected service the next day.
- 25. Similarly, AT&T Florida issued an amended Notice of Suspension and Termination to Express Phone on February 13, 2011, and it took Express Phone more than a month to seek an emergency ruling to delay the scheduled March 29, 2011 disconnection to notify its end users. The Prehearing Officer denied that motion as being untimely, and explained:

[H]ad Express Phone filed its complaint with the Commission when first receiving AT&T's Notice of Suspension and Termination, there would have been sufficient time to allow the full Commission an opportunity to address this matter. Instead, Express Phone filed its complaint less than three days before its scheduled suspension and requested that I, as prehearing officer, issue an emergency order directing AT&T to take no action to suspend Express Phone's service to its customers.

Upon review of Express Phone's Emergency Motion and consistent with Commission precedent, I find it reasonable and appropriate to deny Express Phone's Emergency Motion.

Order Denying Motion for Emergency Consideration, In re: Emergency Complaint of Express Phone Serv., Inc. against Bellsouth Telecomms., Inc. d/b/a AT&T Florida regarding interpretation of the parties' interconnection agreement, Docket No. 110071-TP, Order No. PSC-11-0180-PCO-TP, at 2 (Mar. 30, 2011).

VI. LTS Does Not Have Sufficient Technical, Financial or Managerial Capability

26. The Commission should reject LTS' request for a CLEC certificate because it does not have "sufficient technical, financial, and managerial capability" as required by § 364.335(2), Fla. Stat.

A. LTS Lacks Technical Capability

27. LTS concedes that its owners lack technical capability to operate a telecommunications company. With regard to that category in its Application, LTS simply states that it will rely on the ILEC for this capability.

Service to end users will be provided on resale basis with technical maintenance being provided by the incumbent local exchange company and at the same level the incumbent local exchange company provides its end users.

Application at 7.

- 28. Presumably, the "incumbent local exchange company" that LTS intends to rely on is AT&T Florida, but AT&T Florida has made no agreement to provide LTS with any technical expertise. AT&T Florida will fulfill its obligations to LTS as required by the Telecommunications Act of 1996 and Florida law, but has no obligation to do any more.
- 29. "Technical capability" is one of the necessary criteria that § 364.335(2), Fla. Stat. requires the Commission to find before it can approve a company's application for a CLEC certification. Here, LTS has demonstrated no such technical capability. Instead, it is simply relying on the ILEC the company that is required by federal law to offer its services to CLECs for resale. This cannot be what the legislature meant when it required "technical" capability as a necessary component of the CLEC certification process. Quite simply, the statutory provision requires each CLEC to provide its own "technical capability," and not to expect the ILEC to run the technical aspects of the CLEC's business.

30. LTS has conceded that it completely lacks "technical capability," and for that reason alone its application should be denied.

B. LTS Lacks Financial and Managerial Capability

- 31. The only evidence that Messrs. Armstrong and Kloss presented here to support their claim that they have adequate managerial and financial capability to operate LTS as a CLEC in Florida is their prior experience operating Express Phone and Digital Express. These operations have been dismal failures, and the experience with Express Phone and Digital Express demonstrates that the new reincarnation LTS lacks managerial and financial capability.
- 32. In less than 16 months, AT&T Florida disconnected services to both Express Phone and Digital Express due to their failure to cure nonpayment and other breaches. *See generally* Docket Nos. 110071-TP, 110087-TP, and 120169-TP. When faced with AT&T Florida's efforts to enforce its interconnection agreement contract terms with these CLECs, both responded by trying to adopt different interconnection agreements. The Commission rejected that effort in Docket No. 110087-TP, and held:

Express Phone has not paid its disputed amounts as required by the terms and conditions of its 2006 ICA. Express Phone's failure to comply with the terms and conditions of the 2006 ICA is a material breach of the binding agreement. Express Phone's breach of its 2006 ICA renders the company ineligible to adopt the NewPhone ICA until the 2006 ICA's breach is remedied.

A company bound by the terms and conditions of its signed interconnection agreement, shall not be allowed to adopt an alternative interconnection agreement if the company is concurrently breaching its existing interconnection agreement. Accordingly, we find that we do not need to reach a decision on whether the NewTalk interconnection agreement is available for adoption by Express Phone because Express Phone is not eligible to adopt a new interconnection agreement until it remedies the breach of its 2006 ICA.

Express Phone Adoption Order, at 8. Rather than operate these companies professionally and work with integrity with their main supplier, both Express Phone and Digital Express sought to circumvent their contractual obligations to avoid paying their bills.

- 33. More importantly, despite adequate notice from AT&T Florida of their contract breaches and the impending disconnection of service dates, upon information and belief both Express Phone and Digital Express allowed their services to be disconnected with little or no notice to their customers. Failing to notify customers of impending disconnection of service is clear and direct evidence of lack of managerial capacity of both Armstrong and Kloss, and demonstrates that granting LTS' Application would be contrary to the public interest.
- 34. This history also constitutes evidence of lack of financial capability of LTS and its owners. The timing of the LTS CLEC application filing is telling:
 - <u>July 17, 2012</u>: the Commission addressed the Express Phone adoption case (Docket No. 110087-TP) at its Agenda Conference, and voted unanimously to adopt the staff recommendation that Express Phone should not be permitted to adopt.
 - <u>July 18, 2012</u>: AT&T Florida disconnected resale services to Digital Express for failing to cure its nonpayment and security deposit breaches.
 - July 24, 2012: LTS filed its CLEC application with the Commission.
 - <u>July 26, 2012</u>: LTS submitted a credit application to AT&T Florida to begin the process of activating resale accounts.
- 35. Twice, AT&T Florida has entered interconnection agreements with two CLECs owned and operated by Messrs. Armstrong and Kloss. Twice, CLECs owned and operated by Messrs. Armstrong and Kloss ran up large, unpaid bills with AT&T Florida. Twice, AT&T Florida sent nonpayment breach letters to CLECs owned and operated by Messrs. Armstrong and Kloss, and twice, those CLECs failed to cure the breaches. Twice, AT&T Florida disconnected CLECs owned and operated by Messrs. Armstrong and Kloss for nonpayment.
- 36. CLECs owned by Messrs. Armstrong and Kloss owe AT&T Florida in excess of \$1,700,000 (and more than \$2,400,000 if the Mississippi and Alabama debt is included). If the Commission grants LTS' certification application, AT&T Florida will likely be forced to provide

services to LTS under its Resale Standalone Agreement or a new interconnection agreement that LTS is seeking to negotiate. The pattern will almost certainly continue: LTS, like Express Phone and Digital Express did, will fail to pay its bills, and AT&T Florida will be financially harmed and will be forced to disconnect its service. Armstrong and Kloss were unable to effectively operate two other CLECs; there is no evidence to support that they have the capability of operating a third.

- 37. When, as here, a CLEC applicant fails to establish that it has "sufficient technical, financial and managerial capability" to operate as a certificated telecommunications service provider, the Commission has authority to deny the application and has done so in the past. See In re Application for certificate to provide competitive local exchange telecommunications service by Crystal Link Commc'ns, Inc., Docket No. 090444-TX, Order No. PSC-10-0217-PAA-TX (Apr. 6, 2010); In re Application for certificate to provide competitive local exchange telecommunications service by Premier Telecom-VoIP, Inc., Docket No. 070172-TX, Order No. PSC-07-0673-PAA-TP (Aug, 21, 2007); In re Application for certificate to provide alternative local exchange telecommunications service by C.I.O., Inc., Docket No. 990971-TX, Order No. PSC-00-0078-PAA-TX (Jan. 10, 2000).
- 38. Accordingly, based on LTS' failure to have "sufficient technical, financial and managerial capability," the Commission should deny LTS' request for a certificate to provide telecommunications services in Florida.

VII. Questions that Should be Asked of LTS

39. In the alternative, if the Commission decides to move forward with LTS'
Application, AT&T Florida respectfully submits that LTS should be required to provide
responses to the following questions prior to the Commission's consideration of its Application:

- a. Who is the "incumbent local exchange company" that LTS is relying on for the technical capability criteria for operating the company as a CLEC in Florida?
- b. Has LTS entered an agreement with that "incumbent local exchange company" in which it agreed to provide LTS with its technical expertise in running a telecommunications company?
- c. Does LTS have any employee or consultant who has the technical experience, education or training to operate telecommunications service?
- d. Does either Thomas M. Armstrong or William Kloss have any ownership interest in any other CLEC(s) certificated in Florida or any other state other than those CLECs identified in LTS' application?
- e. Has LTS applied for CLEC certification in any state other than Florida?
- f. Two CLECs owned and operated by Thomas M. Armstrong and William Kloss chose to have their services disconnected by AT&T Florida rather than cure their nonpayment contract breaches. Does LTS have sufficient financial resources to fulfill its financial obligations to the ILEC(s) it plans to purchase service from?
- g. What, if any, notification did Express Phone and Digital Express provide their customers of the potential for disconnection of their services, and when was such notification provided?
- h. Does LTS intend to use the customer lists from Express Phone and/or Digital Express to market its service?
- i. Does LTS have separate bank accounts, customer service phone numbers, employees, billing systems, office space, etc., from Express Phone and Digital Express?

VIII. Conclusion

40. Based upon the foregoing, it is clear that LTS lacks "sufficient technical, financial and managerial capability" to be issued a certificate to provide competitive local exchange services in Florida. Accordingly, the Commission should deny its application.

WHEREFORE, for the reasons set forth above, AT&T Florida respectfully requests that the Commission enter an Order denying LTS' Application for a CLEC Certificate, or

alternatively, that the Commission investigate LTS' Application further including by requiring LTS to submit answers to the questions listed above.

Respectfully submitted this 2nd day of August, 2012.

AT&TFLORIDA

Suzanne L. Montgomery

Authorized House Counsel No. 94116

Tracy W. Hatch

c/o Gregory R. Follensbee 150 South Monroe Street

Suite 400

Tallahassee, Florida 32301

(305) 347-5558

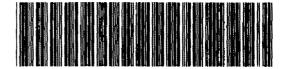
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SECRETARY OF STATE



TO: Registration Sec	dian.	j.	À .
Division of Corp			
SUBJECT: LTS of	Rocky Moun	t. LLC ·	
SUBJECT:		Name of Limited Liability Company	
		• • •	
		Liability Company for Authorization to Transact Business in Flori he above referenced foreign limited liability company to transact b	
Please return all correspo	ndence concerning thi	s matter to the following:	
Thom	nas M. Armstrong	g	
	· ·	Name of Person	_
LTS o	f Rocky Mount, L		
		Firm/Company	
1803	W. Fairfield Dr.,	, Unit 1	
		Address	
Pensa	acola, Fl 32501		
***************************************		City/State and Zip Code	
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tom.a	rmstrong.sr@	ss: (to be used for future annual report notification)	
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For further information co	oncerning this matter,	please call:	
Thomas M.	. Armstrong	at (850) 291-6415	
	Name of Person	Area Code & Daytime Telephone Number	,
MAILING ADI	DRESS:	STREET ADDRESS:	
Division of Corp	orations	Division of Corporations	
Registration Sec	tion	Registration Section	
P.O. Box 6327		Clifton Building	
Tallahassee, FL	32314	2661 Executive Center Circle	
•		Tallahassee, FL 32301	

\$155.00 Filing Fee & Certified Copy

\$160.00 Filing Fee, Certificate of Status & Certified Copy

Enclosed is a check for the following amount: \$125.00 Filing Fee \$\times \text{Certificate of Status}



FLORIDA DEPARTMENT OF STATE Division of Corporations

June 29, 2012

THOMAS M. ARMSTRONG 1803 W. FAIRFIELD DRIVE, UNIT 1 PENSACOLA, FL 32501

SUBJECT: LTS OF ROCKY MOUNT, LLC

Ref. Number: W12000034918

We have received your document for LTS OF ROCKY MOUNT, LLC and your check(s) totaling \$125.00. However, the enclosed document has not been filed and is being returned for the following correction(s):

The document must contain the name, title, and business address of each managing member or manager who will manage the foreign limited liability company in the state of Florida. Please insert "MGRM" in the title portion for each managing member and "MGR" in the title portion for each manager.

Please return your document, along with a copy of this letter, within 60 days or your filing will be considered abandoned.

If you have any questions concerning the filing of your document, please call (850) 245-6051.

Leslie Sellers Regulatory Specialist II

Letter Number: 112A00017775

APPLICATION BY FOREIGN LIMITED LIABILITY COMPANY FOR AUTHORIZATION TO TRANSACT BUSINESS IN FLORIDA

IN COMPLIANCE WITH SECTION 608503, FLORIDA STATUTES, THE FOLLOWING IS SUBMITTED TO REGISTER A FOREIGN LIMITED LIABILITY COMPANY TO TRANSACT BUSINESS IN THE STATE OF FLORIDA:

1.	LTS of Rocky Mount, LLC.
	(Name of Foreign Limited Liability Company; must include "Limited Liability Company," "L.L.C.," or "LLC.")
CO	name unavailable, enter alternate name adopted for the purpose of transacting business in Florida and attach a copy of the writtensent of the managers or managing members adopting the alternate name. The alternate name must include "Limited Liability mpany," "L.L.C," "LLC.")
	North Carolina 3. 56-2187914 Jurisdiction under the law of which foreign limited liability (FEI number, if applicable) company is organized)
4.	12/20/1999 5 Perpetual (Date of Organization) (Duration: Year limited liability company will cease to exist or "perpetual")
	Have not transacted business in Florida. (Date first transacted business in Florida, if prior to registration.) (See sections 608.501 & 608.502 F.S. to determine penalty liability) 1803 W. Fairfield Drive, Unit 1
	Pensacola, FL 32501 (Street Address of Principal Office)
	If limited liability company is a manager-managed company, check here The name and usual business addresses of the managing members or managers are as follows:
	Thomas M Armstrong or William Kloss
	1803 W Fairfield Drive, Unit 1 Pensacola, FL 32501
the	Attached is an original certificate of existence, no more than 90 days old, duly authenticated by the official having custody of records injurisdiction under the law of which it is organized. (A photocopy is not acceptable. If the certificate is in a foreign language, a station of the certificate under oath of the translator must be submitted.)
11	. Nature of business or purposes to be conducted or promoted in Florida: For the purpose or operating and managing
,	a telephone and related services company and conducting or fromoting any other lawful business.
٠	Signature of a member or an authorized representative of a member. (In accordance with section 608.408(3), F.S., the execution of this document tensitates an affirmation under the penalties of perjury that the facts stated herein are true. I am aware that any false information submitted in a document to the Department of State constitutes a third degree felony as provided for in s.817.155, F.S.) Thomas M Armstrong
	Typed or printed name of signee

CERTIFICATE OF DESIGNATION OF REGISTERED AGENT/REGISTERED OFFICE

PURSUANT TO THE PROVISIONS OF SECTION 608.415 or 608.507, FLORIDA STATUTES, THE UNDERSIGNED LIMITED LIABILITY COMPANY SUBMITS THE FOLLOWING STATEMENT TO DESIGNATE A REGISTERED OFFICE AND REGISTERED AGENT IN THE STATE OF FLORIDA.

1. The name of the Limited Liability Comp	oanv is:	
LTS of Rocky Mount, LLC	•	
If unavailable, the alternate to be used in the	e state of Florida is:	
2. The name and the Florida street address	of the registered agent and office are:	***************************************
Thomas M. Armstrong		
	(Name)	
1803 W Fairfield Dr.,	Unit 1	
Florida Street Add	iress (P.O. Box NOT ACCEPTABLE)	
Pensacola	FL 32501 City/State/Zip	_
Having been named as registered agent and the liability company at the place designated in the agent and agree to act in this capacity. I further relating to the proper and complete performate obligations of my position as registered agent with the complete performance of the compl	his certificate, I hereby accept the appoint ther agree to comply with the provisions of ance of my duties, and I am familiar with t as provided for in Chapter 608, Florida	ntment as registered of all statutes and accept the
\$ 100.00 \$ 25.00 \$ 30.00 \$ 5.00	Filing Fee for Application Designation of Registered Agent Certified Copy (optional) Certificate of Status (optional)	JUL -6 PM 1: 39 RETARY OF STATE AHASSEE, FLORID

Docket No. 120201-TX Exhibit 1, Secretary of State Filing Page 6 of 6



NORTH CAROLINA Page 6 of 6 Department of the Secretary of State

CERTIFICATE OF EXISTENCE (Limited Liability Company)

I, Elaine F. Marshall, Secretary of State of the State of North Carolina, do hereby certify that

LTS OF ROCKY MOUNT, LLC

is a limited liability company duly formed under the laws of the State of North Carolina, having been formed on the 30th day of December, 1999, with its period of duration being 12/31/2029.

I FURTHER certify that the said limited liability company's articles of organization are not suspended for failure to comply with the Revenue Act of the State of North Carolina; that the said limited liability company is not administratively dissolved for failure to comply with the provisions of the North Carolina Limited Liability Company Act; and that the said limited liability company has not filed articles of dissolution as of this date of this certificate.





Scan to verify online.

Certification# 93002121-1 Reference# 11105962- Page: I of 1 Verify this certificate online at www.secretary.state.nc.us/verification

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at the City of Raleigh, this 20th day of June, 2012.

Elaine & Marshall

Secretary of State

Docket No. 120201-TX Exhibit 2, Contract Renegotiation Letter Page 1 of 2

LTS OF ROCKY MOUNT, LLC 1803 W. FAIRFIELD DRIVE, UNIT 1 PENSACOLA, FL 32501 850-291-6415 850-308-1151 (fax) tom.armstrong.sr@gmail.com

July 24, 2012

VIA U.S. MAIL

AT&T Local Service Specialist 600 North 19th Street 10th Floor Birmingham, AL 35203 and

Business Markets Attorney Suite 4300 675 West Peachtree Street Atlanta, GA 30375

Re: LTS of Rocky Mount, LLC Interconnection Agreement Renegotiation

LTS of Rocky Mount, LLC (LTS) and BellSouth Telecommunications, Inc. (AT&T) entered into a Wholesale Resale Agreement (Agreement) with an effective date of February 21, 2008 and expiration date of February 20, 2013. Section 2.2 of the Agreement establish the dates for commencing negotiations for a replacement agreement as no earlier than May 26, 20102 and no later than August 24, 2012. Section 20.1 of the Agreement establishes notices are to be delivered to AT&T at the addresses above.

LTS of Rocky Mount, LLC, in accordance with the aforementioned sections of the Agreement, hereby provides this notice to AT&T of LTS' intent to negotiate a replacement agreement to be effective beginning on the expiration date referenced above.

AT&T's response to this notice and any future notice with regard to the current Agreement should be addressed to:

LTS of Rocky Mount, LLC ATTN: Tom Armstrong 1803 W. Fairfield Drive, Unit 1 Pensacola, FL 32501

Inquiries regarding this notice may be directed to Tom Armstrong at 850-291-6415 or tom.armstrong.sr@gmail.com.

Sincerely,

Thomas M. Armstrong

President

LTS of Rocky Mount, LLC 1803 W. Fairfield Dr, Unit 1 Pensacola Fl 32501 PENSACDIA FL 325



Business Markets Attorney Suite 4300 675 West Peachtree Street Atlanta GA, 30375

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