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# BINGHAM

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June 6, 2014

Via Electronic Filing

Ann Cole, Commission Clerk Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0850

## Re: Notification Regarding the Assignment of Certain Retail Telecommunications Services and Customers of Cypress Communications Operating Company, LLC to Network Billing Systems, LLC

Dear Ms. Cole:

Network Billing Systems, LLC ("NBS") and Cypress Communications Operating Company, LLC ("Cypress" and together with NBS, the "Parties"), hereby notify the Florida Public Service Commission ("Commission") of the planned assignment of certain retail telecommunications services and customers of Cypress to NBS (the "Transaction"). It is the Parties' understanding that Commission approval is not required to complete the Transaction described herein. Accordingly, the Parties submit this letter for informational purposes only to ensure the continuing accuracy of the Commission's records. In support of this filing, the Parties provide the following information:

## **Description of the Parties**

## A. <u>Network Billing Systems, LLC</u>

NBS is a New Jersey limited liability company with a principal office located at 155 Willowbrook Boulevard, Wayne, New Jersey 07470. NBS is a wholly owned subsidiary of FNAC, a Delaware corporation. FNAC is a direct wholly owned subsidiary of Fusion Telecommunications International, Inc. ("Fusion" and together with its subsidiaries, the "Company"), a publicly-held Delaware corporation (OTCQB: FSNN) with principal offices located at 420 Lexington Avenue, Suite 1718, New York, New York 10170. Its services include international voice services for carriers and a variety of voice and data services for businesses, including Hosted Voice over Internet Protocol ("VoIP") and Session Initiated Protocol ("SIP") Trunking services, and other enhanced communications services and features.

In Florida, NBS (Utility Code TY047) is authorized to provide competitive local exchange telecommunications services pursuant to CLEC Certificate No.8816 issued in

Beijing Boston Frankfurt Hartford Hong Kong London Los Angeles New York Orange County San Francisco Santa Monica Silicon Valley Tokyo Washington

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Docket No. 110055-TX.<sup>1</sup> NBS is also authorized by the FCC to provide interstate and international telecommunications services.

#### B. Cypress Communications Operating Company, LLC

Cypress is a Delaware limited liability company and wholly owned indirect subsidiary of Broadvox, Inc. ("Broadvox"), an Ohio corporation. Cypress has a principal place of business at 4 Piedmont Center, Suite 600, 3565 Piedmont Road, Atlanta, Georgia 30305. Broadvox's principal place of business is 75 Erieview Plaza, Suite 400, Cleveland, Ohio 44114.

Cypress provides voice and data telecommunications services as well as unregulated information services to small- and medium-sized business customers. The regulated services being acquired by NBS are retail business circuits that Cypress provides via resale arrangements with other carriers to certain of its retail business customers in order to supplement other unregulated services purchased by those customers. To Cypress's knowledge, these business circuits are generally used as fax lines and not for voice services, but may be used for other services such as credit card processing, security systems, systems' monitoring and other applications where a traditional LEC analog telephone line would be preferred. In Florida, Cypress (Utility Code TS195) is authorized to provide shared tenant service pursuant to STS Certificate No. 7449.<sup>2</sup> Cypress is also authorized by the FCC to provide interstate and international telecommunications services. Cypress is evaluating whether, based on the services Cypress will continue to provide, it will need its authorization to provide intrastate telecommunications following completion of the Transaction. Cypress may seek to withdraw its authorization upon completion of that evaluation, but does not seek to do so as part of this filing.

#### **Contacts**

Questions or any correspondence, orders, or other materials pertaining to this filing should be directed to the following:

<sup>&</sup>lt;sup>1</sup> NBS (Utility Code TJ158) was also authorized to provide interexchange telecommunications services pursuant to IXC Certificate 5730 granted in Docket No. 980960, which services have since been deregulated.

<sup>&</sup>lt;sup>2</sup> Cypress (Utility Code TJ680) was also authorized to provide interexchange telecommunications pursuant to IXC Certificate No. 8177and IXC Registration TJ860, which services have since been deregulated.

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#### For NBS:

Jean L. Kiddoo Brett P. Ferenchak Bingham McCutchen LLP 2020 K Street, N.W., Suite 1100 Washington, DC 20006-1806 202-373-6697 (tel) 202-373-6001 (fax) jean.kiddoo@bingham.com brett.ferenchak@bingham.com

For Cypress:

Eugene Blumin Chief Operating Officer Broadvox, Inc. 75 Erieview Plaza, Suite 400 Cleveland, OH 44114 216-373-4605 (tel) 216-373-4655 (fax) eblumin@broadvox.com

#### With copies to:

Gordon Hutchins, Jr. President and Chief Operating Officer Fusion Telecommunications International, Inc. 420 Lexington Avenue, Suite 1718 New York, NY 10170 212-201-2424 (tel) 212-972-7884 (fax) dhutchins@fusiontel.com

#### With copies to:

Alex Gertsburg, Esq. The Gertsburg Law Firm 36 South Franklin Street Chagrin Falls, OH 44022 440-571-7777 (tel) 440-571-7779 (fax) ag@gertsburglaw.com

#### **Description of the Transaction**

Pursuant to an Asset Purchase and Sale Agreement between Fusion, Fusion BVX LLC (a direct subsidiary of FNAC) ("FBVX"), BroadvoxGo!, LLC (an affiliate of Cypress and wholly owned subsidiary of Broadvox) and Cypress Communications, LLC (the direct parent company of Cypress) (together, the "Sellers"), NBS will acquire the regulated retail business services and customers (including the customer accounts and contracts) of Cypress that are associated with Sellers' unregulated business that FBVX is acquiring from Sellers. The telecommunications services received by the affected customers from Cypress are only a small portion of the services provided to such customers by Sellers and/or their affiliates or subsidiaries. Further, as stated above, such telecommunications services are believed to be primarily used by the affected customers to send and receive faxes.

In the interest of assuring seamless and uninterrupted service, all of the assigned customers will continue to receive telecommunications service from NBS under the same rates, terms and conditions of service as were previously provided by Cypress and the transaction will be seamless to customers. Future changes in the rates, terms and conditions of service to the affected customers will be undertaken pursuant to customer contracts and the applicable federal and state notice and tariff requirements. In accordance with the terms of their service contracts and the rules and procedures of the Commission and FCC, affected customers will be properly notified of the Transaction and the change in their telecommunications services provider from Cypress to NBS. A sample of the customer notice is provided as <u>Exhibit A</u>.

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#### **Public Interest Considerations**

The Parties submit that the Transaction described herein will serve the public interest. The Transaction will result in the transfer of retail business services and customers from a company that intends to focus on the wholesale communications market to a company, NBS, that has a proven history of providing high quality retail telecommunications services (along with other communications services) to business customers. NBS's operations are overseen by a well-qualified management team with substantial telecommunications experience and technical expertise. In addition, the Transaction is structured to assure an orderly transition of customers from Cypress to NBS. Affected customers will be properly notified of the Transaction and the change in their telecommunications services provider from Cypress to NBS. In addition, immediately following consummation of the Transaction, NBS will continue to provide service to customers pursuant to its existing authorizations with no immediate change in their rates or terms and conditions of service. The Transaction, therefore, will be virtually transparent and seamless to the affected customers in terms of the services they currently receive.

\* \* \* \*

Please acknowledge receipt of this filing. Should you have any questions concerning this filing, please do not hesitate to contact Brett Ferenchak at 202-373-6697.

Respectfully submitted,

## /s/ Brett P. Ferenchak

Jean L. Kiddoo Brett P. Ferenchak Bingham McCutchen LLP 2020 K Street, N.W., Suite 1100 Washington, DC 20006-1806 202-373-6697 (tel) 202-373-6001 (fax) jean.kiddoo@bingham.com brett.ferenchak@bingham.com

Counsel for Network Billing Systems LLC

Eugene Blumin Chief Operating Officer Broadvox, Inc. 75 Erieview Plaza, Suíte 400 Cleveland, OH 44114 216-373-4605 (tel) 216-373-4655 (fax) eblumin@broadvox.com

For Cypress Communications Operating Company, LLC

# EXHIBIT A

Sample Customer Notice Letter





June 6, 2014

#### Dear Valued Customer:

On December 31, 2013, Fusion Telecommunications International, Inc. and Fusion BVX LLC (together, "Fusion") and BroadvoxGo! and Cypress Communications (together, "Broadvox") reached an agreement pursuant to which Fusion acquired the business operations of Broadvox that provide your telecommunications services, including the analog business line(s) provided to you by Cypress Communications Operating Company, LLC ("Cypress"). As you should be aware from previous communications, Fusion and its operating subsidiary, Network Billing Systems LLC ("NBS"), which also will conduct business using the brand name "Fusion", are doing everything possible to assure that you continue to receive the same great service and dedication to your telecommunications needs. Your services will remain the same, with the same rates, features, terms and conditions as you currently enjoy.

Any future changes to your service will be made in compliance with your contract, service terms and regulatory requirements. You are currently receiving a monthly invoice from NBS for your Hosted Voice Over Internet Protocol ("VoIP"), SIP Trunking services, Internet access and other enhanced services, along with your analog business line(s). Until NBS and Cypress have satisfied certain federal and state regulatory requirements, Cypress will remain the provider of your analog business line(s), even though NBS will act as a billing and customer service agent for Cypress and be the provider of your other communications services. Depending on the state of your service location(s), the specific date(s) that NBS will become the provider of your analog business line(s) may differ somewhat based on when we satisfy certain regulatory requirements but will be no sooner than July 6, 2014.

This change of provider of your analog business line(s) will be completely seamless for you, and you do not need to do anything in order for it to occur. NBS will take care of all the details and will be responsible for any change fees associated with transferring your service. However, it is important that you be aware of the following information. You are responsible for continued payment of your monthly recurring and usage charges throughout this period. Unless you exercise your right, subject to the terms of your service contract, to switch your analog business line(s) to a different telecommunications company prior to the date that such services are transferred to NBS,<sup>1</sup> your analog business line service(s) will automatically be transferred without service interruption from Cypress to NBS.<sup>2</sup> In addition, if you paid a deposit or prepayment, it will be transferred to your NBS account.

Our mission at Fusion is to provide superior products and services to all our customers, and we thank you for your continued support. If you have any questions regarding your current services or invoices, or if you would like more information about the transaction or the transfer of the service provider of your analog business line(s) from Cypress to NBS, please call NBS customer service toll-free at 888-301-1721.

We at Fusion and NBS look forward to serving you.

Sincerely,

Russell Markman

Russell Markman EVP – Business Services Network Billings Systems, LLC d/b/a Fusion

Pete Sandrev

Pete Sandrev EVP – General Manager of STS Cypress Communications Operating Company, LLC

<sup>&</sup>lt;sup>1</sup> If for any reason you should choose another telephone provider for your analog business line(s) you will need to contact that carrier directly to arrange for the change before NBS becomes your provider. Generally, you can find a list of alternative providers in the telephone book or from your state public utility regulatory agency. Please note that you may incur service initiation fees from a new provider such as service order, installation and other similar charges associated with establishing a new service account.

<sup>&</sup>lt;sup>2</sup> If you have previously arranged for a preferred carrier "freeze" on your analog business line, NBS will suspend that freeze in order to make the transfer and reinstate it upon completion of a transfer to NBS. If you have selected an alternate local telephone provider for your analog business line(s) prior to a transfer to NBS, you will need to have that provider reinstate your preferred carrier freeze.

**Verifications** 

# VERIFICATION

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I, Gordon Hutchins, Jr., state that I am President and Chief Operating Officer of Fusion Telecommunications International, Inc. and a corporate officer of its subsidiaries (collectively, the "Company"), including Network Billing Systems, LLC; that I am authorized to make this Verification on behalf of the Company; that the foregoing filing was prepared under my direction and supervision; and that the contents with respect to the Company are true and correct to the best of my knowledge, information, and belief.

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Gordon Hutchins, Jr. President and Chief Operating Officer Fusion Telecommunications International, Inc.

Sworn and subscribed before me this day of January, 2014.

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Notary Public

My commission expires

Sonja Sykes-Minor District of Columbia, Notary Public My Commission Expires October 14, 2014



STATE OF OHIO	§
	§
COUNTY OF CUYAHOGA	§

## VERIFICATION

I, Eugene Blumin, state that I am Chief Operating Officer of Broadvox, Inc. and a corporate officer of its subsidiaries (collectively, the "Company"), including Cypress Communications Operating Company, LLC; that I am authorized to make this Verification on behalf of the Company; that the foregoing filing was prepared under my direction and supervision; and that the contents with respect to the Company are true and correct to the best of my knowledge, information, and belief.

Eugene Blumin Chief Operating Officer Broadvox, Inc.

Sworn and subscribed before me this 25th day of April, 2014.

Notary Public

NADINE J. EZZIE, Auoroey NOTARY PUBLIC - STATE OF OHIO

My commission expires My commission has no expiration date

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