

September 22, 2003



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COMMISSION

Via Registered Mail

Tom Dorman
Executive Director
Public Service Commission
P.O. Box 615
Frankfort, KY 40602

IN RE: CHANGE OF OWNERSHIP

Dear Mr. Dorman:

This letter is furnished to you pursuant to Administrative Case No. 370 to inform you that Delta Phones, Inc. ("Delta Phones") changed ownership as of December 20, 2002 through a stock transfer. Delta Phones became certificated to provide local exchange telecommunication services in the state of Kentucky on February 6, 2002 (Case No. 00242), and has been incorporated in Kentucky since October 16, 2000.

More specifically, this notice relates to the transfer of control of Delta Phones through the execution of a stock transfer transaction. Under the stock transfer, ownership in Delta Phones changed from its present owners to the new shareholders, M & T Capital Group, LLC, a Delaware limited liability company ("M & T"). The principals in M & T are myself Mr. Richard Tolan, and Mr. Fallean Mintz. Both Mr. Mintz and I bring many years of experience in the competitive communications industry to Delta Phones.

The stock transfer and ownership change was transparent to Delta Phones' customers because the company name remained Delta Phones, Inc., our financial records remained in the company's headquarters in Delhi, Louisiana, and the rates, terms and conditions of service to our customers remained exactly the same as before the ownership change. All contact with Delta Phones will continue to be handled by its Manager of Regulatory Affairs, Ms. Rhonda Walters located in Delhi, Louisiana and who can be reached at 1.888.220.9138, ext. 2303.

Indeed, the change in ownership has and will continue to result in a net benefit to current and future customers of Delta Phones because of the significant experience of the new owners in the competitive telecommunications industry. Also, Delta Phones already possesses a staff of highly trained personnel supporting its prepaid local exchange telecommunication operations.

The transaction was effectuated using a combination of debt and equity, and in a manner ensuring that Delta Phones is in the best possible financial position. In addition, the new owners are committed to developing and marketing new and innovative products and services that will result in net benefits to both Delta Phones' customers and the state of Kentucky through the existence of a well-funded competitive telecommunications carrier offering high quality competitive services at low prices.

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Finally, pursuant to 807 KAR 5:011, the new owners of Delta Phones have continued to operate using the same rates, classifications, and administrative regulations utilized by the former owners prior to the change in ownership. In fact, since the company name and address remained the same after the change in ownership, there is no need to change the first page of the tariff sheet. ~~The new owners are also filing effective September 22, 2003, the required Adoption Notice. Please see the enclosed.~~

*No adoption notice needed. Name will remain Delta Phones, Inc.
per conversation with Richard Tolan on 9-26-03. RW*

Should you have any questions regarding this stock transfer and ownership change, or any other issue with respect to the operations of Delta Phones, please do not hesitate to call me at 866-824-9308.

Respectfully,



Richard Tolan
President
M & T Capital Group, LLC

C: Rhonda Walters

ADOPTION NOTICE

The undersigned M & T Capita Group, LLC of the state of Delaware hereby adopts, ratifies, and makes its own, in every respect as if the same had been originally filed and posted by it, all tariffs and supplements containing rates, rules and regulations for furnishing telecommunications services in the Commonwealth of Kentucky, filed with the Public Service Commission of Kentucky by Delta Phones, Inc. of Delhi, Louisiana and in effect on the 18th day of December, 2002, the date on which the public service business of the said Delta Phones, Inc. was taken over by it.

This notice is issued on the 22nd day of September, 2003, in conformity with 807 KAR 5:011, Section 11, of the Regulations for the filing of Tariffs of Public Utilities with the Public Service Commission of Kentucky.

By


Richard Tolan

President
M & T Capital Group, LLC

Authorized by KY P.S.C. Order No. _____