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MEMORANDUM

DEC 06 10 43 AM '01  
ARIZONA CORPORATION COMMISSION  
DOCKET CONTROL

TO: Docket Control  
Arizona Corporation Commission

THRU: Matt Rowell *MR*  
Chief  
Economics and Research

FROM: Ernest G. Johnson *EGJ/For*  
Director  
Utilities Division

DATE: December 6, 2001

RE: **APPLICATION CANCELLATION - IN THE MATTER OF THE APPLICATION OF EFFICY GROUP, INC. FOR CANCELLATION OF ITS CERTIFICATE OF CONVENIENCE AND NECESSITY. (DOCKET NO. T-03484A-01-0562)**

Attached is the Staff Report for the above referenced application. Staff is recommending cancellation of the CC&N without a hearing.

Originator: Anthony Gatto

Attachment: Original and Ten Copies

Arizona Corporation Commission  
**DOCKETED**

DEC 07 2001

DOCKETED BY *ase*

Service List for: Efficacy Group, Inc.  
Docket No. (T-03484A-01-0562)

Kaye Davis  
Regulatory Manager  
16 Hyland Road  
Suite D  
Greenville, South Carolina 29615

Mr. Christopher C. Kempley  
Chief, Legal Division  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007

Mr. Ernest G. Johnson  
Acting Director, Utilities Division  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007

Ms. Lyn Farmer  
Director, Hearing Division  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007

STAFF REPORT  
UTILITIES DIVISION  
ARIZONA CORPORATION COMMISSION

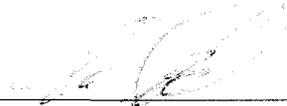
EFFICY GROUP, INC.  
DOCKET NO. T-03484A-01-0562

IN THE MATTER OF THE APPLICATION OF  
EFFICY GROUP, INC. FOR  
CANCELLATION OF ITS CERTIFICATE OF CONVENIENCE  
AND NECESSITY

DECEMBER 6, 2001

## STAFF ACKNOWLEDGEMENT

The Staff member designated below contributed elements of this Staff Report.



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Anthony Gatto  
Public Utility Analyst IV

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Introduction:

On July 13, 2001, Efficy Group Inc. ("Efficy" or "Applicant") filed with the Commission a letter requesting cancellation of its Certificate of Convenience and Necessity ("Certificate").

Background and Staff Analysis:

Efficy was approved to offer competitive telecommunications services in Arizona as a reseller of interexchange service in Decision No. 61167. Efficy, on July 13, 2001, sent a letter to the Commission requesting cancellation of its CC&N within the State of Arizona due to the asset purchase on August 22, 2000, by Access Point, Inc. Efficy is no longer doing business, does not service any intrastate customers and no prepayments, deposits, or advances would be at risk by cancellation of Efficy's CC&N.

Since Efficy does not serve any Arizona customers and there are numerous other carriers offering similar services, Staff believes that granting this application for cancellation is in the public interest.

Recommendations:

Staff recommends cancellation of Efficy's Certificate of Convenience and Necessity.

Staff further recommends that the application be approved without a hearing.



RECEIVED

2001 JUL 13 P 1:52

ARIZONA CORPORATION COMMISSION  
DIRECTOR OF UTILITIES

ARIZONA CORPORATION COMMISSION  
RECEIVED  
JUL 13 2001  
Director of Utilities

December 21, 2000

Arizona Corporation Commission  
Utilities Division  
1200 West Washington  
Phoenix, Arizona 85007-2996

**T-03484A-01-0562**

*T-03484A-01-0744  
6167 cancel*

To Whom It May Concern:

Efficy Group, Inc. 16 Hyland Road Suite D, Greenville, SC 29615 is requesting to withdraw our Certificate of Convenience & Necessity in your state due to the asset purchase of our company by Access Point, Inc. 1100 Crescent Green Suite 109, Cary, NC 27511. The purchase was effective on August 22, 2000, and Efficy Group, Inc. is no longer conducting business as a telecommunications company. Attached are the first page and the signature page of the asset agreement.

Please feel free to call me with any questions you may have regarding this withdrawal and/or purchase.

Sincerely,

*Kaye Davis*  
Kaye Davis  
Regulatory Manager

ARIZONA CORPORATION COMMISSION  
RECEIVED  
JUL 16 2001  
Director of Utilities

16 Hyland Road  
Suite D  
Greenville, South Carolina 29615

864.675.1125  
888.533.3429  
864.675.5817 fax

## ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT ("*Agreement*") is made and entered into as of April 26, 2000, by and among Access Point, Inc., a North Carolina corporation (the "*Buyer*" or "*API*"), Access Point Communications, Inc., a Delaware corporation ("*APC*"), and Efficacy Group, Inc., a South Carolina corporation (the "*Target*"). The Buyer and the Target are sometimes hereinafter referred to collectively as the "*Parties*."

This Agreement contemplates a transaction in which the Buyer will purchase substantially all of the assets (and assume certain of the liabilities) of the Target in return for the Purchase Price.

Now, therefore, in consideration of the premises and the mutual promises herein made, the representations, warranties and covenants herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows.

### 1. Definitions.

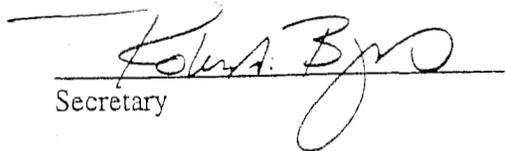
"*Acceptable Accounts Receivable*" has the meaning set forth in Section 2(c)(ii) below.

"*Accredited Investor*" has the meaning set forth in Regulation D promulgated under the Securities Act.

"*Acquired Assets*" means all right, title and interest in and to any and all of the assets of the Target other than the Excluded Assets (as hereinafter defined), including without limitation all of its (a) real property, leaseholds and subleaseholds therein, improvements, fixtures and fittings thereon, and easements, rights-of-way and other appurtenances thereto (such as appurtenant rights in and to public streets), (b) tangible personal property (such as machinery, equipment, inventories of raw materials and supplies, goods in process and finished goods, furniture, fixtures and automobiles), (c) Intellectual Property, goodwill associated therewith, licenses and sublicenses granted and obtained with respect thereto, and rights thereunder, remedies against infringements thereof, and rights to protection of interests therein under the laws of all jurisdiction, (d) leases, subleases and rights thereunder, (e) contracts, indentures, agreements and mortgages for borrowed money, instruments of indebtedness, Security Interests, guaranties, other similar arrangements, and rights thereunder, (f) accounts, notes and other receivables, (g) securities, (h) claims, deposits, prepayments, refunds, causes of action, choses in action, rights of recovery, rights of set off and rights of recoupment, (i) franchises, approvals, permits, licenses, orders, registrations, certificates, variances and similar rights obtained from governments and governmental agencies, (j) books, records, ledgers, files, documents, correspondence, lists, plats, architectural plans, drawings and specifications, creative materials, advertising and promotional materials, studies, reports and other printed or written materials, (k) Cash and (l) all agreements with customers and distributors; *provided, however*, that the Acquired Assets shall not include (i) the corporate charter, qualifications to conduct business as a foreign corporation, arrangements with registered agents relating to foreign qualifications, taxpayer and other identification numbers, seals, minute books, stock transfer books, blank stock certificates and other documents relating to the organization, maintenance and existence of the Target as a corporation, (ii) any Employee Benefit Plan maintained by the Target or any

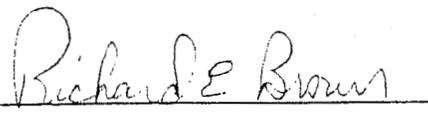
IN WITNESS WHEREOF, the Parties hereto have executed this Agreement under seal as of the date first above written.

ATTEST:

  
Secretary

[Corporate Seal]

ACCESS POINT, INC.

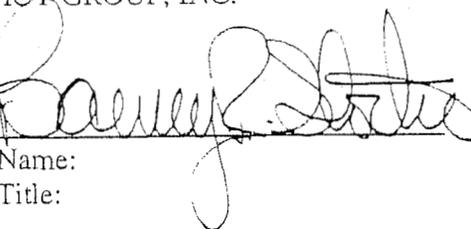
By:   
Name:  
Title:

ATTEST:

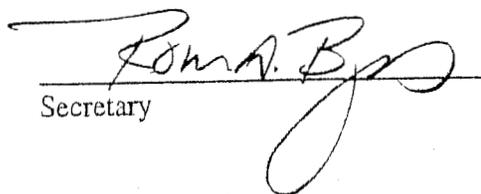
  
Secretary

[Corporate Seal]

EFFICY GROUP, INC.

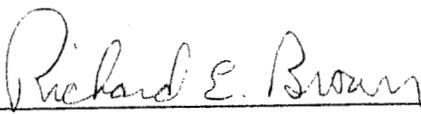
By:   
Name:  
Title:

ATTEST:

  
Secretary

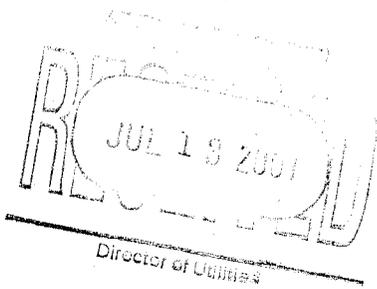
[Corporate Seal]

ACCESS POINT COMMUNICATIONS,  
INC.

By:   
Name:  
Title:



December 21, 2000



Arizona Corporation Commission  
1300 West Washington  
Phoenix, Arizona 85007-2996

To Whom It May Concern:

Attached is our Application for Certificate of Withdrawal to do business in your state due to the asset purchase of our company on August 22, 2000 by Access Point, Inc. 1100 Crescent Green Suite 109, Cary, NC 27511.

Please feel free to call me with any questions you may have regarding this withdrawal and/or purchase.

Sincerely,

A handwritten signature in cursive script that reads "Kaye Davis".

Kaye Davis  
Regulatory Manager

16 Hyland Road  
Suite D  
Greenville, South Carolina 29615

864.675.1125  
888.533.3429  
864.675.5817 fax

APPLICATION FOR WITHDRAWAL

OF

Efficy Group, Inc.

A South Carolina Corporation  
[state, province or country]

- The name of the foreign corporation is Efficy Group, Inc.  
It is incorporated under the laws of South Carolina  
[state, province or country]
- The foreign corporation is not transacting business/conducting affairs in this state and does hereby surrender its authority to do so in this state.
- The foreign corporation does hereby revoke the authority of its statutory agent to accept process on its behalf and does hereby appoint the Arizona Corporation Commission as its agent for service of process in any proceeding based on a cause of action arising during the time it was authorized to transact business/conduct affairs in this state.
- Upon receipt of any process served upon it on behalf of the foreign corporation, the Arizona Corporation Commission is requested to mail a copy to:

16 Hyland Road  
Suite D  
Greenville, SC 29615

- The foreign corporation will notify the Arizona Corporation Commission in the future of any change in the mailing address of the foreign corporation.

***This application will not be complete until the Arizona Corporation Commission has received from the department of revenue a notice that all transaction privilege taxes have been paid or are not due and a certificate from the department of revenue that all income tax returns have been filed and taxes paid.***

DATED this 19 day of December, 192000

Efficy Group, Inc  
[Name of Corporation]

By Kay Davis  
Kay Davis Secretary  
[name] [title]

TRANSACTION PRIVILEGE, USE AND SEVERANCE TAX (TPT-1)

0900

82611



ARIZONA DEPARTMENT OF REVENUE  
PO BOX 29010, PHOENIX, AZ 85078-9010

MAILING ADDRESS CORRECTION REQUESTED  
THIS RETURN MUST BE FILED EVEN IF YOU HAD NO SALES

FINAL RETURN

AUTO \*\*\*\*\* MIXED AADC 852  
EFFICY GROUP, INC  
C/O ESTES TERRESSA  
16 HYLAND RD STE D  
GREENVILLE SC 29615-5756

100 STATE LICENSE NO 07 562678-C  
EIN: 58-2303393  
TAXPAYER IDENTIFICATION NO.  
EIN  
SSN  
PERIOD COVERED FROM 0700 THROUGH 0800  
PAGE 1 OF 1  
QUARTERLY FILING FREQ.  
TRAN CODE 00  
PAY TYPE 00  
BD#



Check if mailing address has changed

Business Description	LINE	Region Code	Bus. Class	COLUMN 1		COLUMN 2		COLUMN 3 x COLUMN 4 = COLUMN 5		COLUMN 3 x COLUMN 6 = COLUMN 7	
				Gross	Deductions	= Net Taxable	x Tax Rate	= Tax Amount	Accounting Credit Rate	Account Credit	
COMMUNICATIONS	1	MAR	05	1991.99	0	1991.99	.0570	1135.23			
COMMUNICATIONS	2	MOH	05	116.97		116.97	.0525	6.14	NA	NA	
COMMUNICATIONS	3	PMA	05	455.5		455.5	.0500	22.78	NA	NA	
COMMUNICATIONS	4	PNL	05	116.3		116.3	.0600	7.00	NA	NA	
COMMUNICATIONS	5	STC	05	34.31		34.31	.0550	1.89			
COMMUNICATIONS	6	YAV	05	205.31		205.31	.0570	11.70			
APACHE JUNCTION	7	AJ	00	116.3		116.3	.030	3.50			
KINEMAN	8	KM	00	17.50		17.50	.020	3.50			
WICKENBURG	9	WB	00	37.01		37.01	.010	3.70			
	10										
	11										
	12										
SUBTOTAL	13	***	**	2471.63	0	2471.63	NA	137.30	NA		
STATE EXCESS	14	TTT	09	ENTER EXCESS STATE TAX COLLECTED			(+)		.01000		
OTHER EXCESS	15	TTT	10	ENTER OTHER EXCESS TAX COLLECTED			(+)		NA	NA	
GRAND TOTAL	16	TTT	20				(=)	137.30	NA		
	17			ENTER ACCOUNTING CREDIT		25	(-)	0.60	NA	NA	
	18			PENALTY & INTEREST		30	(+)		NA	NA	
	19			ENTER TOTAL LIABILITY		35	(=)		NA	NA	
	20			ENTER CLAIMED CREDIT		40	(-)		NA	NA	
	21			NA				NA	NA	NA	
	22			ENTER NET AMOUNT YOU OWE		99	(=)	137.34	NA	NA	

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

*Terressa Estes - Inv Spec* 10/20/00  
Taxpayer's Signature Date

Paid Preparer's Signature (other than taxpayer)

Paid Preparer's EIN or SSN

TRANSMISSION VERIFICATION REPORT

TIME : 05/07/2001 03:45

DATE, TIME	05/07 03:43
FAX NO./NAME	16025424870
DURATION	00:01:09
PAGE(S)	04
RESULT	OK
MODE	STANDARD ECM