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February 11, 2005

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Federal Communications Commission
Office of Secretary

VIA COURIER

Ms. Marlene H. Dortch
Federal Communications Commission
Office of the Secretary
c/o Natek, Inc.
236 Massachusetts Avenue, NE
Suite 110
Washington, DC 20002

**Re: IDS Telcom Corp. and IDS Telcom, LLC
CC Docket No. 00-257
Notification Regarding Acquisition of Customers**

Dear Ms. Dortch:

IDS Telcom Corp. ("New IDS"), through undersigned counsel, hereby notifies the Commission, pursuant to 47 C.F.R. § 64.1120(e), of the impending transfer of the customer base and certain related assets of IDS Telcom, LLC ("Old IDS," together with New IDS, the "Parties") to New IDS.¹

Names of the Parties to the Transaction: The acquiring carrier is IDS Telcom Corp., a newly created, direct wholly owned subsidiary of Cleartel Communications, Inc. and an indirect subsidiary of MCG Capital Corporation. IDS Telcom, LLC will no longer provide telecommunications services following the proposed transaction.

Types of Telecommunications Services Provided to Affected Customers: The services being provided to the customers being transferred include long distance and local services.

Date of the Transfer: The Parties plan to transition Old IDS's customers to New IDS as soon as possible, subject to receiving all required State regulatory approvals. The Parties are seeking to close the transaction on or about March 31, 2005. **[PLEASE CONFIRM]**

¹ The Parties understand that FCC approval of the proposed transaction is required pursuant to Section 214 of the Communications Act, as amended. 47 U.S.C. § 214. Those requirements will be addressed by separate filing.

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M. Marlene H. Dortch

February 11, 2005

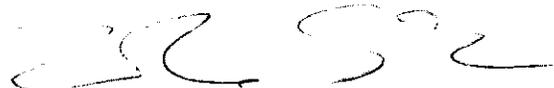
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Certification of Compliance: New IDS certifies by this verified letter that it is completing the transaction in compliance with the requirement to provide advance subscriber notice in accordance with § 64.1120(e)(3).

Copy of Notice Sent to Affected Subscribers: A copy of the notice New IDS plans to send to affected subscribers, in compliance with the amended rules, is appended hereto.

An original and four (4) copies of this letter are submitted herewith. Please date stamp the enclosed extra copy of this letter and return it in the envelope provided. Questions regarding this filing may be directed to the undersigned.

Sincerely,



Catherine Wang

Edward S. Quill, Jr.

SWIDLER BERLIN LLP

3000 K Street, NW, Suite 300

Washington, DC 20007-5116

(202) 424-7500 (Tel)

(202) 424-7645 (Fax)

cc: Scott Kellogg (New IDS)
Angel Leiro (Old IDS)

Form of Customer Notification

**DRAFT
FORM OF NOTICE**

Dear Valued IDS Customers,

We are pleased to announce an asset purchase agreement between IDS Telcom, LLC and IDS Telcom Corp., a Cleartel Communications company. This agreement will become effective and IDS Telcom Corp. will become your service provider on or about March 31, 2005.

During the past twelve months we've worked hard to create new product offerings and streamline provisioning and customer service processes. The end result is a stronger communications company to serve you better.

There are several assurances we want to make to you, our highly valued customer. First, especially in today's marketplace, IDS Telcom Corp., a Cleartel Communications company is committed to meeting the highest possible customer service standards.

Second, we can assure you that the hundreds of fine employees at IDS Telcom Corp. are committed to providing our customers with the best in telecommunications quality and services. Additionally and perhaps most importantly, Cleartel has the experience and resources to ensure that IDS Telcom Corp. meets your telecommunications needs. Cleartel Communications is a national Competitive Local Exchange Carrier, operating in over twenty nine states. Our mission is providing exceptional value through superior customer support and advanced services.

It's also important for you to know:

- The services you have paid for will not be impacted as a result of this agreement.
- Your existing rates and charges will not be changed as a result of this transaction.
- You will still pay for/renew your services in the same way you do today

We recognize that you have the right to choose your telephone service provider. If you do choose another provider you may incur installation or carrier change charges. If you stay with Old IDS, however, you will not incur any such charges for the transfer to IDS Telcom Corp. Further, you will not need to take any action for the transfer to IDS Telcom Corp. to occur (Additionally we will maintain any preferred carrier freeze you may have).

If you have any questions about this notice or problems with your current service, please call IDS at 1-888-707-6500. To ensure a seamless transition of service, please note that IDS Telcom Corp. intends to keep that same number after the transition.

We appreciate your business and your commitment to IDS during this transitional time. The future looks bright as we move forward with new bundled local/long distance products, Internet services including web hosting and broadband internet solutions to residential and small business customers.

Sincerely,

IDS Telcom Corp.

IDS Telcom, LLC

Verification

CERTIFICATION OF APPLICANT

On behalf of IDS Telcom, LLC, I hereby certify upon penalty of perjury that I am Chief Executive Officer of IDS Telcom, LLC and that the statements in the foregoing filing are true, complete, and correct to the best of my knowledge and are made in good faith.

By:



Name:

Joseph C. Millstone

Title:

Chief Executive Officer

Date:

2/01/05

CERTIFICATION OF APPLICANT

On behalf of IDS Telcom Corp., I hereby certify upon penalty of perjury that I am Associate General Counsel and Assistant Secretary of IDS Telcom Corp. and that the statements in the foregoing filing are true, complete, and correct to the best of my knowledge and are made in good faith.

By:



Name:

Scott Kellogg

Title:

Associate General Counsel and Assistant Secretary

Date:

4/27/05