

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Joint) Application No. C-2525
Application of Claricom Networks,)
Inc., Shelton Connecticut;)
Claricom Holdings, Inc. and)
Staples Inc., Framingham,) GRANTED
Massachusetts; Stacom Holdings,)
LLC and Platinum Equity, LLC,)
Los Angeles, California, seeking)
approval of a purchase and sale)
agreement and related transactions.) Entered: August 21, 2001

BY THE COMMISSION:

On May 2, 2001, a joint application was filed by Claricom Networks, Inc. (Claricom), Shelton, Connecticut; Claricom Holdings, Inc. (Seller) and Staples Inc. (Staples), Framingham, Massachusetts; Stacom Holdings, LLC (Buyer) and Platinum Equity, LLC (Platinum), Los Angeles, California, seeking approval of a purchase and sale agreement and related transactions. Notice of the application was published in The Daily Record, Omaha, Nebraska, on May 4, 2001. No protests were filed; therefore, this application is processed pursuant to the Commission's Rule of Modified Procedure.

O P I N I O N A N D F I N D I N G S

THE PARTIES:

Claricom is a wholly-owned subsidiary of Seller, organized under the laws of Delaware, with its principal offices located in Shelton, Connecticut. Claricom is a provider of intrastate inter-exchange telecommunications services in the state of Nebraska pursuant to Application No. C-1151. Claricom is certificated as a telecommunications reseller in 48 states and as a competitive local exchange carrier in 23 states. Claricom also provides interstate and international telecommunications services pursuant to the authorities granted to them by the Federal Communications Commission.

Claricom Holdings, Inc., is a Delaware corporation and the holder of 100 percent of the outstanding shares of capital stock of Claricom. Staples, Inc. is a Delaware Corporation and the holder of 100 percent of the outstanding capital stock of Claricom Holdings, Inc. By this application, applicants seek Commission approval of the proposed agreement to sell of the ownership interests of Claricom held by Claricom Holdings, Inc. to Stacom Holdings, LLC. Staples is a party to the agreement and approves of the sale.

Stacom Holdings, LLC, is a limited liability company organized under the laws of Delaware with its principal office located in California. A copy of the certificate of formation is included within the application. Stacom is a holding company organized for the purpose of holding the ownership interests of Claricom Networks, Inc.

Platinum Equity, LLC, is a Delaware limited liability company which was formed as a vehicle for the acquisition of companies and is the ultimate parent of the Buyer. Platinum is a privately-held information technology company with 16 subsidiaries and operations in more than 100 countries. Platinum is the parent company of Matrix Telecom, Inc., which is a telecommunications service provider in the state of Nebraska. For the immediate future, Matrix and Claricom will both continue to operate in Nebraska, serving different markets. Platinum is a party to the agreement and approves of the purchase.

DESCRIPTION OF THE TRANSACTION:

On March 27, 2001, Claricom Holdings, Inc.; Staples, Inc.; Stacom Holdings, LLC and Platinum Equity, LLC entered into a purchase and sale agreement. Pursuant to the agreement, Claricom will be converted into a limited liability company and all of the outstanding membership interests in Claricom will be transferred from Seller to Buyer. As a result of the transfer, Claricom will become a wholly-owned subsidiary of Buyer, whose ultimate parent company is Platinum.

Claricom will remain a separate operating company. The proposed transaction will have no impact on the customers of Claricom. Nebraska customers will notice no change in name, address, contact information, services, rates or terms and conditions of service after the transaction is consummated. All technical aspects of the provision of telecommunication services will be handled in the same manner and by the same individuals who provide technical support for Claricom today.

Upon consideration of the application, the governing statutes and rules, and being fully informed, the Commission is of the opinion and finds the application should be granted.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application No. C-2525 be, and it is hereby, granted.

IT IS FURTHER ORDERED that Claricom, within 30 days of the close of the transaction, file an amended tariff reflecting any change in the rates, terms or conditions, if such changes are made.

MADE AND ENTERED at Lincoln, Nebraska, this 21st day of August, 2001.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Lowell Johnson

James S. Sauer
Chairman

Lewell F. Vay

ATTEST:

Anne C. Boyle

And S. Pollack

Executive Director

Frank E. Landis

//s//Frank E. Landis

