

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Joint) Application No. C-3862
Petition of Matrix Telecom,)
Dallas, Texas, and Americatel)
Corporation, Miami, Florida, and)
Startec Global Operating) GRANTED
Company, Rockville, Maryland,)
seeking approval of certain)
financing arrangements and a Pro)
Forma Reorganization.) Entered: November 6, 2007

BY THE COMMISSION:

On September 19, 2007, a joint application was filed by Matrix Telecom, (Matrix) Dallas, Texas, and Americatel Corporation, (Americatel), Miami, Florida, and Startec Global Operating Company (Startec), Rockville, Maryland, seeking approval of certain financing arrangements and a Pro Forma Reorganization. Notice of the application was published in The Daily Record, Omaha, Nebraska, on September 20, 2007. 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

Upon consideration of the application, the evidence submitted, and being fully advised, the Commission is of the opinion and finds:

Matrix is a Texas corporation with its principle office located in Dallas, Texas. Applicant is a reseller of telecommunications services, including local exchange service. Matrix is authorized as a reseller of local exchange service pursuant to Docket C-3397¹ on June 28, 2005 and for interexchange services in Docket C-865 on February 19, 1991.

Americatel is a Delaware corporation with its principle office located in Miami, Florida. Applicant is authorized to operate as a reseller of interexchange telecommunications services in Nebraska. Americatel was authorized to operate in Nebraska in Docket No. C-1719 on February 18, 1998.²

¹ See *In the matter of the Application of Matrix Telecom, Inc., Oklahoma City, Oklahoma, seeking a Certificate of Public Convenience and Necessity to Operate as a Reseller of Local Exchange Telecommunications Services within the state of Nebraska.* (June 28, 2005).

² See *In the Matter of the Application of Americatel Corp., d/b/a 10 123 Americatel and 1010 123 Americatel of Miami, Florida, seeking authority to*

Startec is a Delaware corporation with its principle office located in Rockville, Maryland. Applicant holds a Certificate of Public Convenience and Necessity to provide resold interexchange telecommunications services granted in Docket C-3783 on May 1, 2007, originally granted to Startec Global Licensing Company in Docket C-3258 on November 3, 2004.³

Applicants seek approval and authority to amend, restate, and refinance certain existing debt financing arrangements of long-term indebtedness pursuant to Neb. Rev. Stat. §75-148, which states in pertinent part,

A common carrier may issue stock, bonds, notes, or other evidence of indebtedness, payable at periods of more than twelve months after the date thereof, when necessary for the acquisition of property, the construction, completion, extension or improvement of facilities, the improvement or maintenance of its service, or the discharge or lawful refunding of its obligations if the common carrier first secures from the Commission an order authorizing such issue and the amount thereof and stating that in the opinion of the Commission the use of the capital to be secured by the issue of such stock, bonds, notes, or other evidence of indebtedness is reasonably required for the purposes of the carrier.

The debt financing arrangement proposed would involve Applicants pledging their assets as collateral for the debt. Additionally, the parents of the Applicants will pledge the stock of the Applicants to secure their and their subsidiaries' obligations in connection with the A&R Credit Agreement and related loan documents. Applicants will be jointly and severally co-borrowers and the credit facility will be guaranteed by certain subsidiaries and parents.

operate as an interexchange carrier of telecommunications services within the state of Nebraska, (February 18, 1998).

³ See *In the Matter of the Joint Application of Startec Global Communications Corporation and Startec Global Operating Company, Rockville, Maryland, seeking authority Nunc Pro Tunc for a Pro Forma Corporate Restructuring, (May 1, 2007).*

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In addition, in connection with this financing arrangement and as required by the loan documents, Startec will implement a minor corporate reorganization under which Startec Global Communications Company (SGCC) will become a direct subsidiary of Americatel and SGCC's current subsidiaries including Startec will become indirect subsidiaries of Americatel, without affecting the ultimate control of Startec by Platinum equity.

Based upon the above information, the Commission finds the application to be in the public interest and to be reasonably required for the purposes of Startec, Matrix, Americatel, and their parent company, Platinum Equity. Therefore, the application should be granted.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application No. C-3862 be, and is hereby, granted.

MADE AND ENTERED at Lincoln, Nebraska, this 6th day of November, 2007.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Gerald L. Vop
Rene C. Boyle
Tim Schram

Chairman

ATTEST:

Rod Johnson
Executive Director

//s// Rod Johnson
//s// Frank E. Landis