

Defendants.

**FINAL ORDER: COMPLAINT NO. 004
DISMISSED**

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Subsequent to the complaint's filing, the parties filed a joint motion dated May 4, 1993 requesting that the Commission enter an order dismissing the complaint. In the motion, the parties incorporated a Settlement Agreement which establishes:

1. Participation in the Settlement Agreement does not constitute an admission by the Defendants of any of the allegations contained in the Complaint.

2. As part of the settlement, the Defendants agree to the following terms and conditions:

A. Neither Global Wats One, Inc. nor Telefriend, Inc. shall promote or offer itself as an intrastate long distance telecommunications carrier in the State of Nebraska absent having received a certificate of authority to do so from the Nebraska Public Service Commission.

B. Neither Global Wats One, Inc. nor Telefriend, Inc. shall advertise or charge rates for intrastate long distance telecommunications services except pursuant to and in accordance with a tariff which has been filed with the Commission either on its own behalf as an authorized intrastate long distance carrier or as a marketer on behalf of an intrastate long distance carrier possessing the requisite operating authority.

C. With respect to marketing the services of International Telecommunications Exchange Corporation ("INTEX"), Global Wats One, Inc. and Telefriend, Inc. are bound by the terms and conditions of the order entered in Application No. C-982/Departmental Complaint No. 003 on April 19, 1993.

D. Global Wats One, Inc. and Telefriend, Inc. recognize that intrastate long distance carriers must be found fit to hold authority as a legally operating carrier and multi-level marketing is one of the factors currently considered by the Commission to determine fitness.

E. Any network representative ("ICR") who cancels the ICR Agreement with Telefriend, Inc./Global Wats One, Inc. may return promotional materials for a refund pursuant to the Agreement attached as Exhibit A.

F. Any subscriber who has contracted through an ICR for the service of INTEX may still be switched to INTEX.

G. This Settlement Agreement binds the corporate officers of Global Wats One, Inc. and Telefriend, Inc. in the same manner it binds Global Wats One, Inc. and Telefriend, Inc.

The Commission finds the Settlement Agreement to be reasonable and the joint motion to dismiss the departmental complaint should be granted; the Defendants should therefore be released from

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liability for the violations alleged in the departmental complaint.

O R D E R

IT IS THEREFORE ordered by the Nebraska Public Service Commission that Application No. C-983/Departmental Complaint No. 004 filed against Telefrend, Inc. and Global Wats One, Inc. and their officers be dismissed by the terms and conditions set forth in the Settlement Agreement made between the Commission's Communications Department and the Defendants.

IT IS FURTHER ordered that the Defendants abide by the terms and conditions set forth in the Settlement Agreement and described at page 2 of this order.

IT IS FURTHER ordered that the hearing scheduled for May 10, 1993 be cancelled.

IT IS FINALLY ordered that the Defendants are released from liability for the violations alleged in the departmental complaint, the Defendants not having admitted to any of the allegations contained therein.

MADE AND ENTERED at Lincoln, Nebraska this 4th day of May, 1993.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING

Duane D. Gay
Rod Johnson
Frank Landis
James Munnelly
Daniel Urwiller


Chairman

ATTEST:

