

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application) Application No. C-1297
of Affinity Fund, Inc. and Affinity)
Corporation of Waukesha, Wisconsin)
for authority to merge Affinity) GRANTED
Fund, Inc. into and with Affinity)
Corporation.) Entered: March 26, 1996

PRELIMINARY MATTERS

On February 21, 1996, an application was filed by Affinity Fund, Inc. and Affinity Corporation of Waukesha, Wisconsin for authority to merge Affinity Fund, Inc. into and with Affinity Corporation. Notice of the application was published in the Omaha Daily Record on February 22, 1996. No protests were received; therefore, we will process this application 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

Affinity Fund, Inc. (Fund) obtained a Certificate of Public Convenience and Necessity from the Commission pursuant to Application C-914 on April 7, 1992 to provide intrastate interexchange services. Fund is a closely held Florida corporation whose principal offices are in Waukesha, Wisconsin. No departmental or formal complaints are pending against the company.

Affinity Corporation is a closely held Wisconsin corporation whose principal offices are in Waukesha, Wisconsin. Affinity Corporation does not possess a Certificate of Public Convenience and Necessity from the Nebraska PSC; however, the company is certificated by the FCC and several state jurisdictions.

The proposed merger is requested as customers are often confused by the word "Fund" in the corporate name, Affinity Fund, Inc. Therefore, Fund is changing its name through the proposed merger to Affinity Corporation. The applicant believes that this modification will enhance marketing efforts.

Pursuant to this transaction, Affinity Fund will merge into and with Affinity Corporation. Affinity Corporation will be the surviving corporate entity. Accordingly, business will be conducted under the name Affinity Corporation after the merger is complete.

Affinity Corporation will provide service to all customers previously served by Fund and will notify all current customers of the merger by a separate mailing or by a bill insert.

Application No. C-1297

PAGE TWO

The officers, directors and shareholders, as well as the technical, managerial and financial personnel of Affinity Fund will remain with Affinity Corporation after the merger.

Affinity Corporation has received a certificate to operate as a foreign corporation from the Nebraska Secretary of State and supplied a copy of the Articles of Merger, as well as independent audited financial statements for the years ending 1993 and 1994.

The financial information raises concerns about the company's ability to continue as a going concern. Measures were undertaken by the company to address this problem in 1994 and 1995. However, we believe it is necessary to actively monitor the status of the company to ensure that it is operating in the public's interest. Therefore, we mandate that quarterly financial statements be submitted to the Commission for the period of one (1) year. At that time, a decision will be made whether ongoing statements are necessary.

Upon consideration of the application, the governing statutes and rules, and being fully informed, the Commission is of the opinion and finds the merger of Affinity Fund, Inc. into and with Affinity Corporation is fair and reasonable, is in the public interest and should be granted.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application C-1297 be, and it is hereby granted and the merger of Affinity Fund, Inc. into and with Affinity Corporation is hereby approved.

IT IS FURTHER ORDERED that Affinity Corporation shall file annually, in accordance with the applicable statutes, a report with this Commission consisting of (a) a copy of any reports filed with the Federal Communications Commission and the Security and Exchange Commission, (b) the annual report to stockholders, and (c) for the State of Nebraska on a combined interstate-intrastate basis, the investment in telephone plant and equipment located within the state, accumulated depreciation thereon, operating revenues, expenses and taxes by April 30th of each year.

IT IS FURTHER ORDERED that Affinity Corp. file quarterly financial statements, including an balance sheet and profit and loss statement with the Commission through March, 1997.

IT IS FURTHER ORDERED that Affinity Corp. file an updated tariff with the Commission within the next thirty (30) days.


Application No. C-1297

PAGE THREE

MADE AND ENTERED at Lincoln, Nebraska, this 26th day of March, 1996.



NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:


//s//Rod Johnson
//s//Frank E. Landis
//s//James F. Munnelly
//s//Daniel G. Urwiller

Chairman

ATTEST:



Executive Director

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION
