

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Application    ) Application No. C-3712  
of Yak Communications (America)    )  
Inc., Toronto, Ontario, Yak        )  
Communications Inc., Toronto,     ) GRANTED  
Ontario, Yaktastic Inc., Tampa,   )  
Florida, seeking approval of a    )  
change in ownership of an         )  
authorized telecommunications     )  
provider.                            ) Entered: December 5, 2006

BY THE COMMISSION:

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

By application filed October 23, 2006, Yak Communications (America) Inc. (Yak America), of Toronto, Ontario, Yak Communications Inc. (Yak), of Toronto, Ontario, and Yaktastic Inc. (Yaktastic), of Tampa, Florida, seek approval of a change in ownership of an authorized telecommunications provider. Notice of this application appeared in the Daily Record, Omaha, on October 25, 2006. No protests or interventions were filed; therefore, the Commission processes this application pursuant to its rule of Modified Procedure.

The parties:

Yaktastic is a newly formed corporation organized under the laws of the State of Delaware. Yaktastic is 100 percent owned by Mr. Anthony Lopez. Neither Yaktastic nor Mr. Lopez holds any authorizations to provide telecommunications services.

Yak America is a corporation organized under the laws of the State of Florida. Yak America is a direct, wholly owned subsidiary of Yak. Yak American is authorized to provide resold interexchange telecommunications services in all of the contiguous 48 states and the District of Columbia. The services offered by Yak America include basic 1+ long distance services, 10-10 casual calling services and calling card services. In Nebraska Yak American is authorized to provide intrastate resold long distance telecommunications services pursuant to Docket No. C-2963.

Yak is a publicly held Florida company. The president and CEO of Yak is a Canadian citizen who holds 25 percent of the stock and is the only shareholder with an interest of 10 percent or greater. Yak recently announced that its Board of Directors approved and agreed to support a cash tender offer by Globalive Communications Corp. (Globalive) to acquire all outstanding

shares of Yak's common stock. Yak intends to close the sale of Yak America to Yaktastic before consummating the sale of its common stock to Globalive.

The transaction:

Pursuant to the terms of a Stock Purchase Agreement (Agreement), Yaktastic will purchase from Yak all of the issued and outstanding shares of capital stock of Yak America. As a result, Yak America will become a direct wholly-owned subsidiary of Yaktastic.

Yak America will continue to offer its customers the same services at the same rates, terms and conditions presently offered. Accordingly, the transaction will be generally transparent to customers. The day-to-day operations of Yak America including its existing management team and technical qualifications will not change as a result of this transaction. Yak America will continue to operate under its same name and operating authorities as present. Yak America will continue to have the financial resources necessary to provide quality telecommunications services to Nebraska consumers.

Based on the evidence, we find the application to be fair and reasonable and in the public interest. The application should be granted.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application No. C-3712 be and it is hereby granted.

MADE AND ENTERED at Lincoln, Nebraska, this 5<sup>th</sup> day of December, 2006.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Chairman

ATTEST:

Executive Director