

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Joint) Application No. C-3806
Application of Yestel USA, Inc.,)
Lomita, California, and TTUSA) GRANTED
Acquisition, Inc., Seattle,)
Washington, seeking approval of)
a stock purchase agreement.) Entered: June 12, 2007

BY THE COMMISSION:

On May 8, 2007, an application was filed by Yestel USA, Inc. ("Yestel"), Lomita, California, and TTUSA Acquisition, Inc. ("TTUSA"), Seattle, Washington, (together with Yestel, the "Applicants") seeking approval of a stock purchase agreement whereby TTUSA will acquire 100% of the stock of Yestel. Notice of the application was published in The Daily Record, Omaha, Nebraska, on May 10, 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

The Parties:

Yestel is a California corporation with principal offices located in Lomita, California. Yestel provides resold interexchange telecommunications services in Nebraska under and by virtue of authority heretofore granted by this Commission.¹

Matrix states that it is a corporation duly organized and existing under and by virtue of the laws of the State of California, with its principal place of business located in Seattle, Washington.

Description of the Transaction:

According to the application, on December 27, 2005, Yestel and TTUSA entered into an Asset Purchase Agreement ("Agreement") whereby substantially all of the telecommunications assets of Yestel will be purchased by TTUSA. The stock of Yestel is included as an asset in the agreement; however, the Applicants do not seek authority to transfer operating authority, assets, or Yestel customers. Instead, the application seeks approval of

¹ See Application No. C-3665, *In the Matter of the Application of Yestel USA, Inc., Lomita, California, seeking authority to operate as a resale carrier of intrastate interexchange telecommunication services within the State of Nebraska*. Granted (March 6, 2007).

a stock purchase agreement only. Each Yestel customer will continue to be served by Yestel pursuant to Yestel's current certification and operating authority. Yestel will become a wholly-owned subsidiary of TTUSA.

The Applicants anticipate a seamless transition and the transaction will be transparent to Yestel's customers. The Applicants state that Yestel's name, rates and service offerings will not change as a result of the proposed transaction. There will be no interruption of service, the physical assets, property, and personnel of Yestel will remain the same after the transfer. Finally, the customer service numbers for billing and service problems, liaison with the Commission staff and tariffed rates will remain the same.

The Applicants state that the transaction is in the public interest because the proposed transaction will result in net benefits to Yestel customers by strengthening the financial status of Yestel. The transaction will enhance Yestel's ability to offer a broad range of innovative products and services.

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-3806 be, and it is hereby, granted.

MADE AND ENTERED at Lincoln, Nebraska, this 12th day of June, 2007.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Chairman

ATTEST:

Executive Director