

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Joint)	Application No. C-4365
Application of Value-Added)	
Communications, Inc., Plano,)	
Texas, and Global Tel*Link)	
Corporation, Mobile, Alabama,)	GRANTED
seeking authority to transfer)	
control and assets of Value-)	
Added Communications, Inc. to)	
Global Tel*Link Corporation.)	Entered: July 26, 2011

BY THE COMMISSION:

On May 23, 2011, an application was jointly filed by Value-Added Communications, Inc. ("Value-Added"), of Plano, Texas, and Global Tel*Link Corporation ("GTL"), of Mobile, Alabama, (collectively "Applicants"), seeking approval of a transfer of control and assets of Value-Added to GTL. Notice of the application was published in The Daily Record, Omaha, Nebraska, on May 26, 2011. 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:

Value-Added is a Delaware corporation with principal offices located in Plano, Texas. Value-Added is authorized to provide interexchange telecommunications services in Nebraska under and by virtue of authority heretofore granted by this Commission.¹ Value-Added currently provides managed inmate telecommunication services in Nebraska.

GTL is a Delaware corporation with its principal place of business located in Mobile, Alabama. GTL is a wholly owned direct subsidiary of GTEL Holdings, Inc. ("GTEL Holdings"). GTL is authorized to provide interexchange telecommunications services in Nebraska under and by virtue of authority heretofore granted by this Commission.² GTL provides managed inmate telecommunication services in Nebraska.

Description of the Transaction:

According to the application, on April 19, 2011, GTL and Value-Added entered into a Stock Purchase Agreement whereby GTL

¹ See Authority Docket C-4252 (April 13, 2010).

² See Authority Docket C-1501 (May 28, 1997).

will purchase all of the issued and outstanding shares of the common stock of Value-Added, representing 100% of the equity interest in Value-Added. Following the stock purchase and necessary regulatory approvals, the assets of Value-Added will be transferred to GTL. GTL plans to operate the companies separately for a period of time, until integration can be accomplished in a transparent manner with no negative impacts on end users.

The Applicants state the proposed transaction will have no effect on GTL's or Value-Added's current rates, terms, or conditions for its managed inmate services in Nebraska. Both Applicants will continue to operate its facilities and provide service to its customers at the same rates, terms and conditions in Nebraska as it does currently. The Applicants state the transaction will be transparent to customers of both entities. Key members of the management of Value-Added will remain in place after the proposed transaction is consummated.

The Applicants state that the transaction is in the public interest because it will advance economic efficiency by enabling GTL to expand its business and achieve economies of scale, strengthening the Applicants' ability to expand their offerings and services. The Applicants further state the transaction will strengthen their competitive position to the benefit of Nebraska consumers and the telecommunications marketplace.

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-4365 be, and it is hereby, granted.

MADE AND ENTERED at Lincoln, Nebraska, this 26th day of July, 2011.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Chairman
ATTEST:

Executive Director

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COMMISSIONERS CONCURRING:

Reel Jensen
Steve Boyfe
Gerald Skyp
//s//Frank E. Landis
//s//Tim Schram

Tim Schram
Chairman
ATTEST:

Shirley J. [Signature]
Executive Director