

**BEFORE THE TENNESSEE REGULATORY AUTHORITY AT
NASHVILLE, TENNESSEE**

September 24, 2002

IN RE:

**APPLICATION OF COUNSEL SPRINGWELL LLC AND
WORLDXCHANGE CORP. FOR APPROVAL OF
TRANSFER OF AUTHORITY**

**DOCKET NO.
02-00883**

ORDER APPROVING TRANSFER OF AUTHORITY

This matter came before Chairman Sara Kyle, Director Pat Miller, and Director Ron Jones of the Tennessee Regulatory Authority (the "Authority" or "TRA"), the voting panel assigned to this docket, at the regularly scheduled Authority Conference held on September 9, 2002 for consideration of the *Application* of Counsel Springwell Communications LLC ("Counsel Springwell") and WorldxChange Corp. ("WorldxChange"), pursuant to the provisions of Tenn. Code Ann. § 65-4-113, for approval of a transfer of the authority to provide utility services currently held by WorldxChange.

Requirement of and Standards for Authority Approval

Tenn. Code Ann. § 65-4-113 requires a public utility to obtain Authority approval to transfer its authority to provide utility services. Tenn. Code Ann. § 65-4-113(a) provides as follows:

- (a) No public utility, as defined in § 65-4-101, shall transfer all or any part of its authority to provide utility services, derived from its certificate of public convenience and necessity issued by the authority, to any individual, partnership, corporation or other entity without first obtaining the approval of the authority.

Tenn. Code Ann. § 65-4-113(b) provides the standards by which the Authority shall consider an application for transfer of authority, in pertinent part, as follows:

(b) Upon petition for approval of the transfer of authority to provide utility services, the authority shall take into consideration all relevant factors, including, but not limited to, the suitability, the financial responsibility, and capability of the proposed transferee to perform efficiently the utility services to be transferred and the benefit to the consuming public to be gained from the transfer. . . .

The Application

In the *Application*, which was filed on August 22, 2002, Counsel Springwell and WorldxChange request Authority approval of an intracorporate reorganization resulting from a debt restructuring at the holding company level. This debt restructuring will result in a change in ownership of all of the stock of WorldxChange's direct parent.

According to the *Application*, Counsel Springwell is a Delaware limited liability company that is a majority-owned indirect subsidiary of Counsel Corporation, a publicly traded Canadian corporation that specializes in investments, including investments in communications companies. Counsel Springwell currently holds an indirect majority interest in WorldxChange through a majority interest in I-Link, Incorporated ("I-Link"), WorldxChange's corporate parent. WorldxChange and I-Link also have outstanding loan obligations to Counsel Springwell.

The *Application* states that WorldxChange is a Delaware corporation whose principal offices are located in San Diego, California. WorldxChange is a wholly-owned subsidiary of CPT-1 Holdings, Inc., which is a wholly-owned subsidiary of WebToTel, Inc., which is in turn a wholly owned subsidiary of I-Link. WorldxChange was granted authority to provide telecommunications services in Tennessee by Order dated August 1, 2000 in Docket No. 00-00104.

According to the *Application*, as part of the proposed debt restructuring, Counsel Springwell will acquire a one hundred percent (100%) indirect interest in WorldxChange in exchange for, and in satisfaction of, a portion of its current loans to I-Link. Thus, complete indirect ownership of WorldxChange will be transferred from I-Link to Counsel Springwell.

Public Interest Considerations

The *Application* states that the proposed restructuring will not result in a change in the ultimate control of majority ownership of WorldxChange. Further, the proposed restructuring will not affect the day-to-day operation or management of WorldxChange and will be entirely transparent to customers of WorldxChange. The *Application* maintains that the proposed restructuring will serve the public interest.

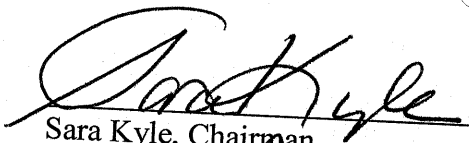
Findings

The voting panel considered this matter at the September 9, 2002 Authority Conference. Based upon careful consideration of the *Application* and of the entire record of this matter, the voting panel finds and concludes as follows:

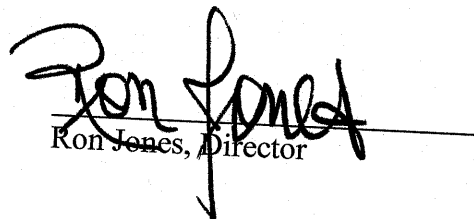
1. The Authority has jurisdiction over the subject matter of this *Application* pursuant to Tenn. Code Ann. § 65-4-113;
2. WorldxChange Corp. has been granted authority to provide telecommunications services in Tennessee;
3. Complete indirect ownership of WorldxChange Corp. will be transferred from I-Link, Incorporated to Counsel Springwell Communications LLC, resulting in a transfer of the authority granted WorldxChange Corp. to provide utility services; and
4. The transfer of authority will benefit the consuming public.

IT IS THEREFORE ORDERED THAT:

The *Application* of Counsel Springwell Communications LLC and WorldxChange Corp.
for approval of the transfer of authority described herein is approved.


Sara Kyle, Chairman


Pat Miller, Director


Ron Jones, Director