

Company ID: 114371
Intellicall Operator Services, Inc. d/b/a ILD
16200 Addison Road, Suite 100
Addison, TX 75001-5350

BEFORE THE TENNESSEE REGULATORY AUTHORITY
Nashville, TN September 28, 1999

IN RE: CASE NUMBER: 99-00493

Intellicall Operator Services, Inc. d/b/a ILD name change from Intellical Operator Services, Inc.

---ORDER---

This matter is before the Tennessee Regulatory Authority upon the petition of Intellical Operator Services, Inc. to change its company name. The TRA considered this request at their regularly scheduled Conference held on September 28, 1999 and concluded that the applicant has met all the TRA requirements for changing their name.

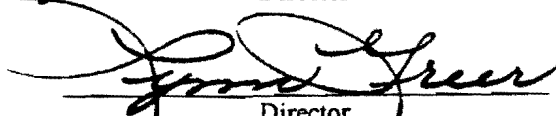
Pursuant to § T.C.A. 65-4-113,

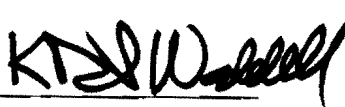
IT IS THEREFORE ORDERED:

1. That the petition of Intellical Operator Services, Inc. to change its name to Intellical Operator Services, Inc. d/b/a ILD is approved.
2. That Intellical Operator Services, Inc. d/b/a ILD is authorized as an operator service provider and/or reseller of telecommunications services for state-wide service in Tennessee as specified in its application on file with the Authority.
3. That said company shall comply with all applicable TRA rules and regulations.
4. That this order shall be retained as proof of certification with this Authority, and may be used to obtain appropriately tariffed service and billing arrangements from Authority authorized telecommunications service providers.


Chairman


Director


Director

ATTEST: 
Executive Secretary

GERRY, FRIEND & SAPRONOV, LLP

ATTORNEYS AT LAW

SUITE 1450

THREE RAVINIA DRIVE

ATLANTA, GEORGIA 30346-2131

(770) 399-9500

FACSIMILE (770) 395-0000

EMAIL: gfslaw@gfslaw.com

REC'D TN
REGULATORY AUTH.

'99 JUN 29 PM 12 23

OFFICE OF THE
EXECUTIVE SECRETARY

No Filing Fee

June 28, 1999

VIA OVERNIGHT MAIL

Mr. David Waddell, Secretary
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37219

Re: Intellicall Operator Services, Inc. ("IOS")

Dear Mr. Waddell:

This letter is to formally notify the Tennessee Regulatory Authority (the "TRA") that [REDACTED] a Delaware corporation certificated to provide local exchange telecommunications service within the State of Tennessee,¹ has adopted the assumed name "ILD". In the future, [REDACTED]. Documents evidencing IOS' registration of this assumed name with the Tennessee Secretary of State are attached hereto at Exhibit "A".


In addition, enclosed please find the following:

- (i) IOS' Small and Minority-owned Business Participation Plan, pursuant to Section 65-5-212 of the Tennessee Code (attached hereto at Exhibit "B"); and
- (ii) IOS' IntraLATA Toll Dialing Parity Plan (attached hereto at Exhibit "C").

Finally, we have included fourteen (14) copies of the above-described materials. Please file these materials in your usual fashion and return one (1) file-stamped copy to us in the enclosed envelope.

16200 Addison Rd
Suite 100
Addicks, TX 75001-5350

Sincerely,


Michael K. Stewart

NANCY 

Co. #114371

¹The TRA previously granted a Certificate of Authority to resell local exchange telecommunications services within the State of Tennessee to Interlink Telecommunications, Inc., IOS' predecessor-in-interest, in Case No. 97-0916 dated July 9, 1997. The TRA approved the merger of IOS and Interlink in Case No. 98-00008 dated August 7, 1998.

EXHIBIT "A"

REGISTRATION OF ASSUMED NAME

Secretary of State

Corporations Section

James K. Polk Building, Suite 1800

Nashville, Tennessee 37243-0306

DATE: 05/27/99

REQUEST NUMBER: 3689-0913

TELEPHONE CONTACT: (615) 741-2286

FILE DATE/TIME: 05/27/99 0925

EFFECTIVE DATE/TIME:

CONTROL NUMBER: 0261863

TO:

CT CORPORATION SYSTEM

350 NO. ST. PAUL

DALLAS, TX 75201

RE:

ILD

APPLICATION FOR REGISTRATION OF ASSUMED CORPORATE
NAME

THIS WILL ACKNOWLEDGE THE FILING OF THE ATTACHED ASSUMED NAME
REGISTRATION FOR A FIVE YEAR PERIOD BEGINNING WITH AN EFFECTIVE DATE AS
INDICATED ABOVE.

THE CORPORATION MAY RENEW THE RIGHT TO USE THIS NAME WITHIN TWO
(2) MONTHS PRECEDING THE EXPIRATION OF SUCH RIGHT, FOR A PERIOD OF FIVE (5)
YEARS, BY FILING AN APPLICATION WITH THE SECRETARY OF STATE.

WHEN CORRESPONDING WITH THIS OFFICE OR SUBMITTING DOCUMENTS FOR
FILING, PLEASE REFER TO THE CORPORATION CONTROL NUMBER GIVEN ABOVE.

FOR: APPLICATION FOR REGISTRATION OF ASSUMED CORPORATE ON DATE: 04/19/99
NAME

FROM:
MAL-GAR SERVICE CO., INC.
214 19TH AVE. NO.

NASHVILLE, TN 37203-0000

RECEIVED:	FEES	
	\$70.00	\$0.00
TOTAL PAYMENT RECEIVED:		\$70.00

RECEIPT NUMBER: 00002485865
ACCOUNT NUMBER: 00157512

Riley C. Darnell

RILEY C. DARNELL
SECRETARY OF STATE



GERRY, FRIEND & SAPRONOV, LLP

ATTORNEYS AT LAW

SUITE 1450

THREE RAVINIA DRIVE

ATLANTA, GEORGIA 30346-2131

(770) 399-9500

FACSIMILE (770) 395-0000

EMAIL: gfslaw@gfslaw.com

REC'D TN
REGULATORY AUTH.
98 FEB 9 AM 10 36
OFFICE OF THE
EXECUTIVE SECRETARY

February 6, 1998

via UPS OVERNIGHT

Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243-0505

RECEIVED
TELECOMMUNICATIONS DIVISION
TENNESSEE REGULATORY AUTHORITY

FEB 10 1998

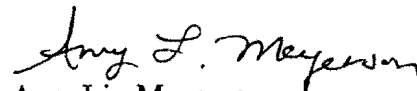
Re: Intellicall Operator Services, Inc. Application to Acquire Ownership of Interlink
Telecommunications, Inc., Docket No. 98-00008

Dear Sir/Madam:

Pursuant to the request of Mr. David Sapper of the TRA staff, enclosed are the original and fourteen (14) copies a revised page 4 of the Amended Application for Acquisition of Ownership in connection with the above-referenced matter. Please replace page 4 of the Amended Application with the enclosed page 4 and return one (1) file-stamped copy of this filing to us in the enclosed envelope.

If you have any questions or comments, please call.

Sincerely,


Amy Lin Meyerson

ALM/bw

Enc.

cc: Mr. David Sapper
Tennessee Regulatory Authority
(with enclosures)
ILD Teleservices, Inc.
(with enclosure)

F:\TELECOM\IL\ILD\TRA.LT1

Approved

acquired Interlink by purchasing all of its outstanding shares from Interlink's current shareholder.¹ The acquisition of Interlink by ILD resulted in a direct acquisition of ownership of Interlink by ILD.

8.

Under the terms of the Merger Agreement, in exchange for the stock of Interlink, ILD purchased Interlink from its shareholder with consideration in the form of cash, notes, and ILD common and preferred stock in accordance with section 368(a)(1)(A) of the Internal Revenue Code. Subsequent to the merger, ILD immediately transferred the assets acquired from Interlink to Applicant, an operating subsidiary of ILD.

9.

The boards of directors of ILD and Interlink have approved the Merger Agreement.

10.

Upon the execution of the Merger Agreement, Interlink was dissolved by statutory merger.

11.

Since the merger, Applicant has operated as Interlink had in the past, pursuant to Applicant's name, and under Interlink's tariff and operating authority. Upon approval from the TRA, Applicant will amend its tariffs to include Interlink's local service offerings. Thus, the acquisition of ownership has had and will continue to have no adverse impact on Interlink's customers. The personnel and equipment used by Interlink to provide its authorized services

¹A copy of the Merger Agreement is being submitted to the TRA under separate cover subject to confidential treatment.

BEFORE THE
TENNESSEE REGULATORY AUTHORITY, 98 FEB 5 AM 11 03

IN RE:)
)
APPLICATION OF INTELICALL)
OPERATOR SERVICES, INC.)
FOR APPROVAL OF AN)
ACQUISITION OF OWNERSHIP AND FOR)
AUTHORITY TO DO ALL THINGS IN)
RELATION THERETO)

CASE NO. 98-00008
RECEIVED
TELECOMMUNICATIONS DIVISION
TENNESSEE REGULATORY AUTHORITY

FEB 05 1998

AMENDED APPLICATION FOR ACQUISITION OF OWNERSHIP

COMES NOW, Intellicall Operator Services, Inc. ("Applicant"), a wholly-owned subsidiary of ILD Teleservices, Inc., by its attorneys, and hereby respectfully requests approval from the Tennessee Regulatory Authority ("TRA"), pursuant to Tenn. Code Ann. §§ 65-4-112 to 113, to acquire Interlink Telecommunications, Inc. ("Interlink"). Interlink currently is certificated to resell intrastate, local exchange, interexchange, and operator services in Tennessee. After the acquisition of ownership, Interlink ceased to exist as a separate entity, and the telecommunications services provided by Interlink are now provided by the Applicant pursuant to the same terms and conditions under which Tennessee customers purchased such services. Due to the timing of the Applicant's business plans, Applicant respectfully requests expedited consideration and grant of this application for authority to do all things necessary to complete the acquisition of ownership as set forth in this Application.

I. BACKGROUND

1.

Applicant is a Delaware corporation and wholly-owned subsidiary of ILD Teleservices, Inc. ("ILD"), which is headquartered at 14651 Dallas Parkway, Suite 905, Dallas, Texas 75240.

2.

ILD is a privately held Delaware corporation formed in 1996 as a spin-off of Intellicall, Inc. ILD's objective is to provide a wide range of telecommunications services on a nationwide basis. In August, 1997, ILD acquired WorldCom, Inc.'s ("WorldCom") operator service business, and as a part of the acquisition, ILD executed an exclusive contract to provide WorldCom operator and billing services. Consequently, ILD's revenues currently exceed \$100 million annually and internal growth, coupled with pending acquisitions, is expected to yield total revenues in excess of \$135 million in 1998. ILD's core operations currently consist of operator services (live and automated) and long distance services provided via its state-of-the-art call centers and switch-based network. ILD, through Applicant, operates call centers in San Antonio, Texas and Las Vegas, Nevada, and switching centers in Dallas, Texas and Los Angeles, California. ILD's customers include hotels, pay telephone operators, correctional facilities, interexchange carriers, and regional Bell operating companies. Specifically, ILD currently serves over 1,700 customers, including Ameritech Corporation, WorldCom, Inc., the MGM Grand Hotel and PhoneTel Technologies, Inc.

3.

Applicant has obtained authority from the Tennessee Secretary of State to transact business in Tennessee pursuant to Certificate 0261863, dated January 27, 1993. Applicant provides interexchange services including operator services and customer-owned coin operated telephone service (inmate service) in Tennessee pursuant to the Tennessee Public Service Commission's order in Case No. 95-02994 dated September 20, 1995 and the TRA's order in Case No. 97-1187 dated July 30, 1997, respectively.

4.

Interlink is a Georgia corporation headquartered at 1480 Terrill Mill Road, Suite I, Marietta, Georgia 30067. Interlink provides interexchange (long distance and operator services) and local exchange services pursuant to the TRA's order in Case No. 97-0916 dated July 9, 1997.

5.

The name and address of the Applicant's attorneys in this matter are:

Charles A. Hudak, Esq.
Amy Lin Meyerson, Esq.
GERRY, FRIEND & SAPRONOV, LLP
Three Ravinia Drive, Suite 1450
Atlanta, Georgia 30346-2131
Tel: (770) 399-9500
Fax: (770) 395-0000

Copies of all correspondence, notices, inquiries and orders should also be sent to:

Mr. B. Reid Presson, Jr.
Vice President
Intellicall Operator Services, Inc.
14651 Dallas Parkway, Suite 905
Dallas, Texas 75240

6.

The TRA has jurisdiction over this matter pursuant to Tenn. Code Ann. §§ 65-4-112 to 113.

II. DESCRIPTION OF ACQUISITION OF OWNERSHIP

7.

On December 15, 1997, ILD, Interlink and Interlink's shareholder, Mr. Reginald P. McFarland, entered into a Merger Agreement ("Merger Agreement") pursuant to which ILD

acquired Interlink by purchasing all of its outstanding shares from Interlink's current shareholder.¹ The acquisition of Interlink by ILD resulted in a direct acquisition of ownership of Interlink by ILD.

8.

Under the terms of the Merger Agreement, in exchange for the stock of Interlink, ILD purchased Interlink from its shareholder with consideration in the form of cash, notes, and ILD common and preferred stock in accordance with section 368(a)(1)(A) of the Internal Revenue Code. Subsequent to the merger, ILD immediately transferred the assets acquired from Interlink to Applicant, an operating subsidiary of ILD.

9.

The boards of directors of ILD and Interlink have approved the Merger Agreement.

10.

Upon the execution of the Merger Agreement, Interlink was dissolved by statutory merger.

11.

Since the merger, Applicant has operated as Interlink had in the past, pursuant to Applicant's name, and under Interlink's tariff and operating authority. Upon approval from the TRA, Interlink will amend its tariffs to Applicant's name and include Applicant's service offerings. Thus, the acquisition of ownership has had no adverse impact on Interlink's customers in Tennessee. The personnel and equipment used by Interlink to provide its authorized services

¹A copy of the Merger Agreement is being submitted to the TRA under separate cover subject to confidential treatment.

have continued in place subsequent to the merger. The Applicant has assumed all responsibilities for providing local exchange, long distance and operator services to Interlink's customers pursuant to the same terms and conditions under which customers purchased such services. Thus, the acquisition of ownership continues to be transparent to consumers in Tennessee who will continue to receive high quality services at competitive rates on an uninterrupted basis.

III. APPLICANT'S QUALIFICATIONS

12.

Applicant possesses all financial, managerial and technical qualifications necessary to acquire Interlink. Specifically, Applicant's financial, technical and managerial expertise is a matter of public record in Tennessee and is reflected by previous grants of authority issued by the TRA and its predecessor. Moreover, as set forth in Applicant's initial application, ILD is led by a highly qualified team of management personnel, all of whom have extensive experience in the telecommunications industry. Current financial data for Applicant and its parent, ILD, can be provided if deemed necessary for the TRA's consideration of this application subject to confidential treatment.

IV. PUBLIC INTEREST, CONVENIENCE AND NECESSITY

13.

TRA approval of the acquisition of ownership of Interlink from its current shareholder to Applicant is in the public interest. The acquisition of Interlink by Applicant and its parent will create greater competition for consumers of intrastate, interexchange and local exchange telecommunications services. Tennessee consumers will benefit from the availability of increased local and long distance telecommunications products and service options.

WHEREFORE, the Applicant respectfully requests that the TRA:

(1) Issue an order approving this amended application in all respects, including without limitation the acquisition of ownership described herein; and

(2) Grant any other and additional relief that the TRA may deem just and proper.

Respectfully submitted this 4th day of February, 1998.

GERRY, FRIEND & SAPRONOV, LLP

Charles A. Hudak / ~~for~~
CHARLES A. HUDAK

Amy L. Meyerson
AMY L. MEYERSON

Three Ravinia Drive, Suite 1450
Atlanta, Georgia 30346
(770) 399-9500

COUNSEL FOR INTELICALL OPERATOR SERVICES, INC.
F:\TELECOM\IL\ILD\VTNAMD.APP

BEFORE THE TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE

REC'D TN
REGULATORY AUTH.
'98 AUG 25 PM 3 05

IN RE:

APPLICATION OF INTELICALL OPERATOR
SERVICES, INC. FOR APPROVAL OF
AN ACQUISITION OF OWNERSHIP AND
AUTHORITY TO DO ALL THINGS IN RELATION
THERE TO

THE
EXECUTIVE SECRETARY
DOCKET NO.

~~97-01187~~
RECEIVED

AUG 26 1998

TELEPHONE

ERRATUM

It has come to the attention of the Executive Secretary that the Order issued in this docket on August 7, 1998, which approved the above-referenced Application for Merger contained an inadvertent error in paragraph three (3) of the ordering clause found on page four (4). Because of this error, paragraph three (3) indicated that the Certificate of Public Convenience and Necessity granted to Intellicall Operator Services, Inc. in Docket Number 97-01187 was canceled. The corrected replacement copy of page four (4), which is attached, properly reflects that only the Certificate of Public Convenience and Necessity granted to Intellicall Operator Services, Inc. in Docket Number 95-02994 is canceled.



K. DAVID WADDELL,
EXECUTIVE SECRETARY

II. FINDINGS OF FACT AND CONCLUSIONS OF LAW

The Directors of the Authority considered this matter at a regularly scheduled Authority Conference on March 10, 1998. After consideration of the entire record in this matter, including the application, the Directors find and conclude as follows:

1. That the Authority has jurisdiction over the subject matter of said application pursuant to Tenn. Code Ann. § 65-4-112;
2. That the merger has been consummated through a stock exchange, by which ILD purchased all outstanding shares of Interlink's stock from its shareholder;
3. That both Intellicall and Interlink have been engaged in the business of providing telecommunications services in Tennessee;
4. That the entire assets and liabilities of Interlink will be transferred to Intellicall; and,
5. That the prayers of said application are reasonable, in the public interest and should be granted.

IT IS THEREFORE ORDERED THAT:

1. The merger of Intellicall Operator Services, Inc. and Interlink Telecommunications, Inc. be approved.
2. Intellicall Operator Services, Inc. is authorized to assume the obligations and liabilities of Interlink in order to effect said merger.
3. The Certificate of Public Convenience and Necessity granted to Intellicall Operator Services, Inc. in Docket Number 95-02994 is canceled.

BEFORE THE TENNESSEE REGULATORY AUTHORITY
NASHVILLE, TENNESSEE

REGULATORY AUTH.
'98 AUG 25 PM 3 05

IN RE:

APPLICATION OF INTELICALL OPERATOR
SERVICES, INC. FOR APPROVAL OF
AN ACQUISITION OF OWNERSHIP AND
AUTHORITY TO DO ALL THINGS IN RELATION
THERE TO

EXECUTIVE SECRETARY
DOCKET NO.

98-00008

RECEIVED

AUG 26 1998

TELECOMMUNICATIONS DIVISION

ERRATUM

It has come to the attention of the Executive Secretary that the Order issued in this docket on August 7, 1998, which approved the above-referenced Application for Merger contained an inadvertent error in paragraph three (3) of the ordering clause found on page four (4). Because of this error, paragraph three (3) indicated that the Certificate of Public Convenience and Necessity granted to Intellicall Operator Services, Inc. in Docket Number 97-01187 was canceled. The corrected replacement copy of page four (4), which is attached, properly reflects that only the Certificate of Public Convenience and Necessity granted to Intellicall Operator Services, Inc. in Docket Number 95-02994 is canceled.



K. DAVID WADDELL,
EXECUTIVE SECRETARY

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The Directors of the Authority considered this matter at a regularly scheduled Authority Conference on March 10, 1998. After consideration of the entire record in this matter, including the application, the Directors find and conclude as follows:

1. That the Authority has jurisdiction over the subject matter of said application pursuant to Tenn. Code Ann. § 65-4-112;
2. That the merger has been consummated through a stock exchange, by which ILD purchased all outstanding shares of Interlink's stock from its shareholder;
3. That both Intellicall and Interlink have been engaged in the business of providing telecommunications services in Tennessee;
4. That the entire assets and liabilities of Interlink will be transferred to Intellicall; and,
5. That the prayers of said application are reasonable, in the public interest and should be granted.

IT IS THEREFORE ORDERED THAT:

1. The merger of Intellicall Operator Services, Inc. and Interlink Telecommunications, Inc. be approved.
2. Intellicall Operator Services, Inc. is authorized to assume the obligations and liabilities of Interlink in order to effect said merger.
3. The Certificate of Public Convenience and Necessity granted to Intellicall Operator Services, Inc. in Docket Number 95-02994 is canceled.

BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

August 7, 1998

IN RE:

**APPLICATION OF INTELICALL OPERATOR
SERVICES, INC. FOR APPROVAL OF
AN ACQUISITION OF OWNERSHIP AND
AUTHORITY TO DO ALL THINGS IN RELATION
THERE TO**

)
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) **RECEIVED**
) **DOCKET NO.**

) **98-00008**
) **AUG 07 1998**

) **TN REGULATORY AUTHORITY**
) **TELECOMMUNICATIONS DIVISION**

ORDER GRANTING APPROVAL OF MERGER

This matter is before the Tennessee Regulatory Authority ("Authority") on the Joint Application of Intellicall Operator Services, Inc. ("Intellicall") and ILD Teleservices, Inc. ("ILD") for approval of a transfer of a Certificate of Public Convenience and Necessity ("CCN") pursuant to Tenn. Code Ann. § 65-4-112.

From the application and the record existing in this matter, it appears that:

1. Intellicall requests that the Authority approve, pursuant to Tenn. Code Ann. §§ 65-4-112 and 65-4-113, its acquisition of Interlink Telecommunications, Inc. ("Interlink") and all things necessary to complete the transaction set forth in the Application, and further described below. This acquisition is part of a Merger Agreement ("Agreement"), which was executed on December 15, 1997.

2. Intellicall is a Delaware corporation and wholly-owned subsidiary of ILD, which is headquartered at 14651 Dallas Parkway, Suite 905, Dallas, Texas 75240.

Intellicall is duly authorized to transact business in the State of Tennessee. Intellicall is a provider of interexchange services and customer-owned coin operated telephone services including operator services in Tennessee pursuant a grant of authority by the Tennessee Public Service Commission ("TPSC") in Docket Number 95-02994 and a grant of authority by this agency in Docket Number 97-01187.

3. Prior to the merger, Interlink was a Georgia corporation headquartered at 1480 Terrill Mill Road, Suite I, Marietta, Georgia 30067. Interlink provided interexchange (long distance and operator services) and local exchange services pursuant to authority granted by this agency in Docket Number 97-00916.

4. On December 15, 1997, ILD, Interlink, and Interlink's sole shareholder entered into the Agreement, pursuant to which ILD acquired Interlink by purchasing all of Interlink's outstanding shares. Upon execution of the Agreement, Interlink was dissolved and ILD transferred the assets acquired from Interlink, including Interlink's certificate of authority, to Intellicall. Since the merger, Intellicall has assumed all responsibilities for providing operator services, resold local exchange services and resold interexchange services to Interlink's customers pursuant to the same terms and conditions as Interlink offered.

5. According to the Application, the personnel and equipment used by Interlink to provide its authorized services have continued in place since the merger. The Application also states that the merger continues to be transparent to customers in Tennessee, and that upon approval of the proposed transactions, Intellicall will amend its tariffs to include Interlink's service offerings.

I. CRITERIA FOR APPROVING MERGER

A merger between regulated public utilities is not valid until approved by the Authority under the provisions of Tenn. Code Ann. § 65-4-112. In addition, under Tenn. Code Ann. 65-4-101, any entity that owns, operates, manages or controls [utility] systems, plant or equipment under certification by this Authority, or its predecessor, the TPSC, to provide utility service in the state of Tennessee is a public utility. Since this merger involves two entities holding certificates in Tennessee, Authority approval is required under Tenn. Code Ann. § 65-4-112(a) which provides as follows:

(a) No lease of its property, rights, or franchises, by any such public utility, and no merger or consolidation of its property, rights and franchises by any such public utility with the property, rights and franchises of any other such public utility of like character shall be valid until approved by the authority, even though power to take such action has been conferred on such public utility by the state of Tennessee or by any political subdivision of the state. (Emphasis supplied).

In addition to seeking approval of the merger, Intellicall requests the Authority to take the following action: (1) cancel its original certificate(s) of authority to provide resale and operator services in Tennessee, so that duplicative certification will be avoided and (2) amend Interlink's transferred certificate to reflect the name of Intellicall.

Tenn. Code Ann. § 65-4-113 requires that a transfer of a certificate of public convenience and necessity be approved by the Authority. However, since the transfer of Interlink's certificate to Intellicall is accomplished vis-à-vis the merger, Section 65-4-113(d) applies. This Section provides that approval of the transfer is not required when the transfer results from a transaction consummated under the terms of Tenn. Code Ann. § 65-4-112, and thus, no separate Authority approval is required.

II. FINDINGS OF FACT AND CONCLUSIONS OF LAW

The Directors of the Authority considered this matter at a regularly scheduled Authority Conference on March 10, 1998. After consideration of the entire record in this matter, including the application, the Directors find and conclude as follows:

1. That the Authority has jurisdiction over the subject matter of said application pursuant to Tenn. Code Ann. § 65-4-112;

2. That the merger has been consummated through a stock exchange, by which ILD purchased all outstanding shares of Interlink's stock from its shareholder;

3. That both Intellicall and Interlink have been engaged in the business of providing telecommunications services in Tennessee;

4. That the entire assets and liabilities of Interlink will be transferred to Intellicall; and,

5. That the prayers of said application are reasonable, in the public interest and should be granted.

IT IS THEREFORE ORDERED THAT:

1. The merger of Intellicall Operator Services, Inc. and Interlink Telecommunications, Inc. be approved.

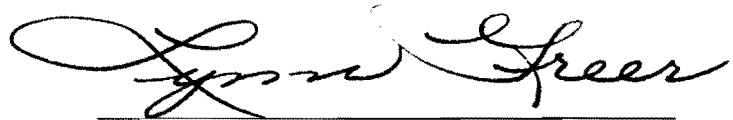
2. Intellicall Operator Services, Inc. is authorized to assume the obligations and liabilities of Interlink in order to effect said merger.

3. The Certificates of Public Convenience and Necessity granted to Intellicall Operator Services, Inc. in Docket Numbers 95-02994 and 97-01187 are canceled.

4. The Certificate of Public Convenience and Necessity granted to Interlink Telecommunications, Inc. in Docket Numbers 97-00916, and which is now transferred to Intellicall Operator Services, Inc. as a result of this merger, be amended to reflect the name of the transferee, Intellicall Operator Services, Inc.

5. Any party aggrieved by the Authority's decision in this matter may file a Petition for Reconsideration with the Authority within ten (10) days from and after the date of this Order.

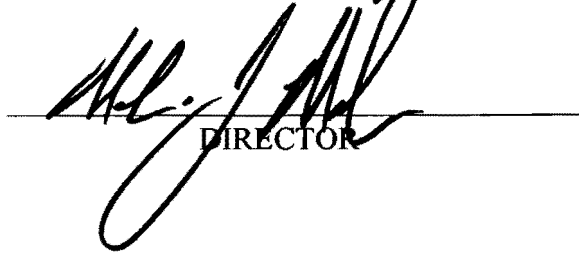
6. Any party aggrieved by the Authority's decision in this matter may file a Petition for Review in the Tennessee Court of Appeals, Middle Section, within sixty (60) days from and after the date of this Order.



CHAIRMAN



DIRECTOR



DIRECTOR

ATTEST:


EXECUTIVE SECRETARY

BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

August 7, 1998

IN RE:

**APPLICATION OF INTELICALL OPERATOR
SERVICES, INC. FOR APPROVAL OF
AN ACQUISITION OF OWNERSHIP AND
AUTHORITY TO DO ALL THINGS IN RELATION
THERE TO**

)
) **RECEIVED**

) **DOCKET NO.**

) **98 AUG 07 1998**

) **TN REGULATORY AUTHORITY**
) **TELECOMMUNICATIONS DIVISION**
)

ORDER GRANTING APPROVAL OF MERGER

This matter is before the Tennessee Regulatory Authority ("Authority") on the Joint Application of Intellicall Operator Services, Inc. ("Intellicall") and ILD Teleservices, Inc. ("ILD") for approval of a transfer of a Certificate of Public Convenience and Necessity ("CCN") pursuant to Tenn. Code Ann. § 65-4-112.

From the application and the record existing in this matter, it appears that:

1. Intellicall requests that the Authority approve, pursuant to Tenn. Code Ann. §§ 65-4-112 and 65-4-113, its acquisition of Interlink Telecommunications, Inc. ("Interlink") and all things necessary to complete the transaction set forth in the Application, and further described below. This acquisition is part of a Merger Agreement ("Agreement"), which was executed on December 15, 1997.

2. Intellicall is a Delaware corporation and wholly-owned subsidiary of ILD, which is headquartered at 14651 Dallas Parkway, Suite 905, Dallas, Texas 75240.

Intellicall is duly authorized to transact business in the State of Tennessee. Intellicall is a provider of interexchange services and customer-owned coin operated telephone services including operator services in Tennessee pursuant a grant of authority by the Tennessee Public Service Commission ("TPSC") in Docket Number 95-02994 and a grant of authority by this agency in Docket Number 97-01187.

3. Prior to the merger, Interlink was a Georgia corporation headquartered at 1480 Terrill Mill Road, Suite I, Marietta, Georgia 30067. Interlink provided interexchange (long distance and operator services) and local exchange services pursuant to authority granted by this agency in Docket Number 97-00916.

4. On December 15, 1997, ILD, Interlink, and Interlink's sole shareholder entered into the Agreement, pursuant to which ILD acquired Interlink by purchasing all of Interlink's outstanding shares. Upon execution of the Agreement, Interlink was dissolved and ILD transferred the assets acquired from Interlink, including Interlink's certificate of authority, to Intellicall. Since the merger, Intellicall has assumed all responsibilities for providing operator services, resold local exchange services and resold interexchange services to Interlink's customers pursuant to the same terms and conditions as Interlink offered.

5. According to the Application, the personnel and equipment used by Interlink to provide its authorized services have continued in place since the merger. The Application also states that the merger continues to be transparent to customers in Tennessee, and that upon approval of the proposed transactions, Intellicall will amend its tariffs to include Interlink's service offerings.

I. CRITERIA FOR APPROVING MERGER

A merger between regulated public utilities is not valid until approved by the Authority under the provisions of Tenn. Code Ann. § 65-4-112. In addition, under Tenn. Code Ann. 65-4-101, any entity that owns, operates, manages or controls [utility] systems, plant or equipment under certification by this Authority, or its predecessor, the TPSC, to provide utility service in the state of Tennessee is a public utility. Since this merger involves two entities holding certificates in Tennessee, Authority approval is required under Tenn. Code Ann. § 65-4-112(a) which provides as follows:

(a) No lease of its property, rights, or franchises, by any such public utility, and no merger or consolidation of its property, rights and franchises by any such public utility with the property, rights and franchises of any other such public utility of like character shall be valid until approved by the authority, even though power to take such action has been conferred on such public utility by the state of Tennessee or by any political subdivision of the state. (Emphasis supplied).

In addition to seeking approval of the merger, Intellicall requests the Authority to take the following action: (1) cancel its original certificate(s) of authority to provide resale and operator services in Tennessee, so that duplicative certification will be avoided and (2) amend Interlink's transferred certificate to reflect the name of Intellicall.

Tenn. Code Ann. § 65-4-113 requires that a transfer of a certificate of public convenience and necessity be approved by the Authority. However, since the transfer of Interlink's certificate to Intellicall is accomplished vis-à-vis the merger, Section 65-4-113(d) applies. This Section provides that approval of the transfer is not required when the transfer results from a transaction consummated under the terms of Tenn. Code Ann. § 65-4-112, and thus, no separate Authority approval is required.

II. FINDINGS OF FACT AND CONCLUSIONS OF LAW

The Directors of the Authority considered this matter at a regularly scheduled Authority Conference on March 10, 1998. After consideration of the entire record in this matter, including the application, the Directors find and conclude as follows:

1. That the Authority has jurisdiction over the subject matter of said application pursuant to Tenn. Code Ann. § 65-4-112;
2. That the merger has been consummated through a stock exchange, by which ILD purchased all outstanding shares of Interlink's stock from its shareholder;
3. That both Intellicall and Interlink have been engaged in the business of providing telecommunications services in Tennessee;
4. That the entire assets and liabilities of Interlink will be transferred to Intellicall; and,
5. That the prayers of said application are reasonable, in the public interest and should be granted.

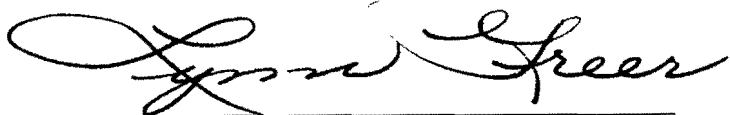
IT IS THEREFORE ORDERED THAT:

1. The merger of Intellicall Operator Services, Inc. and Interlink Telecommunications, Inc. be approved.
2. Intellicall Operator Services, Inc. is authorized to assume the obligations and liabilities of Interlink in order to effect said merger.
3. The Certificates of Public Convenience and Necessity granted to Intellicall Operator Services, Inc. in Docket Numbers 95-02994 and 97-01187 are canceled.

4. The Certificate of Public Convenience and Necessity granted to Interlink Telecommunications, Inc. in Docket Numbers 97-00916, and which is now transferred to Intellicall Operator Services, Inc. as a result of this merger, be amended to reflect the name of the transferee, Intellicall Operator Services, Inc.

5. Any party aggrieved by the Authority's decision in this matter may file a Petition for Reconsideration with the Authority within ten (10) days from and after the date of this Order.

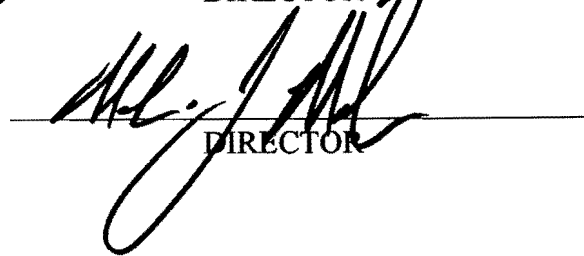
6. Any party aggrieved by the Authority's decision in this matter may file a Petition for Review in the Tennessee Court of Appeals, Middle Section, within sixty (60) days from and after the date of this Order.



CHAIRMAN



DIRECTOR



DIRECTOR

ATTEST:



EXECUTIVE SECRETARY

TENNESSEE PUBLIC SERVICE COMMISSION

460 JAMES ROBERTSON PARKWAY
NASHVILLE, TENNESSEE 37243-0505

KEITH BISSELL, CHAIRMAN
STEVE HEWLETT, COMMISSIONER
SARA KYLE, COMMISSIONER



PAUL ALLEN, EXECUTIVE DIRECTOR

Company ID: 00114371
Intellicall Operator Services, Inc. (IOS)
2155 Chenault, Ste 410
Carrollton, TX 75006

BEFORE THE TENNESSEE PUBLIC SERVICE COMMISSION
Nashville, Tennessee September 20, 1995

IN RE: CASE NUMBER: 95-02994

Application for Authority for Operator Services and/or Resell Interexchange
(Long Distance) Telecommunications Service and/or Telecommunications Operator
Services in Tennessee Pursuant to Rule 1220-4-2-.57.

---ORDER---

This matter is before the Tennessee Public Service Commission upon the application of the above-mentioned company for certification as a long distance/interexchange reseller or telecommunication operator service provider in Tennessee. The Commission considered this application at its regularly scheduled Commission Conference held on September 19, 1995 and concluded that the applicant has met all the requirements for certification and should be authorized to provide the resell of interexchange telecommunications service and/or an operator service on an intrastate basis.

IT IS THEREFORE ORDERED:

1. That the above-mentioned company is issued a Certificate of Convenience and Necessity as an interexchange telecommunications reseller and/or an operator service provider for state-wide service in Tennessee as specified in its application on file with the Commission.
2. That said company shall comply with all applicable Commission rules and regulations.
3. That this order shall be retained as proof of certification with this Commission, and may be used to obtain appropriately tariffed access service and billing arrangements from Commission authorized telecommunications service providers.
4. That any party aggrieved with the Commission's decision in this matter may file a Petition for Reconsideration with the Commission within ten (10) days from and after the date of this Order.
5. That any Party aggrieved with the Commission's decision in this matter has the right of judicial review by filing a petition with the Tennessee Court of Appeals, Middle Section within sixty (60) days from and after the date of this Order.

Executive Director

Chairman
Commissioner
Commissioner



INTELLICALL

August 11, 1995

Mr. Eddie Roberson, Jr.
Director, Consumer Services Division
Tennessee Public Service Commission
460 James Robertson Parkway
Nashville, Tennessee 37243-0505

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CONSUMER SERVICES DIV

AUG 17 1995

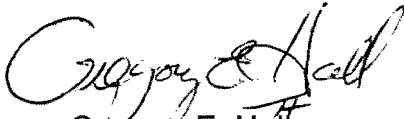
TN PUBLIC SERVICE COMM

Dear Mr. Roberson:

Enclosed for filing with the Commission is an original and one copy of Intellicall Operator Services, Inc.'s application for a certificate of public convenience and necessity. I have enclosed an extra copy of this filing and request that you file-stamp and return it to me in the enclosed self-addressed, stamped envelope at your convenience.

If you have any questions regarding this filing please feel free to contact me at 214/416-0022 extension 329.

Very truly yours,



Gregory E. Hall
Vice President

GEH/th

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AUG 14 1995

TN PUBLIC SERVICE COMM

TENNESSEE PUBLIC SERVICE COMMISSION

460 JAMES ROBERTSON PARKWAY
NASHVILLE, TENNESSEE 37243-0505

KEITH BISSELL, CHAIRMAN
STEVE HEWLETT, COMMISSIONER
SARA KYLE, COMMISSIONER

PAUL ALLEN, EXECUTIVE DIRECTOR



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APPLICATION FOR CERTIFICATE TO PROVIDE OPERATOR SERVICES AND/OR RESELL INTEREXCHANGE TELECOMMUNICATION SERVICES IN TENNESSEE [RULE 1220-4-2-.57]

AUG 14 1995

SECTION A

TN PUBLIC SERVICE COMM.

Part 1: General Information

A. Name of Applicant Intellicall Operator Services, Inc. (IOS)
Address 2155 Chenault, Suite 410, Carrollton
State TX Zip Code 75006 Phone No. (214) 416-0022

B. ~~Owner, Partners, or~~ Corporate Officer

NAME	ADDRESS	CITY	STATE	ZIP CODE
William O. Hunt	2155 Chenault, #410	Carrollton	TX	75006-5023
Michael H. Barnes	" "	" "	"	" "
Gregory E. Hall	" "	" "	"	" "
B. Reid Presson, Jr.	" "	" "	"	" "

C. Name and telephone number of Tennessee contact person authorized to respond to Commission inquiries Monday through Friday.

Barnes
B. Reid Presson, Jr. (214) 416-0022 (214) 416-0615
Name ~~XXXXXXXXXX~~ Tennessee Phone No. Fax No.
Texas

D. List a toll-free telephone number that consumers can call to report service problems and/or request refunds or adjustments. Operator Services 800/366-2884
Travel & Prepaid Services 800/888-8355

E. Check the type of telecommunication services you plan to provide in Tennessee.

☒ Resell Interexchange long distance services
☒ Operator Services
☒ Other (describe below) Prepaid long distance cards and travel card services

F. If providing operator services, list company name, address and contact person for all reseller carriers you serve in Tennessee. Provide the above information on Appendix I.

IOS does not provide operator services on behalf of other interexchange carriers.

G. List the state(s) you are authorized to operate in at this time. _____

See attached as Appendix III
CONSUMER SERVICES DIV.

AUG 17 1995

(To be filled out by PSC)
Company ID Number 1143711
Date Approved 9/5/95
Evaluator MA

Mail the completed application and a check for \$50.00 to: Tennessee Public Service Commission, P.O. Box 3412, Nashville, TN 37219-0412. Should you have any questions, call (615) 741-3939.

H. List any states that you have been denied authority to provide service.

none

I. Areas in Tennessee to be served.

IOS serves all areas of Tennessee

J. What type of customers will the company serve?

a. Business

b. Residential

c. Aggregators xx

(e.g. Hotels, Payphones)

d. Other (specify) Purchasers of prepaid cards and subscribers to travel services.

K. Do you allow a property imposed fee (PIF) to be added to the price of intrastate telephone calls over your network? If yes, specify amount. No

L. Are your prices for intrastate services plus any PIF equal to or less than the dominant carriers price for similar services? Yes xx No

M. Describe the type of services and price that the applicant will be offering in Tennessee on the Informational Tariff Form found in Appendix II¹.

See attaches as Appendix II

N. What is the applicant's 10XXX or 800 access code? 103880

O. Does the applicant now have or plan to have any telecommunication's facilities (e.g. switches, fiber lines) in Tennessee? No

P. What facility-based network will the applicant be reselling? US Sprint

Q. Will the applicant be utilizing the local telephone company's billing system or billing customers direct²? No. For operator services, IOS will render bills through Operator Assistance Network who in turn utilizes the LEC billing system. No billing is involved with the sale of prepaid cards. Travel service usage will be billed via credit cards.

R. Describe briefly how the applicant plans to market their services in Tennessee? If an independent telemarketer is going to be used, state company name and address.

Telemarketers will not be used. Operator services are marketed to aggregators

directly by IOS. Prepaid cards will be marketed by distributors and agents.

Travel card services will be marketed by affinity groups to their membership/customer base.

S. Describe the procedures the applicant will use to switch a consumer's preferred interexchange service. The provision of IOS' services does not involve switching a customer's PIC.

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CONSUMER SERVICES DIV.

AUG 17 1995

TN PUBLIC SERVICE COMM

¹Applicant is required to fill out an Informational Tariff form. Failure to fill out this form will cause the applicant's request to be rejected.

²A copy of a bill is required if the applicant is going to bill the customer direct.

T. Applicant has the ability and agrees to honor the form of call blocking that the consumer has subscribed to with their local telephone company. Yes XX No _____

U. Applicant gives permission to the local telephone company to provide the Commission a periodic sample of the reseller's intrastate toll calls. The purpose of this analysis is to audit the reseller's rates to assure they are at or below the dominant carrier's tariffed rates. Yes XX No _____

Part II: Organization Structure

A. Type of Organization

_____ Individual XX Corporation IOS is a wholly owned subsidiary of Intellicall, Inc.
_____ Partnership _____ Other (Explain on separate sheet)

B. If partnership and/or Non-resident

- (1) Attach a copy of Articles of Incorporation and current by-laws. See Attachment A
- (2) Attach a copy of Certification of Authority issued by Tennessee Secretary of State showing corporation's authority to engage in business in Tennessee. See Attachment B

Part III: Financial Information

A. Attach a current financial statement showing in detail the applicant's financial condition, including balance sheet and income statement, or a copy of IRS form 1120 or 1065 filed by your business for the previous year. Attach, if available, a copy of your company's 10K and/or stockholder reports. See Attachment C. SEC for 10Q attached for parent. IOS financial results are reported on a consolidated basis with its

Part IV: Display Card parent Company.

Attach a copy of the display card to be placed on the aggregators telephone which shows what operator services are to be provided. The card must contain all required information listed in the attached Rule (1220-4-2-.57, B)³, which includes a toll-free number consumers can call for service problems and refunds.

Attached is a sample card. IOS does not provide such cards to its aggregator customers but will insure that it aggregator customers comply with the requirements of Rule 1220-4-2-57.B.



Local Calls — Deposit coin before dialing

For Operator Assisted Calls Dial "0". To access the Local Exchange Operator, Dial "0" and ask for a local operator. CHARGES FOR INTELICALL OPERATOR SERVICES, INC. (IOS) OPERATOR SERVICES rates are available from the operator upon request at all times at no charge.

The Long Distance Company providing Operator Services for this phone is:

INTELICALL OPERATOR SERVICES, INC. (IOS)
119 W. Tyler, Ste. 200 • Longview, TX 75601 • 1-800-530-4899
You may use another Long Distance Carrier. Follow your carrier's instructions or contact the Local Exchange Operator for assistance.

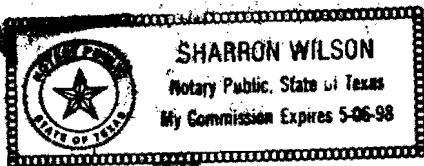
FCC ADDRESS FOR OSP COMPLAINTS:
Federal Communications Commission Common Carrier
Bureau Enforcement Division, Washington, D.C. 20554

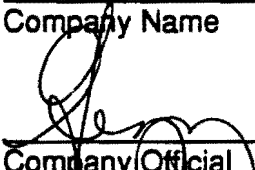
³It is the responsibility of the reseller or operator service provider to assure that the appropriate display card is affixed to the aggregates telephones.

Part V: Rule Compliance Agreement

A. The Interexchange Reseller or Operator Service Provider applicant, hereby, affirms the following:

- Has received, read, and understands the Tennessee Public Service Commission's (TPSC) Interexchange Reseller Rules and Regulations, (Appendix III)
- Understands the penalties for non-compliance, and all associated fees to provide such service.
- Will comply with the TPSC Interexchange Reseller Rules and all other applicable Commission Rules and state laws, including T.C.A. Section 65-5-206 (Appendix IV),
- That all information provided in the attached registration document is true to the best of my knowledge.



Intellicall Operator Services, Inc. 8/11/95
Company Name Date

Company Official Vice President
Gregory E. Hall Title

Subscribed and sworn
before me this 11 day
of Aug., 1995


Notary Public

seal

**Secretary of State
Corporations Section**

**James K. Polk Building, Suite 1800
Nashville, Tennessee 37243-0306**

ISSUANCE DATE: 07/24/1995
REQUEST NUMBER: 95205005
TELEPHONE CONTACT: (615) 741-6488

Attachment B

CHARTER/QUALIFICATION DATE: 01/27/1993
STATUS: ACTIVE
CORPORATE EXPIRATION DATE: PERPETUAL
CONTROL NUMBER: 0261863
JURISDICTION: DELAWARE

TO:
THE SEARCH IS ON
PO BOX 120598

NASHVILLE, TN 37212

REQUESTED BY:
THE SEARCH IS ON
PO BOX 120598

NASHVILLE, TN 37212

CERTIFICATE OF AUTHORIZATION

I, RILEY C DARNELL, SECRETARY OF STATE OF THE STATE OF TENNESSEE DO HEREBY CERTIFY THAT

"INTELICALL OPERATOR SERVICES, INC.",

A CORPORATION FORMED IN THE JURISDICTION SET FORTH ABOVE, IS AUTHORIZED TO
TRANSACTION BUSINESS IN THIS STATE;
THAT ALL FEES, TAXES, AND PENALTIES OWED TO THIS STATE WHICH AFFECT THE
AUTHORIZATION OF THE CORPORATION HAVE BEEN PAID;
THAT THE MOST RECENT CORPORATION ANNUAL REPORT REQUIRED HAS BEEN FILED
WITH THIS OFFICE; AND
THAT AN APPLICATION FOR CERTIFICATE OF WITHDRAWAL HAS NOT BEEN FILED.

RECEIVED
CONSUMER SERVICES DIV.
AUG 17 1995
TN PUBLIC SERVICE COMM.

FOR: REQUEST FOR CERTIFICATE

ON DATE: 07/24/95

FROM:
TSIO (BOX 120598)
P. O. BOX 120598

NASHVILLE, TN 37212-0000

RECEIVED: FEES \$50.00
TOTAL PAYMENT RECEIVED: \$120.00

RECEIPT NUMBER: 00001830353
ACCOUNT NUMBER: 00000499



Riley C. Darnell

RILEY C. DARNELL
SECRETARY OF STATE