

STATE OF IOWA  
DEPARTMENT OF COMMERCE  
UTILITIES BOARD

IN RE:  TRINSIC COMMUNICATIONS, INC., TOUCH 1 COMMUNICATIONS, INC., AND MATRIX TELECOM, INC. D/b/a MATRIX BUSINESS TECHNOLOGIES	DOCKET NO. TCU-00-47
	CERTIFICATE NO. 0228

**ORDER APPROVING TRANSFER OF ASSETS, CANCELING CERTIFICATE, AND  
TERMINATING TARIFF**

(Issued June 15, 2007)

On April 23, 2007, Trinsic Communications, Inc. (Trinsic), Touch 1 Communications, Inc. (Touch 1), and Matrix Telecom, Inc. (Matrix), filed a joint notification of transfer of assets from Trinsic and Touch 1 to Matrix. The transfer is being made pursuant to an asset purchase agreement entered into between Trinsic and Tide Acquisition Corporation (Tide) on March 21, 2007. Pursuant to the agreement, Tide will then assign its rights in Trinsic to Matrix. Matrix and Tide are wholly-owned subsidiaries of Platinum Equity, LLC.

The parties state that the transaction will not cause any interruption in service to any customer nor impair any existing service. There will be no immediate affect on the rates for any services Trinsic currently provides to customers.

Trinsic states in its notice that on February 7, 2007, Trinsic sought relief from its creditors by filing a petition in Bankruptcy Court. As a result of the bankruptcy proceedings, an auction was held under the direction of the Bankruptcy Court and Tide submitted the winning bid. Tide assigned its rights and obligations to Matrix. The terms of the bankruptcy sales agreement require that the sales transaction be completed on or before June 4, 2007.

Trinsic and Touch 1 are wholly-owned subsidiaries of Trinsic, Inc. Trinsic provides resold local exchange and interexchange services in Qwest Corporation (Qwest) exchanges in Iowa. Pursuant to Iowa Code § 476.29, Trinsic holds Certificate No. 0228, which was issued on November 1, 2000, in Docket No. TCU-00-47.

Touch 1 is a non-facilities-based reseller of interexchange services. Matrix is a facilities-based provider of local exchange services in Qwest exchanges in Iowa. Matrix holds Certificate No. 0315, which was issued on March 5, 2007. Matrix also offers interexchange service in Iowa.

The filing shows that Matrix is ready, willing, and able to provide comparable service to Trinsic's customers. The parties appear to have satisfied the requirements of 199 IAC 22.23(2)"e," which requires proper notice to Trinsic's customers regarding the transfer of their accounts. The filing includes a copy of the notice Matrix will send to Trinsic's customers, which informs the customers there will be no change in the rates, terms, or conditions of service provided to Trinsic's current customers.

The parties stated in their notification of asset transfer that they believe this notification requires no state regulatory approval to complete this transaction. However, Iowa Code § 476.20 states that a utility shall not discontinue, reduce, or impair service unless permission is obtained from the Board and § 476.103 prohibits unauthorized changes in a customer's choice of telecommunications service provider. The Board believes that it is in the interest of the public for the transfer of assets to go forward since Trinsic is disposing of its assets through a bankruptcy proceeding and the companies have made adequate provisions for customer notification.

Furthermore, the Board will cancel Trinsic's Certificate No. 0228, which was originally issued to Z-Tel Communications, Inc., on November 1, 2000, and amended on January 4, 2005, reflecting the corporate name change to Trinsic Communications, Inc. Matrix's certificate and tariff will allow it to provide the same general services in the same service territories.

**IT IS THEREFORE ORDERED:**

1. The joint notification of transfer of assets from Trinsic Communications, Inc., and Touch 1 Communications, Inc., to Matrix Telecom, Inc., filed on April 23, 2007, is approved.
2. Certificate No. 0228, which was originally issued to Z-Tel Communications, Inc., on November 1, 2000, and amended on January 4, 2005, reflecting the corporate name change to Trinsic Communications, Inc., is hereby

cancelled and Trinsic Communications, Inc.'s tariff is terminated as of June 4, 2007.  
If the transfer of assets was not completed on that date, Matrix Telecom Inc., shall file  
a statement of closing date with the Board within 30 days of the actual closing date.

**UTILITIES BOARD**

/s/ John R. Norris

/s/ Curtis W. Stamp

ATTEST:

/s/ Judi K. Cooper  
Executive Secretary

/s/ Krista K. Tanner

Dated at Des Moines, Iowa, this 15<sup>th</sup> day of June, 2007.