

BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

April 17, 2008

IN RE:)
)
JOINT PETITION FOR AUTHORITY TO TRANSFER) **DOCKET NO.**
OWNERSHIP OF IBFA ACQUISITION COMPANY, LLC) **08-00030**
FROM ITS MEMBERS TO TELAVA ACQUISITIONS, INC.)

ORDER APPROVING TRANSFER OF OWNERSHIP

This matter came before Chairman Eddie Roberson, Director Tre Hargett and Director Ron Jones of the Tennessee Regulatory Authority (the “Authority” or “TRA”), the voting panel assigned to this docket, at a regularly scheduled Authority Conference held on March 24, 2008 for consideration of the *Joint Petition for Authority to Transfer Ownership* (“*Joint Petition*”) filed by IBFA Acquisition Company, LLC (“IBFA” or the “Company”), Telava Acquisitions, Inc. (“TAI” or “Buyer”), James Grabowski (“Mr. Grabowski”) and Casimir Wojciechowski (“Mr. Wojciechowski”), (named individuals subsequently “Members” or “Sellers”) (together with Buyer and Company, “Parties”) on February 15, 2008.

IBFA holds authorization to resell intrastate interexchange telecommunications services in forty-one states and is authorized to provide local exchange service on a resold or facilities-based basis in eleven states, including Tennessee¹. Mr. Grabowski and Mr. Wojciechowski currently hold membership Interests in IBFA, and are the Sellers in the proposed transaction.

¹ See *In re: IBFA Acquisition Company, LLC Application for A Certificate to Provide Competing Local and Interexchange Telecommunications Services*, Docket No 05-00151, *Initial Order Granting Certificate of Convenience and Necessity* (January 23, 2006).

TAI is a Delaware corporation formed for the specific purpose of consummating business combinations in the telecommunications and technology sectors. TAI is owned by Telava Networks, Inc. which owns a wireless broadband network covering more than forty-five cities and towns in twenty-two states. TAI is not authorized to provide telecommunications services in any jurisdiction, presently.

The Joint Petition

According to the *Joint Petition*, the Parties have agreed to a transaction whereby TAI will acquire all of the membership interests of the Sellers. Specifically, Members shall sell, convey, assign, transfer, and deliver to TAI, and TAI shall purchase, acquire, and accept delivery of the membership interests. Upon closing, TAI will have ownership and control of the Company and all assets of the Company as they exist on the closing date. Following consummation of the transaction, IBFA will continue to provide services in Tennessee as a wholly-owned subsidiary of TAI, as the Parties will not transfer IBFA's operating authority in connection with the proposed transaction.

The Parties assert that TAI is well qualified to acquire control of IBFA and its business, and TAI's management team has substantial financial and telecommunications industry experience. The Parties also state that the proposed transaction will serve the public interest by fostering competition as the transfer will combine the telecommunications expertise of IBFA and the capital and other resources of TAI resulting in an entity better equipped to compete as a telecommunications service provider in Tennessee. The name of the operating entity will continue to be IBFA, and it will operate as it has in the past, providing services to customers under the same rates, terms, and conditions as before and retaining the same assets used in the provision of those services.

Findings and Conclusions

The Parties submitted the *Joint Petition* requesting approval pursuant to Tenn. Code Ann. § 65-4-113 (2004).

Tenn. Code Ann. § 65-4-113 (2004) requires a public utility to obtain TRA approval to transfer its authority to provide utility services. Tenn. Code Ann. § 65-4-113(a) (2004) provides:

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) (2004) provides the standards by which the TRA shall consider an application for transfer of authority, in pertinent part, as follows:

Upon application 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 authority shall approve the transfer after consideration of all relevant factors and upon finding that such transfer furthers the public interest.

At the regularly scheduled Authority Conference held on March 24, 2008, the panel voted unanimously to approve the *Joint Petition* based on the following findings:

1. The Parties will not transfer IBFA's operating authority.
2. IBFA will continue to provide services under the same rates, terms and conditions, thereby making the transfer transparent to customers.
3. According to the *Joint Petition*, the transaction is in the public interest because it fosters competition.

IT IS THEREFORE ORDERED THAT:

1. IBFA Acquisition Company, LLC, Telava Acquisitions, Inc., James Grabowski and Casimir Wojciechowski are authorized to consummate the transaction as described in the *Joint Petition for Authority to Transfer Ownership* and discussed herein pursuant to Tenn. Code Ann. § 65-4-113 (2004) contingent upon approval from the Federal Communications Commission.

2. The Parties are directed to file with the Authority, any subsequent documentation from the Federal Communications Commission regarding the transfer.



Eddie Roberson, Chairman



Tre Hargett, Director



Ron Jones, Director