



STATE OF NEW JERSEY
Board of Public Utilities
Two Gateway Center
Newark, NJ 07102
www.nj.gov/bpu

TELECOMMUNICATIONS

IN THE MATTER OF THE PETITION OF)
MATRIX TELECOM, INC. FOR APPROVAL OF) ORDER
CERTAIN FINANCING ARRANGEMENTS) DOCKET NO. TF07090699

(SERVICE LIST ATTACHED)

BY THE BOARD:

On September 20, 2007, Matrix Telecom, Inc. ("Matrix" or "Petitioner") filed a petition with the New Jersey Board of Public Utilities ("Board") requesting expedited approval under N.J.S.A. 48:3-7 and N.J.S.A. 48:3-9 of certain financing arrangements pursuant to a commitment letter and term sheet (together, "Loan Documents") dated September 6, 2007, among Petitioner, Americatel Corporation ("Americatel"), Startec Global Operating Company ("Startec" and collectively with Matrix and Americatel, the "Borrowers"), MTAC Holding corporation ("MTAC"), Matrix Telecom of Virginia, Inc., Trinsic Communications of Virginia, Inc., Startec Global Communications Corporation ("SGCC"), Startec Global Canadian Holding Company ("Canada Holdco"), EnergyTRACS Acquisition Corp. ("EnergyTRACS"), and HBK Investments L.P. and/or one of its affiliates, including PCRL III Investments L.P., ("Lender").

MTAC is the immediate parent of Matrix and Americatel. Matrix is a Texas corporation established in 1991 and is a provider of integrated communications services including local, 1+ long distance, toll-free voice services, dedicated Internet access, frame relay and point-to-point transmission services, chiefly to enterprise customers. Matrix is authorized to provide service in all 50 states and the District of Columbia on a facilities-based and /or resold basis. In New Jersey, Matrix operates as a reseller and facilities-based provider of local and interexchange telecommunications services. In New Jersey, Matrix is authorized to provide facilities-based local exchange telecommunications service pursuant to a Certificate of Public Convenience and Necessity issued in Docket No. TE-06-12-0898 (April 13, 2007).

Petitioner requests Board approval to refinance existing debt described more fully below with an amended and restated credit agreement anticipated by the Loan Documents ("A&R Credit Agreement") payable at a period more than twelve months after the date thereof. The amended and restated credit facility will keep in place the existing obligations of Matrix and Americatel, as described below, and will provide additional term loans to permit Startec and certain of its affiliates to refinance their current obligations using the new credit facility.

Specifically, pursuant to the A&R Credit Agreement, the Borrowers will amend, restate, and refinance certain existing debt obligations with a new credit facility equal in total dollars to the existing arrangements. Matrix and Americatel, on the one hand, and Startec, on the other, are currently borrowers under separate credit agreements with the Lender. Matrix and Americatel are parties to a credit agreement dated September 14, 2006 among Matrix, Americatel, EnergyTRACS (as parent), and the Lender ("Matrix and Americatel Credit Agreement")¹. Pursuant to the Matrix and Americatel Credit Agreement, Matrix and Americatel are jointly and severally liable as co-borrowers for debt obligations of up to \$90 million consisting of a \$40 million term loan and up to \$50 million in revolving credit. Under the terms of this agreement, Matrix and Americatel have pledged all of their assets as collateral (other than certain operating authorities) and have had their stock pledged as further collateral. Under an additional separate credit agreement, Startec is liable for an additional \$43 million in debt².

Under the Loan Documents and the A&R Credit Agreement, which will be implemented upon receipt of all necessary regulatory approvals, the Borrowers will become jointly and severally liable co-borrowers for debt obligations of up to \$120 million, consisting of a \$71.5 million term loan and a \$48.5 million revolving credit facility. The obligations of Matrix and Americatel under the Matrix and Americatel Credit Agreement will continue under the A&R Credit Agreement, and Startec will join the A&R Credit Agreement. The obligations under the Startec credit agreement will be refinanced with the proceeds of a portion the new credit facility. Any additional advances and term loans will be used to pay fees and expenses associated with the new credit facility, and finance the ongoing working capital, capital expenditures, and general corporate needs of the Borrowers. No prepayment premiums payable under the current credit agreements will be charged in connection with the execution of the A&R Credit Agreement.

As required by the Lender, the Borrowers will engage in a minor corporate reorganization resulting in a pro forma change in control of Startec. Specifically, SGCC will become a direct subsidiary of Americatel and all of SGCC's current subsidiaries will become indirect subsidiaries of Americatel. Ultimate control of Startec by Platinum Equity will not change as a result of this reorganization.

¹ The obligations of EnergyTRACS under the Matrix and Americatel Credit Agreement have been assumed by MTAC.

² The Startec Credit Agreement is limited to a maximum term of 270 days from July 12, 2007, and will therefore mature on April 8, 2008. If the necessary regulatory approvals have not been secured by April 8, 2008, the current Startec Credit Agreement will mature and Startec will be required to repay the full amount of that current financing.

This debt will be guaranteed by MTAC and all of MTAC's present and future indirect and direct subsidiaries that are not borrowers under the Loan Documents. SGCC, the immediate parent of Startec, and all of SGCC's present and future indirect and direct subsidiaries that are not borrowers under the Loan Documents, all of which are affiliates of the Borrowers, will also guarantee this debt. In addition, the Borrowers (and certain of their affiliates) will pledge their assets as collateral for the debt, and the parents of the Borrowers will pledge the stock of the Borrowers to secure their and their subsidiaries' obligations in connection with the A&R Credit Agreement and related Loan Documents.

The loan will remain in place through the maturity date of the Loan Agreement, which is 5 years from the date of closing. The parties anticipate that the closing will be no later than April 8, 2008.

The Division of Rate Counsel has reviewed this matter and, by a letter dated March 4, 2008, recommends that the Board approve this petition.

After review, the Board FINDS that the proposed transactions are consistent with the applicable law and are not contrary to the public interest, and approving the purposes thereof, HEREBY AUTHORIZES Petitioner to participate in the financing arrangements described herein.

This Order is subject to the following provisions:

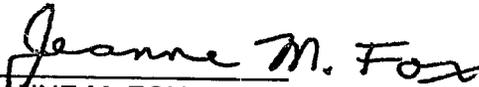
This Order shall not affect or in any way limit the exercise of the authority of the Board or State of New Jersey in any future petition or in any proceeding regarding rates, costs of service, franchises, service, accounting, capitalization, depreciation or any other matters affecting Petitioner.

2. Petitioner shall notify the Board of any material default on the terms of the A&R Credit Agreement within five business days of such occurrence.
3. Notwithstanding anything to the contrary in the A&R Credit Agreement, the Loan Documents or other supporting documents, a default or assignment under such agreement does not constitute an automatic transfer of Petitioner's assets. Board approval must be sought pursuant to N.J.S.A. 48:1-1 et seq. where applicable.

4. This order shall not be construed as directly or indirectly fixing for any purpose whatsoever any value of tangible or intangible assets now owned or hereafter to be owned by the Petitioner.

DATED: 3/19/08

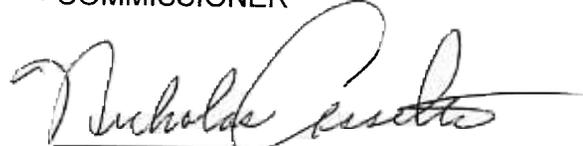
BOARD OF PUBLIC UTILITIES
BY:


JEANNE M. FOX
PRESIDENT


FREDERICK F. BUTLER
COMMISSIONER


JOSEPH L. FIORDALISO
COMMISSIONER

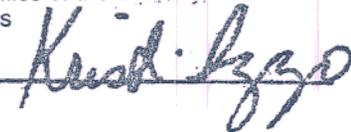

CHRISTINE V. BATOR
COMMISSIONER


NICHOLAS ASSELTA
COMMISSIONER

ATTEST:


KRISTI IZZO
SECRETARY

I HEREBY CERTIFY that the within
document is a true copy of the original
in the files of the Board of Public
Utilities



IN THE MATTER OF THE PETITION OF MATRIX TELECOM, INC
FOR APPROVAL OF CERTAIN FINANCING ARRANGEMENTS

Docket No. TF07090699

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