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Service Commission

March 17, 2000

The Honorable Dale H. Roberts Secretary/Chief Regulatory Law Judge Missouri Public Service Commission The Truman State Office Building 301 West High St. 5th Floor Jefferson City, Missouri 65102

TM-2000-584

Re:

ROBERT K. ANGSTEAD

CATHLEEN A. MARTIN

STEPHEN G. NEWMAN

D. GREGORY STONEBARGER

MARK W. COMLEY

JOHN A. RUTH

Teligent, Inc. and Teligent Services, Inc.

Joint Application for Authority to Restructure

Dear Mr. Roberts:

Enclosed for filing on behalf of Teligent, Inc. and Teligent Services, Inc. please find an original and fourteen copies of a Joint Application.

Should you have any questions, please do not hesitate to contact me. Thank you very much.

Very truly yours,

NEWMAN, COMLEY & RUTH P.C.

By:

Mark W. Comley

MWC:ab Enclosure

cc:

Office of Public Counsel

General Counsel's Office

Carolyn K. Stup Robert E. Stup, Jr.

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MAR 17 2000

Before the PUBLIC SERVICE COMMISSION STATE OF MISSOURI

Records Public Service Commission

Application of)
Teligent, Inc. and Teligent Services, Inc.) Case No. 7M-200-584
)
For Authority to Restructure and For)
Related Transactions	

JOINT APPLICATION

Teligent, Inc. (Teligent) and Teligent Services Inc. (TSI) by their attorneys and pursuant §392.300, RSMo. 1994 and 4 CSR 240-2.060 (5) respectfully request authority to reorganize their corporate structure and operations and to complete a series of transactions related thereto including the transfer all of Teligent's assets related to its regulated operations in Missouri to TSI; and other relief consistent with the above to the extent it may be required.

In support of their Application, the Applicants provide the following information:

I. THE APPLICANTS

1. Teligent is a competitive telecommunications company with operations nationwide. It offers a wide range of telecommunications services in the interexchange and local exchange markets. It is a Delaware corporation qualified to transact business in the State of Missouri. Exhibit 1 to this application is a Certificate of Good Standing issued by the Secretary of State of Missouri pertaining to Teligent's authority to engage in business in this state. Teligent holds certificates of service authority to provide interexchange and local exchange telecommunications service throughout the State of Missouri. Teligent's Certificate of Service Authority to provide competitive basic local exchange services and local exchange telecommunications services in Missouri was granted in Case No. TA-98-258. Teligent's Certificate of Service Authority to provide interexchange and nonswitched local exchange telecommunications services in Missouri was granted in Case No. TA-98-259.

- 2. TSI is a wholly owned subsidiary of Teligent and is a newly created Delaware corporation. TSI is also qualified to transact business in the State of Missouri. Exhibit 2 to this application is a Certificate of Good Standing issued by the Secretary of State of Missouri pertaining to TSI's authority to engage in business in this state. A more detailed statement of the character of its expected business follows.
- 3. All correspondence, communications, pleadings, notices, order and decisions relating to this Application should be addressed to:

Mark W. Comley
Newman, Comley & Ruth P.C.
601 Monroe Street, Suite 301
P.O. Box 537
Jefferson City, MO 65102-0537
(573) 634-2266
(573) 636-3306 FAX
comleym@ncrpc.com

Carolyn K. Stup Regulatory Counsel TELIGENT SERVICES INC. 8065 Leesburg Pike, Suite 400 Vienna, VA 22182 (703) 762-5143 (703) 762-5584 FAX carolyn.stup@teligent.com

II. THE RESTRUCTURING AND ASSET TRANSFER

- 4. Teligent created TSI as part of a broader corporate reorganization to facilitate certain financial, business, and administrative objectives. If this application is approved, TSI will act as Teligent's operating company to provide telecommunications services to customers and will be the direct parent of Teligent's other current domestic subsidiaries. Teligent will restructure itself similarly to the holding company structure used by numerous other certificated carriers in Missouri. Upon receipt of the necessary regulatory approvals, all of the state authorizations currently held by Teligent will be assigned directly, or in effect, to TSI, and Teligent's employees who are dedicated to telecommunications services will be transferred internally to TSI's operations. Attached as Exhibit 3 are charts showing Teligent's current and proposed corporate structure.
- 5. The reorganization to a more traditional corporate structure will enable the Applicants to realize corporate benefits that will ultimately inure to the benefit of Teligent's customers,

including its customers in Missouri. These benefits include increased financing flexibility on an accelerated basis, as well as other internal administrative savings.

- 6. The proposed reorganization involves the transfer of Teligent's telecommunications-related assets, including its current customer base, to TSI. After the transfer, Teligent will cease to provide telecommunications services to consumers in Missouri and will function exclusively as a holding company. TSI will assume Teligent's operations and will provide telecommunications services to Teligent's customers in Missouri.
- 7. The proposed "roll-down" of Teligent's operations to TSI will have no adverse impact on consumers in Missouri. TSI will file new tariffs that will incorporate all of Teligent's existing services into its tariffs at the same rates, terms and conditions as are currently available. The impact of the "roll down" on consumers in Missouri will be negligible because TSI will serve Teligent's current customers using the same network, billing systems and customer service operations that Teligent uses pursuant to identical tariffs. Thus, Teligent's customers will continue to receive high quality services, at the same rates and under the same terms and conditions.
- 8. In accord with the requirements of 4 CSR 240-2.060(5)(F), TSI has filed simultaneously with this Application, separate applications for 1) a Certificate of Service Authority to Provide Competitive Intrastate Interexchange Telecommunications Services and 2) a Certificate of Service Authority to Provide Competitive Basic Local and Local Exchange Services within the State of Missouri for purposes of qualifying as a entity within which to receive Teligent's Missouri assets and to incorporate all of its existing services.
- 9. TSI has no pending or final judgments or decisions against it from any state or federal agency which involve customer service or rates.
- 10. The transfer of these assets is not anticipated to have any impact on the tax revenues of any political subdivision in which the assets are located.

11. In order to eliminate regulatory redundancy, the interexchange and basic local exchange operating authority granted to Teligent in the aforementioned cases will be surrendered and Teligent's existing tariffs canceled upon completion of the restructuring and approval of TSI's interexchange tariffs and basic local exchange tariffs.

III. PUBLIC INTEREST ANALYSIS

Teligent has experienced a fair measure of growth and a simplified corporate structure will reduce redundant administrative functions, simplify its administrative tasks and enable the Teligent family of companies to operate more efficiently and economically. By becoming more efficient, Teligent and its subsidiaries, including TSI will be positioned to become even more effective competitors in the market for telecommunications services in Missouri. Approval of this application will be in the public interest.

WHEREFORE, the Applicants respectfully request that the Commission grant them authority to authority to reorganize their corporate structure and operations, and transfer Teligent's telecommunications-related assets, including its customer base, to TSI and grant them other relief consistent with the above.

Respectfully submitted,

Mark W. Comley #28847

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(573) 636-3306 FAX

comleym@ncrpc.com

Attorneys for Teligent, Inc. and Teligent Services Inc.

ATTORNEY VERIFICATION

STATE OF MISSOURI)
) ss
COUNTY OF COLE)

I, Mark W. Comley, being first duly sworn, do hereby certify, depose and state that I am the attorney for the Joint Applicants in the above captioned proceeding; that I have read the above and foregoing Application and the allegations therein contained are true and correct to the best of my knowledge, information and belief; and I further state that I am authorized to verify the foregoing application by the above said applicants.

Mark W. Comley

Subscribed and sworn to before me, a Notary Public, this 17th day of March, 2000.

My Commission expires:

Notary Pub

ANNETTE M. BORGHARDT
Notary Public
State of Missouri
Commission Expires 3/11/02
Cole County, MO

Certificate of Service

I hereby certify that a true and correct copy of the above and foregoing document was sent by U.S. Mail, postage prepaid, or hand delivered, to Office of Public Counsel, P.O. Box 7800, Jefferson City, MO 65102, on this //? day of March, 2000.

Mark W. Comley



Rebecca McDowell Cook Secretary of State

MISSOUR

CORPORATION DIVISION

CERTIFICATE OF CORPORATE GOOD STANDING - FOREIGN CORPORATION

I, REBECCA McDOWELL COOK, Secretary of State of the State of Missouri, do hereby certify that the records in my office and in my care and custody reveal that

TELIGENT, INC.

using in Missouri the name

TELIGENT, INC.

a DELAWARE corporation filed its Evidence of Incorporation with this State on the 7th day of NOVEMBER, 1997, and is in good standing, having fully complied with all requirements of this office.

IN TESTIMONY WHEREOF, I have set my hand and imprinted the GREAT SEAL of the State of Missouri, on this, the 17th day of MARCH, 2000.

Secretary of State



Rebecca McDowell Cook **Secretary of State**

CORPORATION DIVISION

CERTIFICATE OF CORPORATE GOOD STANDING - FOREIGN CORPORATION

I, REBECCA McDOWELL COOK, Secretary of State of the State of Missouri, do hereby certify that the records in my office and in my care and custody reveal that

TELIGENT SERVICES, INC.

using in Missouri the name

TELIGENT SERVICES, INC.

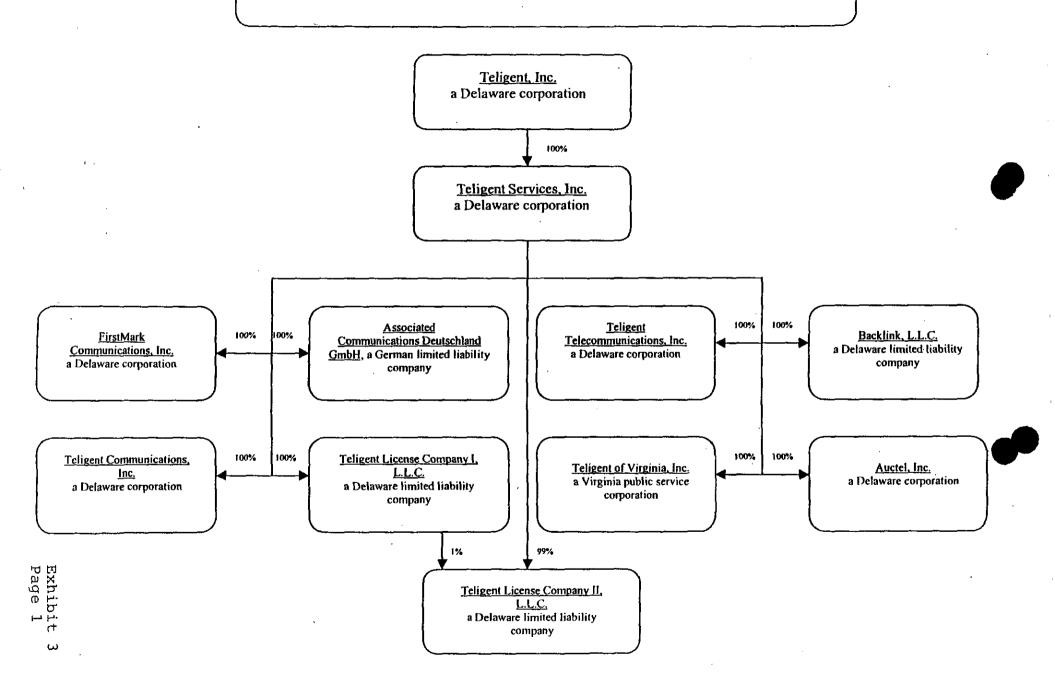
a DELAWARE corporation filed its Evidence of Incorporation with this State on the 4th day of JUNE, 1999, and is in good standing, having fully complied with all requirements of this office.

IN TESTIMONY WHEREOF, I have set my hand and imprinted the GREAT SEAL of the State of Missouri, on this, the 16th day of MARCH, 2000.

Secretary of State

TELIGENT, INC.

PROPOSED CORPORATE STRUCTURE



TELIGENT, INC.

CURRENT CORPORATE STRUCTURE

