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October 3, 2002

Mr. Dale Hardy Roberts
Secretary/ Chief Regulatory Law Judge
Missouri Public Service Commission
200 Madison Street, Suite 100
P.O. Box 360
Jefferson City, Missouri 65102

FILED<sup>3</sup>
OCT 0 3 2002

Service Commission

Re:

American Long Lines, Inc.

Application for Approval of Transfer of Assets and Control

Dear Mr. Roberts.

Please find enclosed for filing an original and eight copies of American Long Lines, Inc.'s Application for Approval of Transfer of Assets and Control.

A copy of this filing has been sent this date to the General Counsel's Office and the Office of the Public Counsel. Thank you.

Sincerely.

John Dowe Miller

JDM/nt

Enclosure

cc:

General Counsel's Office

Office of the Public Counsel

Dennis Connor Carey Roesel

Mark Comley

## BEFORE THE PUBLIC SERVICE COMMISSION OF THE STATE OF MISSOURI

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In the Matter of the Application	)		CO CO PLAN
of American Long Lines, Inc. for	)		المالياس
an Order Approving Transfer of		Case No	
Assets and Control from Teligent,	)		
Inc. Pursuant to an Order of the	)		
Bankruptcy Court.	)		
Bankruptcy Court.	)		

## APPLICATION FOR APPROVAL OF TRANSFER OF ASSETS AND CONTROL

COMES NOW American Long Lines, Inc. ("Applicant"), by and through counsel, and pursuant to the applicable provisions of Sections 392.300 RSMo 2000 and 4 CSR 240-2.060(7), and for its Application For Approval of Transfer of Assets and Control Pursuant to an Order of the Bankruptcy Court, respectfully states as follows:

#### I. 4 CSR 240-2.060(1) REQUIREMENTS

1. Pursuant to 4 CSR 240-2.060(1)(I), all correspondence, communications, notices, orders and decisions regarding this Application should be sent to:

John Dowe Miller STEWART & KEEVIL, L.L.C. 1001 Cherry Street, Suite 302 Columbia, Missouri 65201 (573) 499-0635 (573) 499-0638 (fax) jdowemiller@yahoo.com

With a copy sent to:

Carey Roesel Technologies Management, Inc 210 North Park Avenue Winter Park, Florida 32789 (407) 740-8575 Dennis Connor-C.F.O. American Long Lines, Inc. 700 Enterprise Road, 2nd Floor Horsham, Pennsylvania 19044 (215) 442-9050

2. Pursuant to 4 CSR 240.060(1)(A), Applicant American Long Lines, Inc. states that it is a privately held foreign corporation incorporated and existing under the laws of

the state of Pennsylvania with its principal place of business located at 700 Enterprise Road, 2nd Floor, Horsham Pennsylvania 19044; telephone number (215) 442-9050, fax number (215) 957-8581.

- 3. Pursuant to 4 CSR 240-2.060(1)(C), a Certificate of Authority issued by the Missouri Secretary of State authorizing Applicant to do business in Missouri is attached hereto and incorporated herein as **Appendix A**.
- 4. Pursuant to 4 CSR 240.060(1)(H), Applicant states that it has been classified as a competitive telecommunications company and is duly authorized to provide interexchange and non-switched local exchange telecommunications service pursuant to its certificate of service authority and tariff granted and approved by the Commission on April 21, 1997 in Case Number TA-97-363.
- 5. Pursuant to 4 CSR 240-2.060(1)(K), Applicant states that it has no pending actions or final unsatisfied judgments or decisions against it from any state or federal agency or court which involve customer service or rates, which action, judgment or decision has occurred within three (3) years of the date of this Application
- 6. Pursuant to 4 CSR 240-2.060(1)(L), Applicant states that no annual reports or assessment fees are overdue.
- 7. Pursuant to 4 CSR 240-2.060(1)(M), the notarized verification of Mr. Dennis Connor, Chief Financial Officer of American Long Lines, Inc. is attached hereto.

#### **II. 4 CSR 240-2.060(7) REQUIREMENTS**

8. 4 CSR 240-2.060(7) governs asset transfers generally and appears to apply for purposes of this Application. However, as a competitive telecommunications company Applicant notes that it is exempt from subsections (7)(A)-(E) and (8)(A)-(E) in any event

by virtue of 4 CSR 240-2.060(3). Commission approval of this Application will result in no change to American Long Lines, Inc.'s existing certificate of service authority and tariff. As indicated below, American Long Lines, Inc. currently has no customers in the state of Missouri. Any telecommunications services provided to Missouri customers, if any, in the future will be provided pursuant to said certificate and tariff.

- 9. Pursuant to 4 CSR 240-2.060(7)(F), Applicant states that the transfer of assets and control described herein will have no impact on the tax revenues of any political subdivision in the State of Missouri in which any structure, facilities, or equipment of the companies involved in the transaction are located because:
  - a. Applicant is a pure reseller of interexchange telecommunications
     services, not a facilities-based provider, and has no structures, facilities
     or equipment located within the state of Missouri;
  - b. While Applicant has customers outside the state, Applicant currently
     has no customers within the state of Missouri;
  - c. none of the assets being transferred are located within the state of Missouri.

#### III. EXPLANATION OF THE TRANSACTION

10. American Long Lines, Inc. first received its interexchange/non-switched local exchange certificate and tariff approval for its then-planned Missouri operations on April 21, 1997 in Case No. TA-97-363. On July 10, 2000, the Commission in Case No. TM-2000-770 approved a transfer of control of American Long Lines, Inc. to Teligent, Inc. ("Teligent"). As a result of the transactions approved by the Commission in Case No.

TM-2000-770, American Long Lines, Inc. became a wholly-owned subsidiary of Teligent but continued to operate in Missouri under American Long Lines, Inc.'s certificate and tariff.

- 11. On May 21, 2001, Teligent filed for Chapter 11 bankruptcy protection. The case was filed in the United States Bankruptcy Court, Southern District of New York and was docketed as Case No. 01-12974 (SMB). As a result of this proceeding, the employees of American Long Lines, Inc. sought and on August 30, 2001 obtained from the bankruptcy court an order authorizing, *inter alia*, the sale of all of American Long Lines, Inc.'s assets (including all rights to American Long Lines, Inc.'s corporate name) to the employees. Thru a series of transactions approved by the Bankruptcy Court and by the Pennsylvania Department of State Corporation Bureau<sup>1</sup>, American Long Lines, Inc. as currently constituted is no longer owned by or affiliated with Teligent and is once again a stand-alone corporation, now owned by its employees. While not specifically required under the Commission's rules, for reference a copy of the Bankrutcy Court's August 30, 2001 Order is attached hereto as **Appendix B**.
- 12. Further action or actions by the Bankruptcy Court, if any, specifically with regard to Teligent and its other subsidiaries, are unknown to Applicant at this time.

In order to effectuate the asset transfer pursuant to the Bankruptcy Court's order, the employees formed a corporation known as ALL Acquisition Corporation, which subsequently assumed the old corporate name American Long Lines, Inc.

#### IV. SECTION 392.300.1 RSMo 2000 APPROVAL

- 13. While currently certificated and in good standing in Missouri, American Long Lines, Inc. currently does **not** have any Missouri customers<sup>2</sup>, has not had any Missouri customers for some time, and as a pure reseller has no telecommunications facilities or equipment in Missouri. However, at some point in the future Applicant hopes to begin marketing and serving customers in Missouri, business conditions permitting.
- 14. As was and is the case with all Commission-certificated interexchange carriers, American Long Lines, Inc. was granted the "standard" statutory and rule waivers when it received its Missouri certificate and tariff approval. Accordingly, the only statute that would appear to apply here is Section 392.300.1 RSMo 2000. However, even under that statute it is not clear that *Applicant*—as the acquiring party—is required to obtain Commission approval of the Bankruptcy Court-approved transfer of control and assets<sup>3</sup>.
- 15. Nevertheless, since Applicant under its new ownership in the future may desire to re-enter the Missouri interexchange market pursuant to American Long Lines, Inc.'s existing certificate and tariff, and since Applicant desires to remove any question as to the validity of the transfer of assets and control under Section 392.300.1 RSMo 2000, Applicant has filed this Application both to notify the Commission of what has

<sup>&</sup>lt;sup>2</sup> Since the transactions do not involve the transfer of any existing Missouri customers, it appears that the provisions of the anti-slamming rule, 4 CSR 240-33.150, do not apply.

<sup>&</sup>lt;sup>3</sup> Applicant obviously has no control over Teligent, the seller in the transaction, and Applicant takes no position on the question of whether Teligent was or is legally required to obtain Commission approval of the transaction under Section 392.300.1 RSMo 2000.

transpired during the bankruptcy proceeding with regard to Applicant and to insure, by requesting Commission approval, at least Applicant's compliance with any applicable Missouri law and regulations. To the extent that the Commission determines that Section 392.300.1 RSMo 2000 does *not* apply under these circumstances, Applicant requests that in lieu of approving the Application the Commission simply issue an order declining jurisdiction.

16. Applicant recognizes that requests for approval of transfer of assets when required under Section 392.300.1 normally are filed as joint applications, submitted jointly by both the seller and the buyer. Including Teligent as part of this Application, however, simply was not possible. Counsel for Applicant is not and has never been counsel for Teligent, and accordingly, has no authority to act on Teligent's behalf in this or in any other matter. Counsel for Applicant did, however, contact Teligent's last known Missouri regulatory counsel, Mr. Mark Comley, regarding this Application but was told by Mr. Comley that his office was not currently representing Teligent and that he too had no authority to act on Teligent's behalf. Moreover, Teligent's current regulatory, operational, and legal status in Missouri and elsewhere likewise is unknown to counsel for Applicant except to note that based on a search of the public record, Teligent appears to have been administratively dissolved by the Missouri Secretary of State's office for failure to file an annual report. In any event, the Commission should note that unlike some other bankruptcy-related telecommunications cases that the Commission recently has dealt with, in this particular case Applicant is not requesting

cancellation of *any* certificate or tariff as part of this Application (i.e. Commission approval of this Application will result in no changes to either Teligent's or Applicant's existing certificates and tariffs).

- 17. Because Teligent nevertheless would appear to be a necessary party to this proceeding, Applicant assumes the Commission at least will want to attempt to notify Teligent and give them an opportunity to participate. To that end, to Applicant's best knowledge, information and belief Teligent's last known business address is: 8065

  Leesburg Pike, Vienna, Virginia 22182, and as a courtesy, counsel for Applicant is also sending a copy of this Application to Teligent's last known Missouri regulatory counsel, Mr. Comley.
- 18. Assuming that Section 392.300.1 RSMo 2000 applies, Applicant requests that the Commission approve the transfer of assets and control from Teligent to American Long Lines, Inc. as being not detrimental to the public interest on the basis that the transfer:
  - a. is between two telecommunications companies which have been classified as competitive by the Commission;
  - involves and affects no existing Missouri customers and makes no changes to any existing certificates or tariffs;
  - c. removes Applicant's assets from Teligent's Chapter 11 bankruptcy proceeding pursuant to an order issued by the Bankruptcy Court;
  - d. permits Applicant's employees the opportunity to operate the company

- on a going forward basis; and
- e. permits Applicant to compete more effectively in the competitive telecommunications marketplace, thereby promoting competition in telecommunications in Missouri to the benefit if individual customers and the public.
- 19. Applicant recognizes that approximately one year has elapsed since the Bankruptcy Court approved the transfer of assets and control and the time that Applicant has filed this Application. By this Application Applicant is not requesting a retroactive waiver of any statute. Instead, Applicant is seeking Commission approval on a going forward basis of the transfer of assets and control which has been ordered by the Bankruptcy Court.
- 20. The delay in seeking Commission approval was caused by several factors, including the need for Applicant to first devote its limited regulatory resources to those states in which Applicant has existing customers, uncertainty as to whether under the particular circumstances Missouri Commission approval is required under Section 392.300.1 RSMo 2000, and then having contacted Missouri regulatory counsel, determining whether it was going to be possible to include Teligent in a joint application. It certainly was not Applicant's intent to in any way ignore any Missouri regulatory requirements. To the extent that Commission determines that its approval is required, Applicant respectfully asks the Commission to recognize that Applicant has acted in good faith in seeking and obtaining the Bankruptcy Court's order authorizing the transfer of

assets and control from Teligent to Applicant, in focusing on providing uninterrupted service to Applicant's existing customers, and in filing this Application.

WHEREFORE, for all the reasons above-stated, American Long Lines, Inc. respectfully requests that should the Commission determine that it has jurisdiction over this transaction, the Commission issue its order: 1) approving the transfer of assets and control from Teligent to Applicant pursuant to the Bankruptcy Court's Order dated August 30, 2001 as being not detrimental to the public interest; 2) authorizing Applicant to take all actions necessary to perform any and all of its obligations pursuant to the Bankruptcy Court's Order dated August 30, 2001 and to take such further actions as might be necessary to effectuate the transfer of control and assets from Teligent to Applicant; and 3) making any other orders deemed necessary and just and reasonable in the premises.

Respectfully Submitted,

John Dowe Miller MoBar#50891 STEWART & KEEVIL, L.L.C. 1001 Cherry Street, Suite 302 Columbia, Missouri 65201

(573) 499-0635

(573) 499-0638 (fax)

jdowemiller@yahoo.com

ATTORNEY FOR APPLICANT AMERICAN LONG LINES, INC.

#### CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the foregoing Application and Appendices was sent to the General Counsel's Office and Office of Public Counsel by hand-delivery this 3 day of October, 2002.

#### VERIFICATION

Dennis Connor, Chief Financial Officer of American Long Lines, Inc. first being duly sworn on oath, deposes and says that he has read the foregoing Application and verifies that the statements made therein are true and correct to the best of his knowledge, information and belief.

American Long Lines, Inc.

Dennis Connor

Chief Financial Officer

The foregoing instrument was acknowledged before me this 2 day of 6ctober, 2002

by Dennis Connor.

(SEAL)

Notarial Seal
Theresa D. Pistilli, Notary Public
Horsham Twp., Montgomery County
My Commission Expires Nov. 14, 2005

Notary Public: Theresa Pstill
For the County of Mantamer

My Commission Expires

gomer Nov 14 as AMERICAN LONG LINES, INC. APPLICATION FOR APPROVAL OF TRANSFER OF ASSETS AND CONTROL OCTOBER 3, 2002

#### APPENDIX A

CERTIFICATE OF AUTHORITY TO TRANSACT BUSINESS

No. F00511677
STATE OF MISSOURY



## Matt Blunt Secretary of State

CORPORATION DIVISION - CERTIFICATE OF AUTHORITY

WHEREAS, AMERICAN LONG LINES, INC.

using in Missouri the name AMERICAN LONG LINES, INC.

has complied with the General and Business Corporation Law which governs Foreign Corporations; by filing in the office of the Secretary of State of Missouri authenticated evidence of its incorporation and good standing under the Laws of the State of PENNSYLVANIA.

NOW, THEREFORE, I, MATT BLUNT, Secretary of State of the State of Missouri, do hereby certify that said corporation is from this date duly authorized to transact business in this State, and is entitled to all rights and privileges granted to Foreign Corporations under the General and Business Corporation Law of Missouri.

IN TESTIMONY WHEREOF, I have set my hand and imprinted the GREAT SEAL of the State of Missouri, on this, the 5th day of AUGUST, 2002.

Secretary of State

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AMERICAN LONG LINES, INC. APPLICATION FOR APPROVAL OF TRANSFER OF ASSETS AND CONTROL OCTOBER 3, 2002

#### APPENDIX B

ORDER OF THE BANKRUPTCY COURT

UNITED STATES BANKRUPTCY COURT SOUTHERN DISTRICT OF NEW YORK

in re

Chapter 11

TELIGENT, INC., et al.,1

Case No. 01-12974 (SMB)

Jointly Administered

Debtors.

# ORDER APPROVING DEBTOR'S (i) SALE OF SUBSTANTIALLY ALL OF THE ASSETS OF AMERICAN LONG LINES, INC. AND (ii) ASSUMPTION AND ASSIGNMENT OF CERTAIN EXECUTORY CONTRACTS TO ALL ACQUISITION CORPORATION

Upon the motion (the "Motion")<sup>2</sup> of American Long Lines. Inc., one of the above-captioned debtors and debtors in possession ("ALL" or "Debtor"), seeking entry of an order authorizing the Debtor's (i) sale of substantially all of its assets and (ii) assumption and assignment of certain executory contracts to ALL Acquisition Corporation (the "Buyer"); it appearing that the relief requested is in the best interests of the Debtor's estate, its creditors and other parties in interest; it appearing that this proceeding is a core proceeding pursuant to 28 U.S.C. § 157(b); and after due deliberation and cause appearing therefor; it is hereby

The Debiors and the following entities: Teligent, Inc.: Teligent Services, Inc.: American Long Lines, Inc.: Association Communications, Inc.: Aucust, Inc.: BackLink, L.L.C.; Ession Telecom Services, Inc.: Executive Conference, Inc.: FirstMark Communications, Inc.: Inf/Net Telecommunications, Inc.: Tel. L.L.C.: KatLink, L.L.C.: OMC Communications, Inc.: Outdrangle Investments, Inc.: Telecommunications Concepts, Inc.: Teligent Communications, L.L.C.: Teligent License Co. I. L.L.C.: Teligent License Co. II. L.L.C.: Teligent of Virginia, Inc.: Teligent Professional Services, Inc.: and Teligent Telecommunications, L.L.C.:

Capitalized terms not defined herein have the meaning given in the Motion.

FOUND AND DETERMINED THAT the Debtor has articulated good and sufficient reasons for the proposed sale of the Assets of ALL (the "ALL Assets") to Buyers and it is further

FOUND AND DETERMINED THAT notice of the sale and transactions contemplated thereby was given in accordance with all applicable provisions of the Bankruptcy Rules. Bankruptcy Code and Orders of this Court; and it is further

FOUND AND DETERMINED THAT the Buyer has acted in good faith within the meaning of the Bankruptcy Code, and is entitled to all protections and benefits afforded to such an entity under 11 U.S.C. § 363(m); and it is further

FOUND AND DETERMINED THAT a reasonable opportunity to object or he heard with respect to the Motion and the relief requested in the Motion, and to submit higher and hener offers for the ALL Assets. has been afforded to all interested persons and entities; and it is further

FOUND AND DETERMINED THAT all parties to this sale have complied with all provisions of the Bankruptcy Code and Rules that could have a material impact on this Motion.

NOW. THEREFORE, IT IS

ORDERED that the Motion is granted SMB 8/30/01 to the extent indicated in its entirety, as set forth in detail on the record; and it is further

ORDERED that, subject to the payment by Buyer to the Debtor pursuant to sections 363 and 365 of the Bankruptcy Code of the Purchase Price, the sale of the ALL Assets to Buyer is approved in all respects and the ALL Assets shall be sold and transferred to Buyer free and clear of all tiens, claims

Findings of feet shall be construed as conclusions of law and continues of law shall be construed as findings of feet when appropriate. See Fed. R. Bankr. P. 7052. Statements made by the Court from the bench at the hearing shall constitute additional conclusions of law and findings of feet as appropriate.

and encumbrances, with all such liens, claims and encumbrances attaching only to the proceeds of the sale: and it is further

ORDERED that the Purchase Price provided by the Buyer for the ALL Assets (i) is fair and reasonable. (ii) is the highest and otherwise best offer for the ALL Assets. (iii) will provide a greater recovery for the Debtor's creditors and other interested parties than would be provided by any other practically available alternative, and (iv) constitutes reasonably equivalent value and fair consideration under the Bankrupicy Code and under the laws of the United States and any state, territory, possession, or the District of Columbia: and it is further

ORDERED that in accordance with sections 365 and 363 of the Bankruptcy Code, the assumption, assignment and sale by the Debtors of the Assumed Executory Contracts to Buyer is surborized and approved; and it is further

ORDERED that pursuant to section 365(b)(1)(C) of the Bankruptcy Code, adequate assurance of Buyer's future performance under the Assumed Executory Contracts has been provided; and it is further

ORDERED that on or before the Closing Date, the Buyer shall pay and be solely liable to the counter party under each of the Assumed Executory Contracts for any and all cure amounts for the benefit of each such counter party required under section 365 of the Bankruptcy Code; and it is further

ORDERED that the making or delivery of any instrument of transfer executed in connection with the sale of the ALL Assets shall be deemed to be made or delivered under, in furtherance of or in connection with a chapter 11 plan of reorganization for the Debtor and, therefore, shall be exempt from MANG. 29. 2002 3:47711 PM FR FOX ROTHSCHILLS

"NO 4257" P 4

taxation pursuant to section 1146(c) of the Bankruptcy Code, provided that a plan is confirmed; and it is

further

ORDERED that each and every federal, state and local governmental agency or

department is hereby directed to accept any and all documents and instruments necessary and appropriate

to consummate the transactions contemplated by the Agreement; and it is further

ORDERED that the Debtor is authorized to perform all of its obligations arising under the

Agreement and to execute such other documents and take such further actions as are necessary to

effectuate the sale of the ALL Assets to Buyer; and it is further

ORDERED that the terms and provisions of this Order shall be binding upon the Debtors.

any subsequently appointed trustees thereof, the Debtors' estates, all creditors of any of the Debtors, and

all panies in interest, and their respective heirs, successors and assigns; and it is further

ORDERED that upon the Closing of the transactions with Buyer, the Debtor shall file a

notice of rejection with respect to the lease for office space located at 410 Horsham Avenue, by and

between the Debtor and 410 Horsham Associates pursuant to procedure approved by the Court: and it

is further

ORDERED that the Court shall retain jurisdiction to hear and determine all matters arising

from or relating to the implementation of this order; and it is further

ORDERED that norwithstanding the provisions of Bankruptcy Rules 6004(c) and 6006(d).

this order shall be effective immediately upon entry.

New York, New York

Dated: August 50, 2001

/s/ STUART M. BERNSTEIN

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United States Bankruptcy Judge

A: Order2.wpd