STATE OF MISSOURI PUBLIC SERVICE COMMISSION

At a Session of the Public Service Commission held at its office in Jefferson City on the 22nd day of December, 1992.

In the matter of the application for approval of the merger of Ascom Autelca Communications, Ltd. into Ascom Communications Inc.; for approval of the transfer of the certificate of service authority from Ascom Autelca Communications, Ltd. to Ascom Communications Inc., on an expedited basis.

Case No. TM-93-133

ORDER APPROVING MERGER

On October 13, 1992, Ascom Communications Inc. (ACI) and Ascom Autelca Communications, Ltd. (AACL) filed a joint application pursuant to Chapter 392 of the Revised Statutes of Missouri and 4 CSR 240-2.010, et seq., in which ACI and AACL requested approval of the merger of AACL with and into ACI and also requested the transfer from AACL to ACI of the Certificate of Service Authority and the classification as a competitive company.

Both ACI and AACL are foreign corporations registered and certified to transact business in the state of Missouri, and both ACI and AACL are wholly owned subsidiaries of Ascom Holding, Inc. of Delaware (AHI). The directors, officers and key personnel of AACL and ACI are the same. AACL provides long distance operator and associated services directed toward pay phone systems and traffic aggregator locations such as hotels and airport lounges. ACI installs and maintains the switching facilities which AACL uses for its telecommunication services and also owns and operates pay telephones in thirty-one (31) states, but does not currently operate any pay phones in Missouri. AACL and ACI are currently in the process of consolidating their operations and are requesting the merger in order to eliminate unnecessary and duplicated administrative expenses and to achieve other economic efficiencies derived from one consolidated corporation.

On December 2, 1992, the Commission Staff (Staff) filed a memorandum in this case recommending that the Commission grant the authority sought. Staff states that the merger will have no adverse financial effect on either AACL or ACI and that the companies, merged into ACI, would provide the same interexchange long distance services and operator services that AACL is now providing. ACI will adopt AACL's contract with Sprint and the merger would be transparent to AACL customers. The Staff further has stated that the Commission accounting and financial analysis departments have both reviewed the application and will not be filing any memoranda. The Staff recommends the Commission approve the merger and transfer the certificate of authority from AACL to ACI.

The Commission has considered the application, the authority requested in the application and the recommendation of the Staff and has determined that the authority requested should be granted. Section 392.300, RSMo Cum. Supp. 1991, requires that the Commission give its consent and authority before such a transaction can be concluded. The Commission finds that because the requested merger and transfer will be transparent to the customer the proposed merger, and transfer of the certificate, would not be detrimental to the public interest. Therefore, the Commission will grant the consent and authority requested.

IT IS THEREFORE ORDERED:

- 1. That Ascom Autelca Communications, Ltd. be authorized hereby to merge with and into Ascom Communications Inc.
- 2. That the certificate of service authority and classification as a competitive company granted to Ascom Autelca Communications, Ltd. be transferred to Ascom Communications Inc. upon approval of the adoption notice or tariffs.
- 3. That Ascom Communications Inc. shall file either an adoption notice or a replacement tariff for service on and after December 31, 1992.

- 4. That nothing in this order shall be considered as a finding by the Commission of the reasonableness of the expenditures herein involved, or of the value for ratemaking of the properties herein involved, or as an acquiescence in the value placed upon said properties by Applicants. Furthermore, the Commission reserves the right to consider the ratemaking treatment to be offered these transactions, and their resulting cost of capital, in any later proceeding.
 - 5. That this order shall become effective on December 31, 1992.

BY THE COMMISSION

Brent Stewart Executive Secretary

(SEAL)

McClure, Chm., Mueller, Rauch, Perkins and Kincheloe, CC., Concur.