

STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

At a session of the Public Service
Commission held at its office
in Jefferson City on the 10th
day of November, 1994.

In the matter of the application for)
authority to transfer control of)
Western Union Communications, Inc.) CASE NO. TM-95-153
to First Financial Management)
Corporation.)

ORDER APPROVING APPLICATION FOR SALE AND TRANSFER

On November 3, 1994, Western Union Communications, Inc. (Western Union) filed an Application for Approval of a Transfer of Control pursuant to § 392.300 of the Missouri Revised Statutes. Western Union is a Delaware corporation with its headquarters located at One Mack Centre Drive, Paramus, New Jersey 07652. On July 19, 1994, the Commission issued an order in which it granted to Western Union a certificate of service authority to provide intrastate interexchange telecommunication services in the State of Missouri, and classified it as a competitive telecommunications company.

Western Union is a wholly-owned subsidiary of Western Union Financial Services, Inc. (FSI), which is in turn a wholly-owned subsidiary of New Valley Corporation (New Valley). New Valley is undergoing re-organization pursuant to a Chapter 11 bankruptcy proceeding in the United States Bankruptcy Court for the District of New Jersey. First Financial Management Corporation (First Financial) is a publicly held Georgia corporation with its headquarters located at 3 Corporate Square, Suite 700, Atlanta, Georgia 30329, and is engaged in the provision of information services, data processing, storage, and management products. First Financial executed a purchase agreement with New Valley on October 20, 1994, for the purchase of the stock of FSI. On November 1, 1994, the United States Bankruptcy Court for the District of New Jersey issued a

bankruptcy court order authorizing the sale of Western Union's parent company, FSI, to First Financial. In order to comply with the purchase agreement, First Financial and New Valley intend to close the transaction on November 11, 1994, and thus Western Union seeks expedited treatment of its application, requesting Commission approval of the transaction by November 10, 1994.

In its application, Western Union states that First Financial will purchase all the issued and outstanding stock of FSI and certain related assets for \$1,193,223,000.00. As a wholly-owned subsidiary of FSI, control of Western Union will be transferred to First Financial as a result of the sale. Western Union states that it will continue to be operated as a separate subsidiary of FSI, and will continue offering service to its Missouri customers under its existing tariff, thus there will be no adverse affect on its operations in Missouri. In addition, Western Union also states that Commission approval of the proposed transaction is in the public interest in that Western Union's provision of prepaid telephone card services to Missouri customers will continue and New Valley will be provided an opportunity to emerge from bankruptcy in the most expeditious manner possible.

Attached to Western Union's application are four attachments: (a) a copy of Western Union's certificate of service authority (Attachment A); (b) FSI's consolidated financial statements for 1992 and 1993 (Attachment B); (c) First Financial's annual report to the Securities and Exchange Commission (SEC) for 1993 (Attachment C); and (d) a Purchase Agreement Between New Valley Corporation and First Financial Management Corporation dated as of October 20, 1994 (Attachment D).

The Commission has reviewed Western Union's application, the attachments thereto, and the applicable statutes, and is of the opinion that its application should be granted expedited treatment and should be

approved. Western Union is a competitive telecommunications company whose immediate parent, FSI, is being sold to First Financial as a result of the bankruptcy of FSI's parent, New Valley. The sale transaction has been authorized by the bankruptcy court overseeing the reorganization of New Valley. Although ownership of Western Union will change, Western Union will continue to operate under the same name and same tariff. The purchase agreement between First Financial and New Valley indicates that the acquisition of the Western Union name and trademark is part of the agreement. Thus, the change in ownership of Western Union will be essentially transparent to Missouri customers.

The Commission is also of the opinion that in a situation such as the present one, only minimal regulatory oversight is necessary. Here the parent company of a competitive telecommunications company is being sold, with no present intent to change either the name or tariff under which it operates. Barring some obvious danger to Missouri customers, it is sufficient to allow market forces to pass on the wisdom of the proposed sale transaction. The Commission is therefore willing to approve the application with minimal review, and without the benefit of a Staff investigation or recommendation.

IT IS THEREFORE ORDERED:

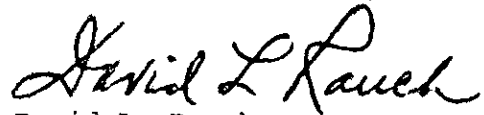
1. That the transfer of control of Western Union Communications, Inc. by New Valley Corporation to First Financial Management Corporation in accordance with the Purchase Agreement Between New Valley and First Financial Management Corporation dated as of October 20, 1994, filed with the application as Attachment A, be and is hereby approved.

2. That Western Union Communication, Inc. be hereby authorized to take all other actions necessary to effectuate the transaction contemplated by the application and this order.

3. That the application of Western Union Communications, Inc. be and is hereby granted expedited treatment.

4. That this order shall become effective on November 21, 1994.

BY THE COMMISSION

A handwritten signature in cursive script, reading "David L. Rauch".

David L. Rauch
Executive Secretary

(S E A L)

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