

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF ALPHA CELLULAR )  
TELEPHONE COMPANY, A FLORIDA )  
GENERAL PARTNERSHIP FOR APPROVAL ) CASE NO. 92-098  
OF FINANCING )

O R D E R

On March 13, 1992, Alpha Cellular Telephone Company ("Alpha Cellular") filed its application requesting approval for the financing of the equipment and construction costs of the cellular system approved in Case No. 91-410.<sup>1</sup>

As set forth in Case No. 91-410, NovAtel Finance Inc. ("NovAtel") agreed to loan Metro Mobile \$2,824,044 to finance all of the equipment and construction costs for the system and a substantial percentage of the related working capital needs. As also indicated in Case No. 91-410, in the Vendor Financing Term Sheet provided to the PSC as Confidential Exhibit 7, the financing which NovAtel agreed to provide Metro Mobile is expressly

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<sup>1</sup> Case No. 91-410, I. The Application of Metro Mobile CTS of Powell, Inc., A Kentucky Corporation, for Issuance of a Certificate of Public Convenience and Necessity to Provide Domestic Public Cellular Radio Telecommunications Service to the Public in the Kentucky Rural Service Area Which Includes Powell, Estill, Wolfe, Lee, Jackson, Owsley, Breathitt, Perry, Knott, and Letcher Counties in Kentucky, For Approval of Financing, and for Establishment of Initial Rates; II. The Joint Application of Metro Mobile CTS of Powell, Inc. and Alpha Cellular Telephone Company, a Florida General Partnership, for the Transfer of the Assets and Liabilities of Metro Mobile CTS of Powell, Inc. to Alpha Cellular Telephone Company and of Related Financing, Order dated January 9, 1992.

assignable to and assumable by Alpha Cellular. The loan documents provided to and approved by the PSC in Case No. 91-410 were never entered into by Metro Mobile and NovAtel. Accordingly, although Alpha Cellular intends to obtain financing from NovAtel pursuant to the Vendor Financing Term Sheet provided to the PSC as Confidential Exhibit 7 to the application in that case, NovAtel and Alpha Cellular have agreed upon the terms of loan documents which differ slightly from those approved by the PSC in Case No. 91-410. The financing will be secured by a first and prior security interest in all of the assets of the system and all of the partnership interests in Alpha Cellular.

The following loan documents will be entered into by Alpha Cellular and NovAtel: (a) several Working Capital Notes, (b) several Purchase Price Notes, (c) a Loan and Security Agreement (the "Loan Agreement"), (d) a Mortgage, Leasehold Mortgage, Security Agreement, Fixture Filing and Financing Statement (the "Mortgage"), and (e) a Partnership Interest Security Agreement (the "Pledge Agreement"), and (f) a System Sale Agreement.

The Commission, having considered the evidence of record and being sufficiently advised, finds that the issuance and consummation of the above notes, agreements, and mortgage by Alpha Cellular are for the lawful objectives within the corporate purposes of Alpha Cellular operations, are necessary or appropriate for and consistent with the proper performance of its service to the public, will not impair its ability to perform that service, are reasonably necessary and appropriate for such purposes, and should therefore be approved.

IT IS THEREFORE ORDERED that:

1. Alpha Cellular be and it hereby is authorized to incur debt evidenced by the notes, agreements, and Mortgage in its application.

2. Alpha Cellular shall, within 30 days after the issuance of the notes, agreements, and mortgage referred to herein, file with the Commission a statement setting forth the date or dates of the consummation of the transactions authorized herein, the price paid, the interest rates, and all fees and expenses, including underwriting discounts or commission or other compensation, involved in the issuance and distribution.

3. The proceeds from the transactions authorized herein shall be used only for the lawful purposes as set out in the application.

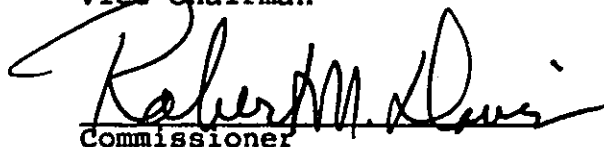
Nothing contained herein shall be construed as a finding of value for any purpose or as a warranty on the part of the Commonwealth of Kentucky or any agency thereof as to the securities authorized herein.

Done at Frankfort, Kentucky, this 21st day of April, 1992.

PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

  
Commissioner

ATTEST:

  
Executive Director