

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF USA MOBILE)	
COMMUNICATIONS HOLDINGS, INC.)	
AND USA MOBILE COMMUNICATIONS,)	
INC. II FOR AN ORDER AUTHORIZING)	CASE NO. 95-191
CHANGE IN OWNERSHIP AND THE)	
ISSUANCE OF SECURITIES AS A)	
RESULT OF THE CHANGE IN OWNERSHIP)	

O R D E R

On April 26, 1995, USA Mobile Communications Holdings, Inc. ("Holdings") and its wholly-owned subsidiary, USA Mobile Communications, Inc. II ("USA Mobile II"), (collectively, "The Companies") filed an application seeking authority to merge Holdings with Arch Communications Group, Inc. ("Arch") and to allow Holdings to issue securities as a part of the merger. Under the terms of the merger agreement, and after all necessary regulatory approvals have been received, Arch will be merged into Holdings, with Holdings being the surviving Corporation. Subsequently, Holdings will be renamed Arch Communications Group, Inc. USA Mobile II will continue to hold the Kentucky certificate to operate.

Holdings also requested authorization to offer securities as a part of the merger. Holdings' Board of Directors and officers consider the offering to be a necessary component of the merger which is necessary and appropriate for continued service to the public, will not impair USA Mobile II's ability to provide service,

and is reasonably necessary and appropriate to accomplish these objectives.

Finally, USA Mobile II has requested that the Commission dispense with the requirements of 807 KAR 5:001, Section 11(2), on the grounds that previous filings have provided sufficient information to the Commission in light of the company's small amount of business activity within Kentucky. Administrative Case No. 323¹ exempted nondominant carriers from the requirements of Section 11 with the exception of Sections 11(1)(b) and (c). Therefore, USA Mobile II is not required to comply with Section 11(2).

After considering the application of the Companies and being otherwise sufficiently advised, the Commission finds that the transactions as proposed should be approved.

IT IS THEREFORE ORDERED that:

1. The authority to merge Arch into Holdings as described in the application is granted.
2. The authority to offer securities as a part of the merger as described in the application is granted.
3. The Companies shall notify the Commission within 10 days of the date of conclusion of the proposed merger or, in the

¹ Administrative Case No. 323, An Inquiry Into IntraLATA Toll Competition, An Appropriate Compensation Scheme For Completion of IntraLATA Calls By Interexchange Carriers, And WATS Jurisdictionality.

alternative, shall notify the Commission if the proposed merger does not occur.

Done at Frankfort, Kentucky, this 22nd day of June, 1995.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director