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September 7, 2000

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SEP 11 2000
PUBLIC SERVICE
COMMISSION

By Overnight Delivery

Mr. Martin Huelsmann
Executive Director
Kentucky Public Service Commission
730 Schenkel Lane
Frankfort, Kentucky 40602

Re: ATX Licensing, Inc.: Transfer of Control Through Merger

Dear Mr. Huelsmann:

Enclosed, please find three copies of ATX Licensing, Inc.'s notice of transfer of control. Please date-stamp and return a copy for our files in the enclosed pre-addressed envelope *at 9/11/00*

Please do not hesitate to contact me if you have any questions.

Sincerely,

Leila Baheri

Leila M. Baheri

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Frankfort, Kentucky 40602

Re: ATX Licensing, Inc.: Transfer of Control Through Merger

Dear Mr. Huelsmann:

ATX Licensing, Inc. ("ALI") recently has been granted authority to provide long distance service in Kentucky as a reseller.¹ ATX Telecommunications Services, Inc. ("ATX"), parent corporation of ALI, and CoreComm Limited ("CoreComm"), by their attorneys, hereby respectfully notify the Public Service Commission of Kentucky ("Commission") of their intent to transfer the ultimate ownership and control of ALI through a merger transaction whereby the shareholders of CoreComm will hold a majority stock interest in ATX as described more fully below. ALI will continue to be the service provider in Kentucky under its existing tariff. It is our understanding that no formal approval by the Commission is required to complete this transaction.

The Parties. ALI is a wholly-owned subsidiary of ATX. Both are privately-held, Delaware corporations with principal places of business at 50 Monument Road, Bala Cynwyd, Pennsylvania 19004. As noted above, ALI's application to provide resold long distance services within the Commonwealth of Kentucky has been granted by the Commission. ALI intends to

¹ The initial tariff filing (#61-0435) of ATX Licensing, Inc. to operate as a long distance reseller was filed with the Commission on April 28, 2000 and was effective as of May 5, 2000.

resell the underlying interexchange services of MCI/WorldCom, Sprint and AT&T to customers in Kentucky.

CoreComm is a publicly-held, Bermuda corporation with its principal place of business at 110 East 59th Street, New York, New York 10022. CoreComm is a telecommunications service provider operating on an intrastate, interstate and international basis, which, through subsidiaries, is authorized and provides local and/or interexchange service in 24 states. CoreComm's subsidiary, Newco, Inc. is authorized to provide resold interexchange telecommunications services within the Commonwealth of Kentucky.²

Transfer of Control. ATX and CoreComm have agreed to a plan of merger ("Plan") whereby, through a series of transactions, CoreComm shareholders will acquire a majority of the shares of ATX, which will be the surviving entity. ALI will remain a wholly-owned subsidiary of ATX and CoreComm's telecommunications subsidiaries will become indirect subsidiaries of ATX. The post-merger ATX will ultimately change its name to CoreComm Limited.

After the consummation of the merger, ALI will continue to operate under the same name and operating authority. ALI also will continue to operate under the same rates, services, and tariff. Thus, the transfer of control will be essentially transparent to customers and will not have any adverse impact on them. The ALI Commission contact for inquiries will remain Susan Van Allen, Esq., 50 Monument Road, Bala Cynwyd, Pennsylvania 19004. However, at the same time that ATX changes its name to CoreComm Limited, ALI will adopt the name of its parent, ATX Telecommunications Services, Inc.

CoreComm is led by a highly-qualified team of management personnel, all of whom have extensive backgrounds in telecommunications. Upon completion of the merger, they also will constitute the management team of the combined company including ALI. In addition, certain members of ATX's management team will continue to serve with CoreComm after the merger is consummated.

Public Interest Considerations. The proposed transfer of control of ATX from its current shareholders to CoreComm's shareholders is in the public interest. The addition of ATX to CoreComm will enhance both ATX's and CoreComm's ability to compete in the market for telecommunications services in Kentucky and elsewhere. The parties will benefit from increased economies of scale that will permit them to operate more efficiently and thus to compete more effectively. In addition, the merged company will have access to the greater financial resources it needs to introduce new products and services and to respond to the competitive telecommunications environment in Kentucky and across the nation. Over time, consumers in

² The computer identification number for Newco, Inc.'s authority to provide resold interexchange service is 5139000.

Kentucky will benefit from a greater number of product and service options as well as lower prices.

Should our understanding be incorrect with respect to the need for approval of this transaction, we respectfully request that Commission staff immediately contact us.

Respectfully submitted,

CoreComm Limited

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