

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF CORPORATE)	
TELEMANAGEMENT GROUP, INC. TO ACQUIRE)	CASE NO.
CERTAIN ASSETS OF INTERNATIONAL)	95-084
TELECOMMUNICATIONS EXCHANGE)	
CORPORATION)	

O R D E R

On April 11, 1995, International Telecommunications Exchange Corporation ("INTEX") and Corporate Telemanagement Group, Inc. ("CTG") (hereinafter collectively referred to as "Joint Applicants") filed, pursuant to KRS 278.020(4) and KRS 278.020(5), an application for Commission approval of the transfer of certain INTEX assets to CTG ("Application"). The proposed transaction will take place pursuant to the Agreement for Sale and Purchase of Assets By and Among International Telecommunications Exchange Corporation and Corporate Telemanagement Group, Inc. ("Agreement"), dated January 3, 1995, attached as Exhibit 1 to the Application.

INTEX, a Delaware corporation, was certified by the Commission to provide intrastate telecommunications services as a reseller in Case No. 91-287.¹ CTG, a South Carolina corporation, was certified

¹ Case No. 91-287, Application of International Telecommunications Exchange Corporation for a Certificate of Public Convenience and Necessity as a Reseller of Telecommunications Services Within the State of Kentucky.

by the Commission to provide intrastate telecommunications services as a reseller in Case No. 91-324.²

The proposed transaction involves transfer of, inter alia, the following assets from INTEX to CTG: (a) all contracts, rights, lists, records, billing, and other information relating to INTEX's customers; (b) all contracts, rights, lists, records, payment and other information relating to sales agents; (c) all trademarks, copyrights, trade names, corporate names, patents, licenses, telephone numbers and listing, goodwill, leases and contracts [Application, at Section 3; Agreement at Section 2.1]. Assets to be retained by the seller, including certain office equipment and accounts receivable, are listed in Section 2.2 of the Agreement.

Joint Applicants state that, subsequent to the proposed transaction, INTEX will no longer provide service to Kentucky customers and CTG will file an adoption notice pursuant to 807 KAR 5:001, Section 11, adopting the rates, rules, classifications and regulations of INTEX. Joint Applicants also state that all customers of INTEX will be notified in advance of the proposed transaction and advised that they may select the carrier(s) of their choice. Customers also will be notified prior to discontinuance of any INTEX service offerings.

Joint applicants submit that the proposed transaction is consistent with the public interest in that it will enable CTG to

² Case No. 91-324, Application of Corporate Telemanagement Group, Inc. for a Certificate of Public Convenience and Necessity to Operate as a Switchless Reseller of Long Distance Telecommunications Services Within the Commonwealth of Kentucky.

increase its operating efficiency, which should result in reduced rates and better services for customers. The Commission has previously determined, in Case No. 91-324, that CTG has the financial, technical, and managerial abilities to provide reasonable service in Kentucky.

Pursuant to KRS 278.020(4), persons under the jurisdiction of the Commission are required to obtain Commission approval prior to the acquisition of, or transfer of ownership or control of, a utility. KRS 278.020(5) prohibits any entity from acquiring control of a utility under the jurisdiction of the Commission without prior approval.

The Commission finds that KRS 278.020(4) and (5) are applicable to the proposed transaction as described by Joint Applicants. Therefore, Commission approval is necessary.

The Commission further finds that CTG has demonstrated the financial, technical, and managerial abilities to provide reasonable service to the public, and that the proposed transaction will be made in accordance with law, for a proper purpose, and consistently with the public interest. Consequently, the proposed transaction should be approved.

IT IS THEREFORE ORDERED that:

1. The proposed transaction as described by the Joint Applicants is hereby approved.
2. Joint Applicants shall notify the Commission within 10 days of the consummation of the proposed transaction or, in the


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

3. CTG shall file, within 10 days of the date of this Order, an Adoption Notice in accordance with 807 KAR 5:011, Section 11.

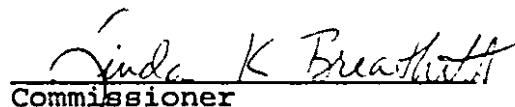
4. CTG shall file, within 20 days of the date of this Order, rate schedules or regulations on additional or revised sheets to its existing tariff, or shall file a complete reissue of its existing tariff, which shall set out the rates and regulations of the adopted tariff, or such other rates and regulations as it proposes to put into effect in lieu thereof.

Done at Frankfort, Kentucky, this 18th day of May, 1995.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director