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STATE OF MISSOURI
PUBLIC SERVICE COMMISSION

At a session of the Public Service
Commission held at its office
in Jefferson City on the 2nd
day of March, 1999.

In the Matter of the Application of Telecom)
Resources, Inc. d/b/a TRINetwork, Inc. and)
Advanced Communications Group, Inc. for Author-)
ity for Acquisition of Telecom Resources, Inc.)
d/b/a TRINetwork, Inc. by Advanced Communications)
Group, Inc.)

Case No. TM-99-222

ORDER APPROVING ACQUISITION

On November 17, 1998, Telecom Resources, Inc. d/b/a TRINetwork, Inc. (TRI) and Advanced Communications Group, Inc. (Advanced) filed an application requesting approval of the acquisition of control of TRI by Advanced. TRI is certificated to provide interexchange telecommunications services in Missouri, and therefore this transaction comes under Commission jurisdiction.

TRI received a certificate of service authority to provide interexchange telecommunications services in Missouri on May 15, 1998, in Case No. TA-98-412. TRI is a privately-held Texas corporation whose principal offices are located at 1950 Stemmons Freeway, Suite 4033, Dallas, Texas 75207. TRI, in addition to the services it provides to Missouri customers, is authorized to provide intrastate services in all 48 contiguous states and Hawaii, except Connecticut, Louisiana, North Carolina, and South Carolina, pursuant to certification, registration, notification, tariff requirements, or on an unregulated basis.

TRI is also authorized by the Federal Communications Commission to provide domestic interstate and international services as a nondominant carrier in all 50 states and the District of Columbia.

Advanced Communications Group, Inc. is a publicly-held Delaware corporation with stock traded on the NASDAQ national exchange. The principal offices of Advanced are located at 390 South Woodsmill Road, Suite 150, St. Louis, Missouri 63017.

In order to facilitate the transfer of control, ACG Acquisition Corp. (ACG), a Delaware corporation and wholly owned subsidiary of Advanced Communications Group, Inc., was created. ACG, along with its subsidiaries, is a rapidly growing regional competitive local exchange carrier that provides an integrated portfolio of telecommunications services in selected areas of Southwestern Bell Telephone Company and US West.

As a result of the proposed acquisition of control, Advanced will acquire control of TRI through the merger of ACG with and into TRI. ACG will cease to exist and TRI will be the surviving corporation. The application notes that the merger should constitute a "tax-free reorganization". Advanced will acquire all of TRI's issued and outstanding stock and TRI's shareholders will receive their pro rata share of \$250,000 in cash and their pro rata share of a number of shares of Advanced common stock equal in value to \$2,050,000. The company will continue to operate as Telecom Resources, Inc., and only the underlying ownership of TRI will change as a result of the transfer of control. TRI will continue to operate under its own name, and will remain the holder

of its certificate of authority and will operate under its current tariff.

The applicants assert that the proposed transaction will serve the public interest in promoting competition among long distance carriers by providing applicants with the opportunity to strengthen their competitive position. The proposed transaction will enable applicants to pursue marketing and business plans more effectively. TRI will continue to rely on its existing management and operations staff to provide service, and TRI will be able to draw upon the financial, marketing, and technical expertise that currently exists in ACG.

The Staff of the Commission (Staff) filed a memorandum on January 7, 1999, recommending that the transfer of control of TRI to Advanced be approved. Staff indicates that it believes the public interest will be served by the operating efficiencies gained through the economic, marketing and administrative efficiencies achieved as a result of the acquisition.

The Commission has reviewed the application, the accompanying documentation, and Staff's memorandum, and finds that the proposed acquisition and merger will have no adverse impact on the Missouri customers of TRI. Therefore, the Commission finds that the transaction is not detrimental to the public interest and should be approved.

IT IS THEREFORE ORDERED:

1. That the application filed by Telecom Resources, Inc. d/b/a TRINetwork, Inc. and Advanced Communications Group, Inc. on November 17, 1998, is approved.

2. That the applicants are authorized to consummate the transfer of control of Telecom Resources, Inc. d/b/a TRINetwork, Inc. to Advanced Communications Group, Inc.

3. That the parties are authorized to take any and all actions necessary to effect the acquisition and merger authorized by this order.

4. That Telecom Resources, Inc. d/b/a TRINetwork, Inc., shall file notification with the Commission no later than 10 days after the closing date of the transaction authorized by this order.

5. That nothing in this order shall be considered a finding by the Commission of the value for ratemaking purposes of the transaction herein involved.

6. That the Commission reserves the right to consider any ratemaking treatment to be afforded the transaction herein involved in a later proceeding.

7. That this order shall become effective on March 12, 1999.

BY THE COMMISSION



Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge

(S E A L)

Lumpe, Ch., Crumpton, Drainer,
Murray and Schemenauer, CC., concur.

Ruth, Regulatory Law Judge

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COMMISSION COUNSEL
PUBLIC SERVICE COMMISSION