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ORDER REQUESTING FURTHER INFORMATION

On August 25, 1997, SmarTalk TeleServices, Inc. (SmarTalk) and SmarTel Communications, Inc. (SmarTel) (Applicants) applied for approval of the acquisition of SmarTel by SmarTalk. The application was deficient in that it lacked a tax revenue impact statement and indicated through its consistent use of the past tense that the merger has already taken place. On October 14, the companies filed their First Amended Application which included a tax revenue impact statement. The amended pleading, however, continues to refer to the merger taking place in the past tense.

Section 392.300, RSMo 1994, requires Commission approval of all mergers and acquisitions prior to any actual transfer of assets or control. Pursuant to this statute any nonconforming transactions are void *ab initio*.

The Commission finds that there is insufficient information for it to make any determination on Applicants' request for approval of their merger agreement. Therefore, the Commission will direct the parties to file a pleading setting out the following information:

1. Has the merger transaction already been consummated by Applicants? If so, provide the closing date and copies of any and all documents pertaining to the closing of this transaction.

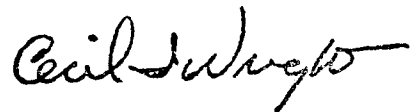
2. If the merger has already occurred, please describe how SmarTel's customers are being served and billed for service?
3. If the merger has already occurred, what circumstances surrounded Applicants' decision to merge without Commission approval?

The Commission finds the above requested information critical to its decision-making process and will therefore require answers to questions one through three above to be filed by Applicants by November 10, 1997.

IT IS THEREFORE ORDERED:

1. That SmarTalk TeleServices, Inc. and SmarTel Communications, Inc. shall file with the Commission the information requested above in the form of a pleading no later than November 10, 1997.
2. That this order shall become effective on October 30, 1997.

BY THE COMMISSION



**Cecil I. Wright
Executive Secretary**

(S E A L)

Kevin F. Hennessey, Regulatory Law Judge,
by delegation of authority pursuant to
4 CSR 240-2.120(1) (November 30, 1995)
and Section 386.240, RSMo 1994.

Dated at Jefferson City, Missouri,
on this 30th day of October, 1997.