



The Commonwealth of Massachusetts

DEPARTMENT OF PUBLIC UTILITIES

June 21, 1990

D.P.U. 90-116

MCI COMMUNICATIONS CORP./TELECOM*USA, INC.

MCI Communications Corp. ("MCIC") and Telecom*USA, Inc. ("TCUSA") have requested approval by the Department of Public Utilities for the transfer of control of Teleconnect Long Distance Services and Systems Co. ("Teleconnect"), a certified interexchange carrier in Massachusetts, to MCIC.

In Massachusetts, TCUSA offers resold Telecommunications Services to business and residential customers through Teleconnect, a subsidiary of Teleconnect Company, which is a subsidiary of TCUSA.

Approval is sought for the transfer of control (ownership) of Teleconnect to MCIC, and NOT for approval of the transfer of Teleconnect's certificate.

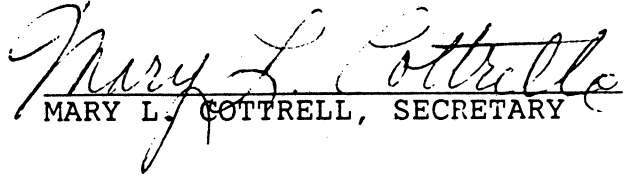
The proposed transfer of control would be made pursuant to an agreement and plan of merger dated April 8, 1990, by and among MCIC, TCUSA, and MCI Capital, Inc. ("MCI Capital"), a wholly-owned subsidiary of MCIC, formed for the purpose of acquiring TCUSA, which will be the surviving entity. TCUSA will continue to exist under the laws of the State of Delaware and MCI Capital will cease to exist as a separate corporate entity. All debts, liabilities and duties of TCUSA and MCI Capital will become the responsibility of TCUSA, the surviving entity. Each issued and outstanding share of TCUSA will be converted to the right to receive cash at the rate of \$42 per share. Following the merger, there would be 1000 shares of TCUSA issued and outstanding, all of which would be owned by MCIC. All the licenses and authorizations from government agencies presently held by TCUSA's subsidiaries would continue to be held by those subsidiaries. No tariff changes or change in service is being sought.

Comments, objections, and requests for a public hearing on the proposed transfer must be made in writing and filed with the Secretary of the Department on or before July 13, 1990.

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The petitioners are required to give notice of this request by publication hereof once, no later than June 29, 1990 in the Boston Globe, The Morning Union, (Springfield), the Berkshire Eagle (Pittsfield) and The Evening Gazette (Worcester), and to serve a copy hereof no later than June 29, 1990 to the parties on the attached list.

By Order of the Department,


MARY L. COTTRELL, SECRETARY

In City Council,
June 25, 1990

5-691
Notice of a public hearing from DPU to
received comments on the transfer of
ownership of Teleconnect to MCIC.