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MEMORANDUM
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2010 SEP 23 P 4: 26

TO: Docket Control Center

FROM: Steven M. Olea
Director
Utilities Division

SMO
AZARDO
DOCKET CONTROL

DATE: September 23, 2010

RE: **ADMINISTRATIVE CLOSURE - IN THE MATTER OF THE APPLICATION OF PUBLIC COMMUNICATIONS SERVICE, INC. AND GLOBAL TEL*LINK CORPORATION FOR APPROVAL OF A TRANSFER OF CONTROL.**
DOCKET NO. T-03682A-10-0338 AND T-02871A-10-0338

On August 10, 2010, Public Communications Services, Inc. ("PCS") and Global Tel*Link Corporation ("GTL") notified the Commission of a proposed transaction in which PCS will transfer control and its assets to GTL. Upon closure of the proposed transaction, GTL will pledge its assets transferred from PCS pursuant to the terms of existing GTL credit facilities. On August 12, 2010, PCS and GTL filed an amended notification letter to replace the original notification letter in its entirety.

On August 5, 2010, GTL and PCS entered into a Stock Purchase Agreement. Pursuant to the terms of the Stock Purchase Agreement, GTL will purchase all of the issued and outstanding shares of the common stock of PCS from its shareholders, which represents 100 percent of the equity interests in PCS. The expected date of closing is October 31, 2010; however, the closing is subject to obtaining all necessary state and federal approvals of the Transaction. Upon consummation of the proposed Transaction, PCS will be a wholly owned subsidiary of GTL. Following the stock purchase, the assets of PCS will be transferred to GTL. GTL plans to operate the companies separately for a period of time, until such time as integration can be accomplished in a transparent manner with no negative effect on end users.

PCS and GTL are Customer Owned Pay Telephone ("COPT") providers and, as such, do not qualify as a Class A utilities covered by the Commission's Affiliated Interest Rules, A.A.C. R12-2-801 to R12-2-806 requiring utilities with greater than \$1 million in jurisdictional revenues to obtain prior approval for a transfer of control transaction. Given the above, Staff recommends that this matter be administratively closed.

SMO:AFF:kdh

Originator: Armando F. Fimbres

Attachment: Original and Thirteen Copies

Arizona Corporation Commission
DOCKETED

SEP 23 2010

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SERVICE LIST FOR: PUBLIC COMMUNICATIONS SERVICE, INC.
DOCKET NO. T-03682A-10-0338

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