

CAPTION SHEET

CASE MANAGEMENT SYSTEM

1. REPORT DATE: 00/00/	:	
2. BUREAU: FUS	:	
3. SECTION(S):	:	
5. APPROVED BY:	:	4. PUBLIC MEETING DATE:
DIRECTOR:	:	00/00/00
SUPERVISOR:	:	
6. PERSON IN CHARGE:	:	7. DATE FILED: 09/02/98
8. DOCKET NO: A-310752	:	9. EFFECTIVE DATE: 00/00/00

PARTY/COMPLAINANT:

RESPONDENT/APPLICANT: MCIMETRO ACCESS TRANS SVC LLC

COMP/APP COUNTY:

UTILITY CODE: 310752

ALLEGATION OR SUBJECT

JOINT APPLICATION OF MCI TELECOMMUNICATIONS, INC (MCIT), MCIMETRO ACCESS TRANS MISSION SERVICES, INC., (MCIATS, INC), MCIMETRO ACCESS TRANSMISSION LLC (MCIATS LLC) AND MCI METRO, INC (MCIMETRO) FOR APPROVAL OF: 1) A MERGER AND RELATED TRANSACTIONS, WHEREBY MCI METRO WILL MERGE WITH ITS PARENT COMPANY, MCIT, AND CEASE ITS CORPORATE EXISTENCE (DOCKETED AT A-312025F0003); 2) A MERGER AND RELATED TRANSACTIONS, WHEREBY MCIATS, INC., WILL MERGE WITH AND INTO MCIATS LLC AND CEASE ITS CORPORATE EXISTENCE. MCIATS LLC, THE SURVIVING ENTITY, WILL BECOME A DIRECT SUBSIDIARY OF MCIT (DOCKETED AT A-310236F5000); 3) MCIATS, LLC WILL BEGIN TO FURNISH SERVICE AS AN INTEREXCHANGE TOLL RESELLER TO THE PUBLIC (DOCKETED AT A-310752), AND 4) MCIATS, INC, WILL ABANDON SERVICE AS AN INTEREXCHANGE TOLL RESELLER IN PENNSYLVANIA (DOCKETED AT A-310236F2000).

DOCKETED

NOV 09 1998

**DOCUMENT
FOLDER**

DILWORTH PAXSON LLP

LAW OFFICES

COPY

DIRECT DIAL NUMBER:
(717) 236-4812

Linda C. Smith

July 31, 1998

A-312025 F0003

A-310236 F5000

Mr. James McNulty, Secretary
PA Public Utility Commission
PO Box 3265
Harrisburg, PA 17105

RECEIVED
98 JUL 31 PM 3:58
PA.P.U.C.
SECRETARY'S BUREAU

Re: Application of MCI Telecommunications Corporation, MCI Metro, Inc. and MCI metro Access Transmission Services, Inc. for Approval of Merger. Application of MCI Telecommunications Corporation, MCI metro Access Transmission Services Inc. and MCI metro Access Transmission Services LLC for Approval of Merger through Transfer of Stock.

Dear Mr. McNulty:

Enclosed please find an original and three (3) copies of the Application for Approval of Merger and Motion for Expeditious Approval on behalf of MCI Telecommunications Corporation, MCI Metro, Inc., MCI metro Access Transmission Services, Inc. and MCI metro Access Transmission Services LLC for filing in the above referenced docket.

All parties have been served according to the attached Certificate of Service.

If you have any questions or concerns regarding this filing, please do not hesitate to contact me.

Very truly yours,

Linda C. Smith/hjg

Linda C. Smith

LCS:hjg

Enclosures
cc: Certificate of Service

DILWORTH PAXSON LLP ORIGINAL
LAW OFFICES

DIRECT DIAL NUMBER:
(717) 236-4812

Linda C. Smith

A-310752

August 13, 1998

POCKETED

NOV 03 1998

PA.P.U.C.
SECRETARY'S BUREAU

98 SEP -2 PM 1:40

James McNulty, Secretary
Pennsylvania Public Utility Commission
P.O. Box 3265
Harrisburg, PA 17101-3265

DOCUMENT
FOLDER

Re: Application of MCI Telecommunications Corporation, MCI Metro, Inc. and MCI metro Access Transmission Services, Inc. for Approval of Merger; Application of MCI Telecommunications Corporation, MCI metro Access Transmission Services, Inc. and MCI metro Access Transmission Services LLC for Approval of Merger through Transfer of Stock.

Dear Mr. McNulty:

The purpose of this letter is to amend and clarify the above referenced application filed on July 31, 1998. It is the intent of MCI Telecommunications Corporations and its affiliates, collectively MCI, that the certificate of public convenience of MCI metro Access Transmission Services, Inc. be abandoned at the time a new certificate of public convenience is issued to the new corporate entity MCI metro Access Transmission Services LLC. As stated in the application the officers, finances and services of the two corporate entities will be identical, however, the change in corporate form requires the abandonment of one certificate and the issuance of a new entrant certificate. I have been advised by counsel to the Commission, Louise Fink Smith, that a separate application for the new entrant is not necessary since it is the intention of the new entity to assume the tariffs and obligations of the existing entity.

As a second matter, a verified statement is enclosed that attests to the fact that the new entrant is aware of and knowingly assumes the obligation to continue service until abandonment authority is received from the Commission in accordance with paragraph 24 of the application for new entrants. This, too, is being provided on the advise of Louise Fink Smith.

Thirdly, enclosed please find revised exhibits 8 and 9 which depict the organization of the corporation both before and

305 N. FRONT STREET • SUITE 403 • HARRISBURG PA 17101-1236
(717) 236-4812 • FAX (717) 236-7811 • www.dilworthlaw.com

Dilworth Paxson L.
To: James McNulty, Secretary

Page 2

after the proposed transactions. These revisions were made to clearly mark the jurisdictional companies and to identify the appropriate docket numbers for the companies involved. These revisions were made for ease of reference of Commission staff.

The newly submitted exhibits also correct two errors in the original charts. The first correction is on the Before Transactions chart where "MCI Metro Inc." should read "MCI Metro, Inc.". The second correction is on the After Transactions chart where "MCI Metro Transmission Access Services, LLP" should read "MCI Metro Transmission Access Service LLC".

MCI requests that there be no requirement to publish this application given the transparent nature of the transactions to the public and the absence of any impact by the application on any outside entity. The filing was requested to be handled as expeditiously a possible because of the revenues being unnecessary expended in taxes each month and because of the need to protect against future liabilities. Publication would serve no useful purpose and would cause delay to the detriment of the applicant.

As a final matter, a question has been raised about the appropriate filing fee given the true nature of the application. After you and your staff have had the opportunity to review this letter, please advise me if the filing fee paid was correct or if there is an amount due.

If you, or any Commission staff member has any questions regarding this matter generally, or the specifics raised in this letter, please do not hesitate to contact me. I appreciate the helpful manner in which the Commission staff has addressed this matter to date.

Very truly yours,

Linda C. Smith
Linda C. Smith

cc: Doug Beebe, Fixed Utilities
Louise Fink Smith, Esq., OSA1

AFFIDAVIT

Charles W. Rau, Affiant, being duly sworn according to law, deposes and says that:

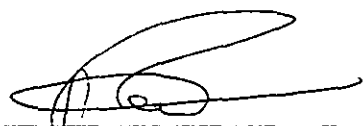
He is the Vice President of MCImetro Access Transmission Services LLC;

That he is authorized to and does make this affidavit for said corporation;

That MCImetro Access Telecommunications Services LLC, an Applicant herein, acknowledges that it may have an obligation to serve or to continue to serve the public by virtue of the Applicant commencing the rendering of service pursuant to this Application consistent with the Public Utility Code of the Commonwealth of Pennsylvania, Title 66 of the Pennsylvania Consolidated Statutes; with the federal Telecommunications Act of 1996, signed February 6, 1996; or with other applicable statutes or regulation;

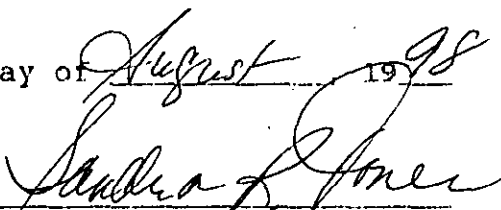
That MCImetro Access Transmission Services LLC, the Applicant herein, asserts that it possesses the requisite technical, managerial, and financial fitness to render public utility service within the Commonwealth of Pennsylvania and that the Applicant will abide by all applicable federal and state laws and regulations and by the decisions of the Pennsylvania Public Utility Commission.

That the facts above set forth are true and correct to the best of his knowledge, information, and belief and that he expects said corporation to be able to prove the same at any hearing hereof.



Charles W. Rau

Sworn and subscribed before me this 31 day of August 1998

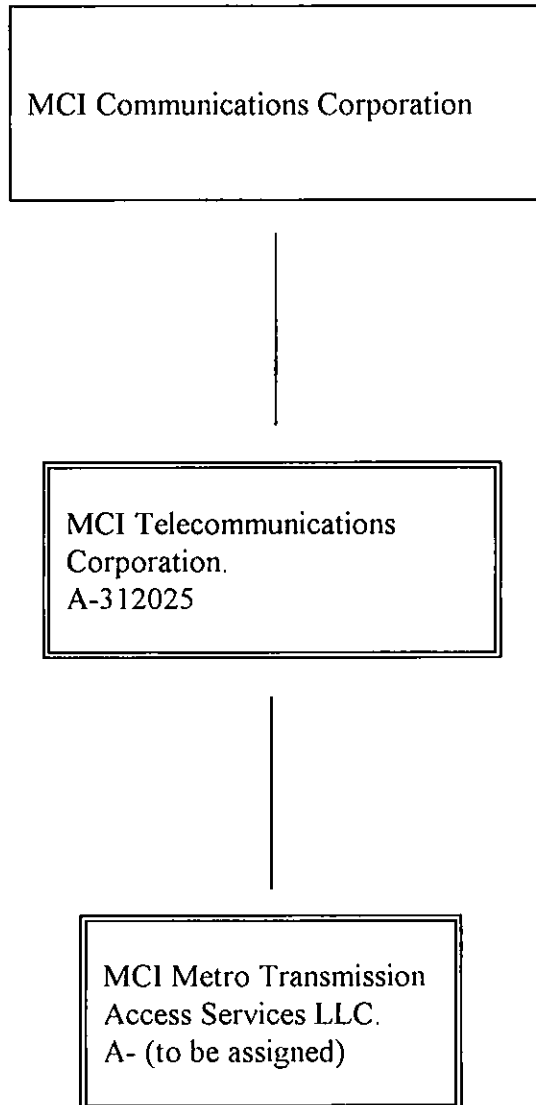


Signature of official administering oath

My commission expires 8/14/99.

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98 SEP -2 PM 1:41
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SECRETARY'S BUREAU

AFTER TRANSACTIONS

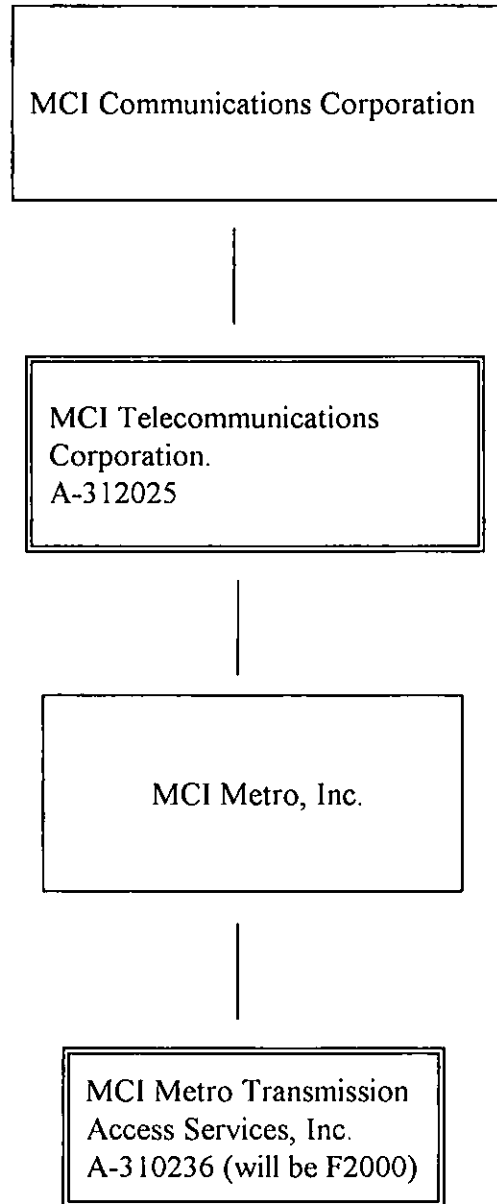


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RECORDED

*Pennsylvania Jurisdictional companies are double outlined and have a Docket Number under which certificates were issued.

BEFORE TRANSACTIONS



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PA.P.U.C.
SECRETARY'S BUREAU

*Pennsylvania Jurisdictional companies are double outlined and have a Docket Number under which certificates were issued.

A-310752 and
A-310236 F2000

ORIGINAL

BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION

In Re: APPLICATION OF MCI
TELECOMMUNICATIONS CORPORATION, MCI METRO,
INC. AND MCIMETRO ACCESS TRANSMISSION
SERVICES, INC. FOR APPROVAL OF MERGER.

:
:
: DOCKET NO. A-312025
: F0003

DOCUMENT
FOLDER

In Re: APPLICATION OF MCI TELECOMMUNICATIONS
CORPORATION, MCIMETRO ACCESS TRANSMISSION
SERVICES INC. AND MCIMETRO ACCESS
TRANSMISSION SERVICES LLC FOR APPROVAL
OF MERGER THROUGH TRANSFER OF STOCK.

:
: DOCKET NO. A-310236
: F5000

APPLICATION FOR APPROVAL OF MERGER
AND MOTION FOR EXPEDITIOUS APPROVAL

MCI Telecommunications Corporation ("MCIT"), and MCI Metro Access Transmission Services, Inc. (A-310236F0002) ("MCI Metro"), Pennsylvania jurisdictional utilities providing interexchange and local telecommunications services within the Commonwealth of Pennsylvania, jointly request approval, together with MCImetro Access Transmission LLC and MCI Metro, Inc., for a transaction or series of transactions, which will have the effect of: 1) eliminating MCI Metro Inc. as a subsidiary of MCIT and as a holding company of MCImetro Access Transmission Services, Inc. thereby making MCIT the direct parent of MCI Metro; and 2) merging MCI Metro into a newly created corporation called MCImetro Access Transmission LLC¹. This application is being filed pursuant to 66

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MCI

¹MCIT and MCI Metro are of the understanding that only transactions or series of transactions that result in a change of ownership of utility property are subject to Commission review. MCIT and MCI Metro further contend that the transactions at issue here do not result in a change of ownership or control of the utility property. All property continues to be owned wholly by MCI Communications Corporation as the parent of MCIT, who in turn

Pa. C.S.A. §1101 et seq. and 66 Pa. C.S.A §2101 and any other applicable rules or regulations.

The primary purpose of the transaction or series of transactions is to enable the overall corporate entity, which presently uses the same facilities and personnel for many of its various obligations, to meet Internal Revenue Service expense reporting requirements without expending greater resources than necessary. At the present time, it is difficult to distinguish between when an employee's time is being spent for the benefit of the interexchange carrier or if it is being used for the benefit of the competitive local exchange carrier. The accurate assignment of expenses associated with given tasks can become difficult, if not impossible. Because accurate record keeping is extremely difficult when employees throughout the nation divide their time between different corporate obligations, the potential for problems with the filing of income tax returns which require expenses of the various corporate entities to be itemized is escalated. The uncertainty that exists with allocation of expenses among the corporate entities is eliminated or significantly minimized by this merger. The ability to offset losses in one end of the company's business against earned income from other areas of the company's business, thereby reducing the corporation's tax liability overall

wholly owns MCI Metro. The sole impact of the transactions at issue is that MCI Metro is transformed into a limited liability corporation rather than being simply incorporated and MCI Metro, Inc. a holding company between MCIT and MCI Metro is eliminated. MCIT and MCI Metro, therefore, file this application in an effort to be cautious, despite it belief that it is not necessary.

and freeing more dollars for investment in the local market, is a second tax benefit that will be achieved by the merger.

Because of the simplicity of this merger and the need to comply fully with the tax code, the applicants move that their application be approved as expeditiously as possible. The transactions involved will not reduce or eliminate any used and useful facilities from service to Pennsylvania consumers. Any savings generated or penalties avoided by this merger will provide additional revenues for capitalizing investment in Pennsylvania.

In support of their requests, MCI Metro and MCIT state as follows:

1. The name and addresses of Applicants are as follows:

MCI Telecommunications Corporation
1801 Pennsylvania Avenue, N.W.
Washington, D.C. 20006

MCImetro Access Transmission Services, Inc.
1801 Pennsylvania Avenue, N.W.
Washington, DC 20006

MCI Metro, Inc.
1801 Pennsylvania Avenue, N.W.
Washington, DC 20006

2. The name and address of the attorney for the applicants is:

Linda C. Smith, Esq.
Dilworth Paxson, LLP
305 N. Front Street, Suite 403
Harrisburg, PA 17101-1236

3. Description of the Parties.

- a. MCImetro Access Transmission Services, Inc. ("MCI Metro") is a Delaware Corporation certificated on October 4, 1995, to provide and resell local exchange telecommunications services in

Pennsylvania in the Bell Atlantic-Pennsylvania Inc. service territory pursuant to authority issued by the Pennsylvania Public Utility Commission at Docket No. A-310236F0002. MCI Metro is a wholly-owned subsidiary of MCI Telecommunications Corporation.

b. MCI Telecommunications Corporation ("MCIT") is a Delaware Corporation certificated as an interexchange carrier in Pennsylvania. MCIT is in turn a wholly-owned subsidiary of MCI Communications Corporation.

c. MCI Metro Inc. is a holding company which wholly owns MCI Metro, the local service provider. MCI Metro Inc. is a shell corporation which provides no services and has no employees.

d. MCImetro Access Transmission Services LLC is a newly formed Delaware corporation having been created on May 20, 1998 for the sole purpose of transforming the current corporate structure of the local service entity. The new corporation was properly registered with the Corporation Bureau of the Department of State in Pennsylvania. See, Certificate of Formation of MCImetro Access Transmission Services LLC; and Application for Registration As A Foreign Limited Liability Company, attached as Exhibit 1 and Limited Liability Company Agreement of MCImetro Access Transmission Services LLC attached as Exhibit 2. The officers of the new company are the same as the existing MCI Metro who is certificated to provide local service. See, Sole Member Consent to Action of MCImetro Access Transmission Services LLC and Consent to Company Action of MCImetro Access Transmission Services LLC, attached as Exhibit 3.

4. The Transaction or Series of Transactions.

a. MCI Metro, Inc. will be merged into its parent MCIT. The result of this merger will make MCIT the direct parent company of MCImetro Access Transmission Services, Inc. See, Consent to Action by the Board of Directors of MCIMetro, Inc. and Consent to Corporate Action by the Board of Directors of MCI Telecommunications Corporation attached as Exhibit 4. See also, Plan of Merger attached as Exhibit 5.

b. Minutes after the merger of MCI Metro Inc. with MCIT, the newly formed MCImetro Access Transmission Services, LLC will be merged into the existing MCImetro Access Transmission Services, Inc. See, Consent to Action The Board of Directors of MCImetro Access Transmission Services LLC, Consent to Action by the Board of Directors of MCImetro Access Transmission Services, Inc. and Consent of Sole Stockholder of MCImetro Access Transmission Services, Inc. dated June 24; Consent of Sole Stockholder of MCImetro Access Transmission Services, Inc. dated June 29, 1998; and Consent of Sole Member of MCImetro Access Transmission Services LLC attached as Exhibit 6 and Agreement and Plan of Merger, Dated as of June 26, 1998 By and Between MCImetro Access Transmission Services LLC and MCImetro Access Transmission Services, Inc. attached as Exhibit 7. That agreement requires in Article 2, Section 2.2 for all Public Utility Commission approvals and other consents to be obtained. Exhibit 7 at p.2.

c. The result of these two transactions is that MCIT would be parent to MCImetro Access Transmission Services LLC

eliminating both the holding company MCI Metro Inc., and changing the corporate structure of the local exchange provider from a corporation to a limited liability corporation.

d. There will be no ultimate change in the ownership of the facilities used and useful for the public at either the interexchange level or in local service. MCIT will continue to own all facilities used to serve the local and interexchange markets as it did before the transactions.

e. A copy of a chart depicting the organization of the corporate structure before the transactions is attached as Exhibit 8. The corporate structure after the transaction is attached as Exhibit 9.

5. Reasons for the Transaction.

This transaction is intended to eliminate potential tax issues arising from the integrated delivery of services by the same staff and facilities on behalf of two separate corporate entities by reorganizing the corporate structure through merger. The tax savings will be substantial.

6. Impact of the Transaction on the Consumer.

This transaction is expected to be transparent to the consumer and end-user. Any impact on the consumer will be a benefit resulting from the improvement of the financial condition of the company and the availability of additional revenues for investment in the local market. The property currently used and useful to provide services to consumers in Pennsylvania will continue to be used to provide services and will not be impacted in

other than a positive manner from the proposed transactions. The positive impact will come from the availability of additional funds to maintain or improve facilities. A chart depicting the organization structure before the merger is attached as Exhibit 8. The organizational structure after the merger is attached as Exhibit 9. (Please note that the merger through the transfer of stock between MCI Communications Corporation and WorldCom, Inc. is not depicted in these charts because that merger has not yet closed pending the approval of a few remaining jurisdictions. That merger, however, does not impact on this application because it will transpire at a higher tier of the corporate structure than the merger which is the subject of this application.)

7. Granting this Application is in the Public Interest.

a. The legal standard to be applied generally to applications under Section 1102(a)(3) is whether the granting of such applications is "necessary or proper for the service, accommodation, convenience or safety of the public" 66 Pa.C.S. §1102(3). The Pennsylvania Supreme Court has interpreted this standard as including consideration of the "likely effect of a proposed merger upon [...] service" and the "probable general effect of the merger upon rates" as criteria for determining a merger "will benefit the public." City of York v. Pennsylvania Public Utility Commission, 295 A.2d 825, 828-29 (1972), rehearing denied.

b. Expansion of MCI's local services will require MCI to commit significant additional resources to increase its sales

and service force, serve more markets and expand MCI's consumer marketing and advertising efforts. This expansion should impact positively on Pennsylvania.

c. Approval of the proposed transactions will benefit the public by providing additional funds to MCI to invest in local service in Pennsylvania through any tax savings the merger will bring and the avoidance of large expenditures to appropriately separate or continue to separate the expenditures associated with the labor of employees and the use of facilities for different corporate entities. It is also in the public interest that public utilities comply with the tax code and avoid the payment of penalties whenever possible. This proposed merger will enable MCI to better comply with tax code requirements at lower cost.

WHEREFORE, MCI^{metro} Access Transmission Services, Inc., MCI Telecommunications Corporation, MCI Metro Inc., and MCI^{metro} Access Transmission Services LLC respectfully request that the Commission grant expeditiously this application and approve the proposed mergers through the transfer of stock.

Respectfully submitted,

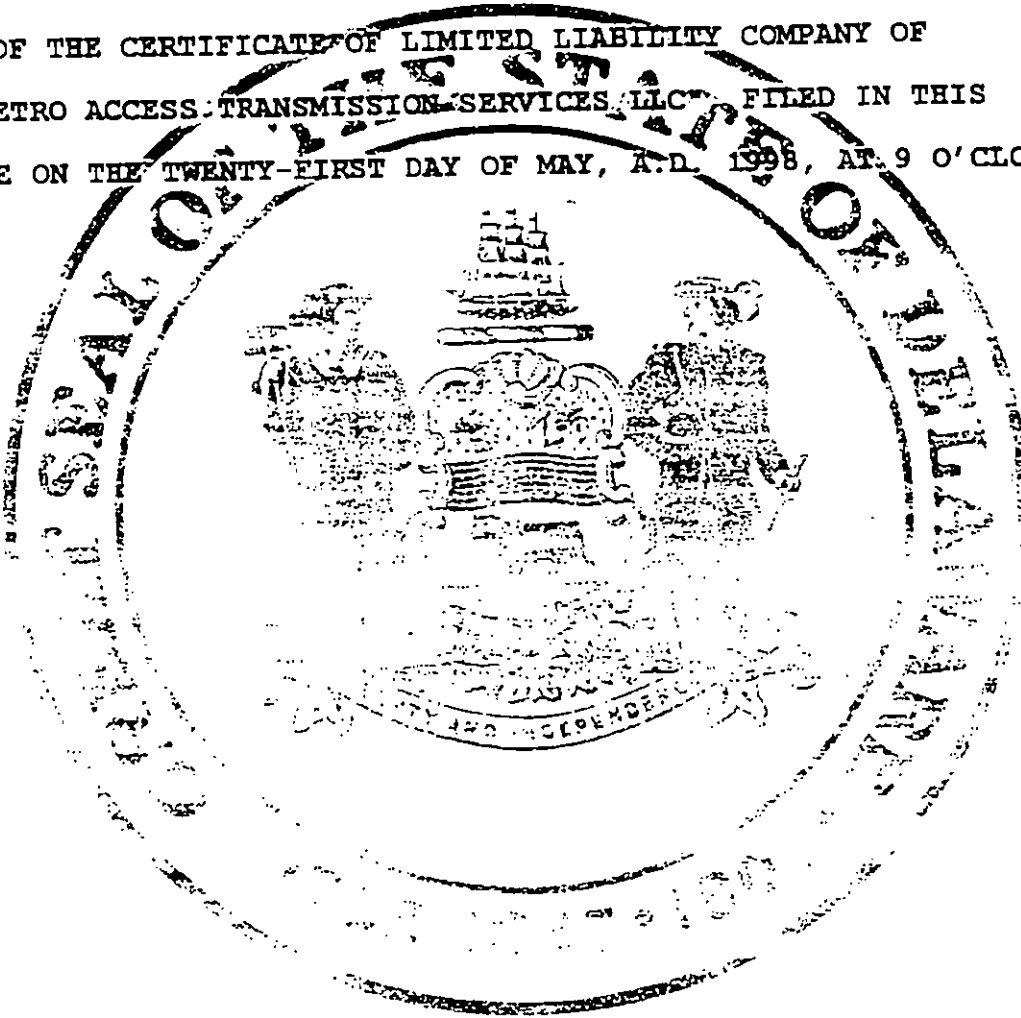


Linda C. Smith, Esquire
ID No. 35868
Dilworth Paxson, LLP
305 North Front Street, Suite 403
Harrisburg, PA 17101
(717) 236-4812

Attorney for MCI Telecommunications Corporation; MCI Metro Inc.; MCI^{metro} Access Transmission Services, Inc. and MCI^{metro} Access Transmission Services, LLC.

Dated: July 31, 1998

I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF LIMITED LIABILITY COMPANY OF "MCIMETRO ACCESS TRANSMISSION SERVICES, LLC" FILED IN THIS OFFICE ON THE TWENTY-FIRST DAY OF MAY, A.D. 1998, AT 9 O'CLOCK A.M.



Edward J. Freel

Edward J. Freel, Secretary of State

2900057 8100

AUTHENTICATION: 9098234

981196971

DATE: 05-22-98

CERTIFICATE OF FORMATION

OF

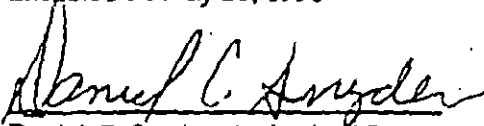
MCImetro ACCESS TRANSMISSION SERVICES LLC

The undersigned, an authorized natural person, for the purpose of forming a limited liability company, under the provisions and subject to the requirements of the State of Delaware (particularly Chapter 18, Title 6 of the Delaware Code and the acts amendatory thereof and supplemental thereto, and known, identified, and referred to as the "Delaware Limited Liability Company Act"), hereby certifies that:

FIRST: The name of the limited liability company (hereinafter called the "limited liability company") is MCImetro Access Transmission Services LLC.

SECOND: The address of the registered office and the name and the address of the registered agent of the limited liability company required to be maintained by Section 18-104 of the Delaware Limited Liability Company Act are The Prentice-Hall Corporation System, Inc., 1013 Centre Road, Wilmington, Delaware 19805.

Executed on May 20, 1996


Daniel C. Snyder, Authorized Person

MCImetro Access Transmission Services, Inc.

1801 Pennsylvania Avenue, N.W.
Washington, DC 20006
(202) 887-2002
(Fax) 202-887-2047


May 27, 1998

Re: Consent to use Name MCImetro Access Transmission Services LLC

Dear Sir or Madam:

We hereby give MCImetro Access Transmission Services LLC consent to use this name in all states within the United States.

MCImetro ACCESS TRANSMISSION SERVICES, INC.



Charles W. Rau
Vice President

**LIMITED LIABILITY COMPANY AGREEMENT
OF MCImetro ACCESS TRANSMISSION SERVICES LLC**

This Limited Liability Company Agreement (this "Agreement") of MCImetro Access Transmission Services LLC is entered into by MCI Telecommunications Corporation, a Delaware corporation (the "Member").

The Member, by causing a Certificate of Formation of the company to be filed with the office of the Secretary of State of the State of Delaware and by entering into this Agreement, hereby forms a limited liability company pursuant to and in accordance with the Delaware Limited Liability Company Act (6 Del.C. §18-101, *et seq.*), as amended from time to time (the "Act"), and hereby agrees as follows:

1. **Name.** The name of the limited liability company formed hereby is MCImetro Access Transmission Services LLC (the "Company").
2. **Certificates.** Daniel C. Snyder, as an authorized person within the meaning of the Act, shall execute, deliver and file the Certificate of Formation with the Secretary of State of the State of Delaware. Upon the filing of the Certificate of Formation with the Secretary of State of the State of Delaware, his powers as an authorized person shall cease and the Member shall thereafter become the designated authorized person within the meaning of the Act. The Member or an Officer (as hereinafter defined) shall execute, deliver and file any other certificates (and any amendments and/or restatements thereof) necessary for the Company to qualify to do business in a jurisdiction in which the Company may wish to conduct business.
3. **Purpose.** The Company is formed for the object and purpose of, and the nature of the business to be conducted and promoted by the Company is, engaging in any lawful act or activity for which limited liability companies may be formed under the Act.
4. **Powers.** In furtherance of its purposes, but subject to all of the provisions of this Agreement, the Company shall have the power and is hereby authorized to:
 - a. acquire by purchase, lease, contribution of property or otherwise, own, hold, sell, convey, transfer or dispose of any real or personal property which may be necessary, convenient or incidental to the accomplishment of the purposes of the Company;
 - b. act as a trustee, executor, nominee, bailee, director, officer, agent or in some other fiduciary capacity for any person or entity and to exercise all of the powers, duties, rights and responsibilities associated therewith;
 - c. take any and all actions necessary, convenient or appropriate as trustee, executor, nominee, bailee, director, officer, agent or other fiduciary, including the granting or approval of

waivers, consents or amendments of rights or powers relating thereto and the execution of appropriate documents to evidence such waivers, consents or amendments;

d. operate, purchase, maintain, finance, improve, own, sell, convey, assign, mortgage, lease or demolish or otherwise dispose of any real or personal property which may be necessary, convenient or incidental to the accomplishment of the purposes of the Company;

e. borrow money and issue evidences of indebtedness in furtherance of any or all of the purposes of the Company, and secure the same by mortgage pledge or other lien on the assets of the Company;

f. invest any funds of the Company pending distribution or payment of the same pursuant to the provisions of this Agreement;

g. prepay in whole or in part, refinance, recast, increase, modify or extend any indebtedness of the Company and, in connection therewith, execute any extensions, renewals or modifications of any mortgage or security agreement securing such indebtedness;

h. enter into, perform and carry out contracts of any kind, including, without limitation, contracts with any person or entity affiliated with the Member, necessary to, in connection with, convenient to, or incidental to the accomplishment of the purposes of the Company;

i. employ or otherwise engage employees, managers, contractors, advisors, attorneys and consultants and pay reasonable compensation for such services;

j. enter into partnerships, limited liability companies, trusts, associations, corporations or other ventures with other persons or entities in furtherance of the purposes of the Company; and

k. do such other things and engage in such other activities related to the foregoing as may be necessary, convenient or incidental to the conduct of the business of the Company, and have and exercise all of the powers and rights conferred upon limited liability companies formed pursuant to the Act.

5. Principal Business Office. The principal business office of the Company shall be located at such location as may hereafter be determined by the Member.

6. Registered Office. The address of the registered office of the Company in the State of Delaware is c/o the Prentice-Hall Corporation System, Inc., 1013 Centre Road, Wilmington, New Castle County, Delaware 19805.

7. Registered Agent. The name and address of the registered agent of the Company for service of process on the Company in the State of Delaware is the Prentice-Hall Corporation System, Inc., 1013 Centre Road, Wilmington, New Castle County, Delaware 19805.

8. Members. The name and the mailing address of the Member is set forth on Schedule A attached hereto.

9. Limited Liability. Except as otherwise provided by the Act, the debts, obligations and liabilities of the Company, whether arising in contract, tort or otherwise, shall be solely the debts, obligations and liabilities of the Company, and the Member shall not be obligated personally for any such debt, obligation or liability of the Company solely by reason of being a member of the Company.

10. Capital Contributions. The Member is deemed admitted as the Member of the Company upon its execution and delivery of this Agreement. The Member will contribute the amount of United States Dollars to the Company as listed on Schedule A attached hereto.

11. Additional Contributions. The Member may, but is not required to, make any additional capital contributions to the Company.

12. Allocation of Profits and Losses. The Company's profits and losses shall be allocated to the Member.

13. Distributions. Distributions shall be made to the Member at the times and in the aggregate amounts determined by the Member. Notwithstanding any provision to the contrary contained in this Agreement, the Company shall not make a distribution to the Member on account of its interest in the Company if such distribution would violate Section 18-607 of the Act or other applicable law.

14. Management. In accordance with Section 18-402 of the Act, management of the Company shall be vested in the Member. The Member shall have the power to do any and all acts necessary, convenient or incidental to or for the furtherance of the purposes described herein, including all powers, statutory or otherwise, possessed by members of a limited liability company under the laws of the State of Delaware. The Member has the authority to bind the Company.

15. Directors. The Member may, from time to time as it deems advisable, delegate management power and appoint directors of the Company (the "Directors") to manage the Company. The Directors may assign in writing titles to any person they appoint as an officer of the Company. Unless the Directors decide otherwise, if the title is one commonly used for officers of a business corporation formed under the Delaware General Corporation Law, the assignment of such title shall constitute the delegation to such person of the authorities and duties that are normally associated with that office. Any delegation pursuant to this Section 15 may be revoked at any time by the Directors.

a. Number of Directors. The number of Directors shall be not less than two nor more than fifteen. A Director shall be and hereby is designated as a "Manager" of the Company within the meaning of the Act.

b. First Meeting. The first meeting of the newly elected Directors, of which no notice shall be necessary, shall be held at such time and place as a majority of the members of the newly elected Board of Directors of the Company ("Board") who are then present shall determine, for the election or appointment of officers for the ensuing year and for the transaction of such other business as may be brought before such meeting.

c. Regular Meetings. Regular meetings of the Directors, other than the first meeting, may be held without notice at such times and places as the Directors may from time to time determine.

d. Special Meetings. Special meetings of the Directors may be called by order of the Chairman or any two Directors. Notice of the place, date and hour of each special meeting shall be given by mailing the same at least three days before the meeting or by telephoning, telegraphing or delivering personally the same at least one day before the meeting to each Director. Except as otherwise specified in the notice thereof, or as required by this Agreement, any and all business may be transacted at any special meeting of the directors.

e. Organization. Every meeting of the Directors shall be presided over by the Chairman. In the absence of the Chairman, the presiding officer shall be chosen by a majority of the Directors present. The Secretary of the Company shall act as secretary of the meeting, but, in his absence, the presiding officer may appoint any person to act as secretary of the meeting.

f. Quorum: Vote. A majority of the Directors then in office (but in no event less than two of Directors) shall constitute a quorum for the transaction of business, but less than a quorum may adjourn any meeting from time to time until a quorum shall be present, whereupon the meeting may be held, as adjourned, without further notice. Except as otherwise required by this Agreement, all matters coming before any meeting of the Directors shall be decided by the vote of a majority of the Directors present at the meeting, a quorum being present. Any action required or permitted to be taken at a meeting of Directors may be taken without a meeting, without prior notice and without a vote, if a consent or consents, in writing, setting forth the action so taken, shall be signed by Directors having not less than the minimum votes that would be necessary to authorize or take such action at a meeting. Actions taken by the Directors in accordance with this Agreement shall bind the Company.

16. Officers.

a. General. The Directors may elect the officers (the "Officers") of the Company, which shall include a President, a Secretary and such other or additional officers (including, without limitation, a Chairman, one or more Vice Presidents, a Treasurer, Assistant Secretaries and Assistant Treasurers) as the Directors from time to time deem desirable for the conduct of the business of the Company.

b. Term of Office, Removal and Vacancy. Each Officer shall hold his office until a successor is elected and qualified or until such Officer's earlier resignation or removal. Any Officer or agent shall be subject to removal with or without cause at any time by the Directors. Vacancies in any office, whether occurring by death, resignation, removal or otherwise, may be filled at any regular or special meeting of the Directors.

c. Powers and Duties. Each of the Officers of the Company shall, unless otherwise ordered by the Directors, have such powers and duties as generally pertain to such officer's respective office as if the Company were a corporation governed by the General Corporation Law of the State of Delaware, as well as such powers and duties as from time to time may be conferred upon such Officer by the Directors.

d. Power to Vote Stock. Unless otherwise ordered by the Directors, the President shall have full power and authority on behalf of the Company to attend and to vote at any meeting of stockholders of any company in which this Company may hold stock, and may exercise on behalf of this Company any and all of the rights and powers incident to the ownership of such stock at any such meeting, and shall have the power and authority to execute and deliver proxies, waivers and consents on behalf of the Company in connection with the exercise by the Company of the rights and powers incident to the ownership of such stock. The Directors, from time to time, may confer like powers upon any other person or persons.

17. Other Business. The Member may engage in or possess an interest in other business ventures (unconnected with the Company) of every kind and description, independently or with others. The Company shall not have any rights in or to such independent ventures or the income or profits therefrom by virtue of this Agreement.

18. Exculpation and Indemnification. No Member, Director, Officer or employee of the Company shall be liable to the Company, or any other person or entity who has an interest in the Company, for any loss, damage or claim incurred by reason of any act or omission performed or omitted by such Member, Director, Officer or employee of the Company in good faith on behalf of the Company and in a manner reasonably believed to be within the scope of the authority conferred on such Member, Director, Officer or employee of the Company by this Agreement, except that a Member, Director, Officer or employee of the Company shall be liable for any such loss, damage or claim incurred by reason of such Member's, Director's, Officer's or employee's of the Company willful misconduct. To the full extent permitted by applicable law, a Member, Director, Officer or employee of the Company shall be entitled to indemnification from the Company for any loss, damage or claim incurred by such Member, Director, Officer or employee of the Company by reason of any act or omission performed or omitted by such Member, Director, Officer or employee of the Company in good faith on behalf of the Company and in a manner reasonably believed to be within the scope of authority conferred on such Member, Director, Officer or employee of the Company by this Agreement, except that no Member, Director, Officer or employee of the Company shall be entitled to be indemnified in respect of any loss, damage or claim incurred by such Member, Director, Officer or employee of the Company by reason of willful misconduct with respect to such acts or

omissions; provided, however, that any indemnity under this Section 18 shall be provided out of and to the extent of Company assets only, and no Member shall have personal liability on account thereof.

19. Assignments. The Member may assign in whole or in part its limited liability company interest in the Company. If the Member transfers all of its limited liability company interest in the Company pursuant to this Section, the transferee shall be admitted to the Company as a member of the Company upon its execution of an instrument signifying its agreement to be bound by the terms and conditions of this Agreement, which instrument may be a counterpart signature page to this Agreement. Such admission shall be deemed effective immediately prior to the transfer, and, immediately following such admission, the transferor Member shall cease to be a member of the Company.

20. Resignation. The Member may resign from the Company. If the Member resigns pursuant to this Section 20, an additional member shall be admitted to the Company, subject to Section 21, upon its execution of an instrument signifying its agreement to be bound by the terms and conditions of this Agreement, which instrument may be a counterpart signature page to this Agreement. Such admission shall be deemed effective immediately prior to the resignation, and immediately following such admission, the resigning Member shall cease to be a member of the Company.

21. Admission of Additional Member. One (1) or more additional members of the Company may be admitted to the Company with the written consent of the Member.

22. Dissolution.

a. The Company shall dissolve, and its affairs shall be wound up upon the first to occur of the following: (i) the written consent of the Member, (ii) the retirement, resignation or dissolution of the Member or the occurrence of any other event which terminates the continued membership of the Member in the Company unless the business of the Company is continued in a manner permitted by the Act, or (iii) the entry of a decree of judicial dissolution under Section 18-802 of the Act.

b. The bankruptcy (as defined in Section 18-101(1) of the Act) of the Member will not cause the Member to cease to be a member of the Company and upon the occurrence of such an event, the business of the Company shall continue without dissolution.

c. In the event of dissolution, the Company shall conduct only such activities as are necessary to wind up its affairs (including the sale of the assets of the Company in an orderly manner), and the assets of the Company shall be applied in the manner, and in the order of priority, set forth in Section 18-804 of the Act.

23. Separability of Provisions. Each provision of this Agreement shall be considered separable and if for any reason any provision or provisions herein are determined to be invalid,

unenforceable or illegal under any existing or future law, such invalidity, unenforceability or illegality shall not impair the operation of or affect those portions of this Agreement which are valid, enforceable and legal.

24. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original of this Agreement.

25. Entire Agreement. This Agreement constitutes the entire agreement of the Member with respect to the subject matter hereof.

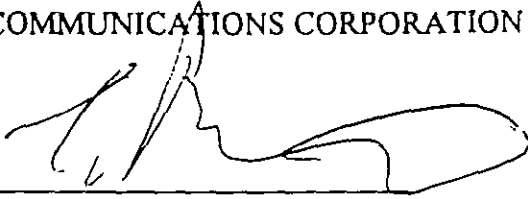
26. Governing Law. This Agreement shall be governed by, and construed under, the laws of the State of Delaware (without regard to conflict of laws principles), all rights and remedies being governed by said laws.

27. Amendments. This Agreement may not be modified, altered, supplemented or amended except pursuant to a written agreement executed and delivered by the Member.

IN WITNESS WHEREOF, the undersigned, intending to be legally bound hereby, has duly executed this Agreement as of the 27 day of May, 1998. Pursuant to Section 18-201(d) of the Act, this Agreement shall be effective as of the date hereof.

MCI TELECOMMUNICATIONS CORPORATION

By: _____


Timothy F. Price
President

Schedule A
MCImetro Access Transmission Services LLC Limited Liability Company Agreement

MEMBER		Agreed Value of Capital Contribution Added to Company's <u>Capital Account</u>	Percentage Interest Issued in Consideration for Capital <u>Contribution</u>
<u>Name</u>	<u>Mailing Address</u>		
MCI Telecommunications Corporation	1801 Pennsylvania Ave., N.W. Washington , DC 20006	\$100.00	100%

9845-629

Microfilm Number _____

Filed with the Department of State on JUN 12 1998

Entity Number 2821370

[Signature]
Secretary of the Commonwealth

JK

APPLICATION FOR REGISTRATION AS A FOREIGN LIMITED LIABILITY COMPANY

DSCB:15-8981 (Rev 95)

In compliance with the requirements of 15 Pa.C.S. §8981 (relating to registration), the undersigned foreign limited liability company, desiring to register to do business in this Commonwealth, hereby states that:

1. The name of the limited liability company is: MCIMETRO ACCESS TRANSMISSION SERVICES LLC

2. (If the name set forth in paragraph 1 is not available for use in this Commonwealth, complete the following): The name under which the limited liability company proposes to register and do business in this Commonwealth is:

3. The name of the jurisdiction under the laws of which the limited liability company was organized and the date of its formation are:

Jurisdiction: DELAWARE Date of Formation: MAY 21, 1998

4. The (a) address of this limited liability company's initial registered office in this Commonwealth or (b) name of its commercial registered office provider and the county of venue is:

(a) _____
Number and Street City State Zip County

(b) c/o: CORPORATION SERVICE COMPANY DAUPHIN
Name of Commercial Registered Office Provider County

For a limited liability company represented by a commercial registered office provider, the county in (b) shall be deemed the county in which the limited liability company is located for venue and official publication purposes.

5. (Check and complete one of the following):
 The address of the office required to be maintained by it in the jurisdiction of its organization by the laws of that jurisdiction is:

Number and Street City State Zip

It is not required by the laws of its jurisdiction of organization to maintain an office therein and the address of its principal office is:

1801 PENNSYLVANIA AVE., N.W., WASHINGTON DC 20006
Number and Street City State Zip

6. (Strike out if inapplicable): The company is a restricted professional company organized to render the following restricted professional service(s):

n/a

98 JUN 12 PM 12:26

IN TESTIMONY WHEREOF, the undersigned limited liability company has caused this Application for Registration as a Foreign Limited Liability Company to be signed by a duly authorized member or manager thereof this 4th day of JUNE, 19 98.

MCIMETRO ACCESS TRANSMISSION SERVICES LLC
(Name of Limited Liability Company)

BY: [Signature]
Charles W. Raw (Signature)

TITLE: Vice President

On behalf of ITS MEMBER,
MCI Telecommunications Corporation

PENNSYLVANIA DEPARTMENT OF STATE
CORPORATION BUREAU
ROOM 308 NORTH OFFICE BUILDING
P.O. BOX 8722
HARRISBURG, PA 17105-8722

259

MCIMETRO ACCESS TRANSMISSION SERVICES LLC

THE CORPORATION BUREAU IS HAPPY TO SEND YOU YOUR FILED DOCUMENT.
PLEASE NOTE THE FILE DATE AND THE SIGNATURE OF THE SECRETARY OF THE
COMMONWEALTH. THE CORPORATION BUREAU IS HERE TO SERVE YOU AND WANTS
TO THANK YOU FOR DOING BUSINESS IN PENNSYLVANIA. IF YOU HAVE ANY
QUESTIONS PERTAINING TO THE CORPORATION BUREAU, CALL (717) 787-1057.

ENTITY NUMBER: 2821370

MICROFILM NUMBER: 09845

0629-0630

CSC NETWORKS
COUNTER

**SOLE MEMBER CONSENT TO ACTION
OF MCImetro ACCESS TRANSMISSION SERVICES LLC**

The undersigned, the sole member of MCImetro Access Transmission Services LLC, consents to the adoption of, and hereby adopts, the following resolutions:


RESOLVED, that the Limited Liability Company Agreement of MCImetro Access Transmission Services LLC, for the regulation of the affairs of the company, a copy of which is attached hereto as Exhibit A, is hereby adopted as and for the Limited Liability Company Agreement of the company.

RESOLVED, that the following named persons be, and each of them hereby is, elected as a director of the company to serve for the term provided in the Limited Liability Company Agreement:

Nate A. Davis
Michael H. Salsbury

Date: May 27, 1998

MCI Telecommunications Corporation,
a Delaware corporation



Timothy F. Price
President

**CONSENT TO COMPANY ACTION
OF MCImetro ACCESS TRANSMISSION SERVICES LLC**

We consent to the adoption of, and hereby adopt, the following resolutions:

RESOLVED, that the Limited Liability Company Agreement of MCImetro Access Transmission Services LLC, for the regulation of the affairs of the company, a copy of which is attached hereto as Exhibit A, be, and hereby is, adopted as and for the Limited Liability Company Agreement of the company.

RESOLVED, that the following named persons be, and each of them hereby is, elected to the office of the company set forth opposite his or her respective name, to serve for the term provided in the Limited Liability Company Agreement:

Nate A. Davis	President and Chairman
Michael H. Salsbury	Executive Vice President, Secretary and General Counsel
John W. Gerdelman	Senior Vice President
Donald T. Lynch	Senior Vice President
Michael Beach	Vice President
John Casper	Vice President
Therese Fauerbach	Vice President
Marcel Henry	Vice President
Dennis Kern	Vice President
Jon M. McGuire	Vice President
John Quinn	Vice President and Treasurer
Charles W. Rau	Vice President
Wayne Rehberger	Vice President
Cari A. Sanborn	Vice President
Keith Steiner	Vice President
Jonelle St. John	Vice President
C. Bolton-Smith, Jr.	Assistant Secretary
Daniel J. Perka	Assistant Secretary
Mary Steigman	Assistant Secretary
Richard Strom	Assistant Secretary
Thomas F. Quinn	Assistant Treasurer

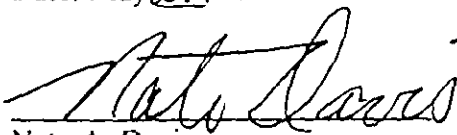
RESOLVED, that the form of seal imprinted below hereby is adopted as the corporate seal of the company.

RESOLVED, that the fiscal year of the company shall end on December 31 of each year.

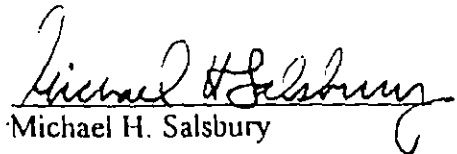
RESOLVED, that the President of the company be, and hereby is, authorized and empowered to designate one or more depositories for the company, to terminate the designation of any depository hereafter designated, to open one or more bank accounts and close any bank account at any designated depository of the company and to designate and redesignate from time to time those officers, employees and/or agents of the company who are, acting by not less than two of their number, to be authorized to sign checks and to take all other actions required or permitted with respect to any bank account of the company, each of the actions taken by the President pursuant to the foregoing authorization to be evidenced by the standard form of resolution or resolutions customarily employed by the depository in question, which resolution(s) is or are to be certified by the Secretary or an Assistant Secretary of the company, such certification being hereby authorized and directed, and which resolution(s) hereby is or are adopted as and for a resolution or resolutions of the board of directors of the company on the date of certification.

RESOLVED, that for the purpose of authorizing the company to do business in any state, territory or dependency of the United States or any foreign country in which it is necessary or expedient for the company to transact business, the officers of the company hereby are authorized to appoint and substitute all necessary agents or attorneys for service of process, to designate and change the location of all necessary statutory offices and, under the corporate seal, to make and file all necessary certificates, reports, powers of attorney and other instruments as may be required by the laws of such state, territory, dependency, or country to authorize the company to transact business therein and whenever it is expedient for the company to cease doing business therein and withdraw therefrom, to revoke any appointment of agent or attorney for service of process, and to file such certificates, reports, revocations of appointment, or surrender of authority of the company to do business in any such state, territory, dependency or country.

Date: May 27, 1998



Nate A. Davis



Michael H. Salsbury

being all members of the board of directors of
MCImetro Access Transmission Services LLC,
a Delaware limited liability company

CONSENT TO ACTION
BY THE BOARD OF DIRECTORS
OF MCIMETRO, INC.

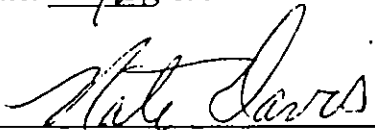
We consent to the adoption of, and hereby adopt, the following resolutions:

RESOLVED, that the board of directors of the corporation deems it advisable and generally to the advantage and welfare of the corporation to adopt the Plan of Merger attached hereto as Exhibit A (the "Plan of Merger") contemplating the merger of the corporation with and into MCI Telecommunications Corporation, its parent corporation, which shall be the surviving corporation of the merger.

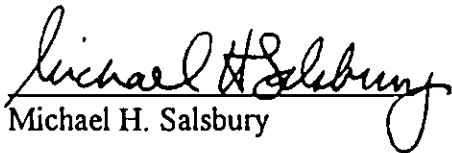
RESOLVED, that the President or any Vice President of the corporation be, and each of them hereby is, authorized and directed for and on behalf of the corporation to execute and deliver the Plan of Merger, pursuant to which the corporation will merge with and into MCI Telecommunications Corporation, such Plan of Merger to be substantially in the same form and contain substantially the same terms and conditions as the form attached hereto as Exhibit A, with such changes therein, if any, as the executing officer shall approve, such approval to be conclusively evidenced by such officer's execution and delivery thereof.

RESOLVED, that the appropriate officers of the corporation be, and each of them hereby is, authorized, empowered and directed, for and on behalf of the corporation, to accept and/or execute and deliver all such other documents necessary to consummate the transaction contemplated in the foregoing resolution, and to take all such further actions as may, in the judgment of any such officers, be advisable, necessary and/or convenient to consummate the transaction contemplated by the foregoing resolution and to perform the corporation's obligations under any agreements entered into in connection therewith.

Date: 6/24 1998



Nate A. Davis



Michael H. Salsbury

being all members of the board of directors of
MCImetro, Inc.,
a Delaware corporation

CONSENT TO CORPORATE ACTION
BY THE BOARD OF DIRECTORS
OF MCI TELECOMMUNICATIONS CORPORATION

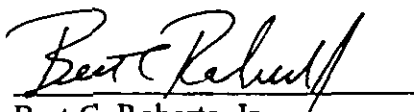
We consent to the adoption of, and hereby adopt, the following resolutions:

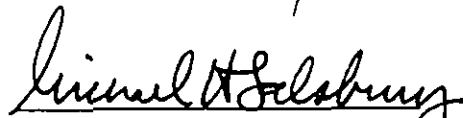
RESOLVED, that the board of directors of the corporation deems it advisable and generally to the advantage and welfare of the corporation to adopt the Plan of Merger attached hereto as Exhibit A (the "Plan of Merger") contemplating the merger of MCImetro, Inc., a Delaware corporation and a wholly owned subsidiary of the corporation, with and into the corporation, which shall be the surviving corporation of the merger.

RESOLVED, that the President or any Vice President of the corporation be, and each of them hereby is, authorized and directed for and on behalf of the corporation to execute and deliver the Plan of Merger, pursuant to which MCImetro, Inc. will merge with and into the corporation, such Plan of Merger to be substantially in the same form and contain substantially the same terms and conditions as the form attached hereto as Exhibit A, with such changes therein, if any, as the executing officer shall approve, such approval to be conclusively evidenced by such officer's execution and delivery thereof.

RESOLVED, that the appropriate officers of the corporation be, and each of them hereby is, authorized, empowered and directed, for and on behalf of the corporation, to accept and/or execute and deliver all such other documents necessary to consummate the transaction contemplated in the foregoing resolution, and to take all such further actions as may, in the judgment of any such officers, be advisable, necessary and/or convenient to consummate the transaction contemplated by the foregoing resolution and to perform the corporation's obligations under any agreements entered into in connection therewith.

Date: 6/24, 1998


Bert C. Roberts, Jr.


Michael H. Salsbury

being all members of the board of directors of
MCI Telecommunications Corporation,
a Delaware corporation

EXHIBIT A

PLAN OF MERGER

1. MCI Telecommunications Corporation, a business corporation incorporated in the State of Delaware and the owner of all the outstanding shares of MCImetro, Inc., a business corporation incorporated in the State of Delaware, hereby merges MCImetro, Inc. with and into MCI Telecommunications Corporation pursuant to the provisions of the General Corporation Law of the State of Delaware.
2. Pursuant to the provisions of the General Corporation Law of the State of Delaware, the separate existence of MCImetro, Inc. shall cease at the effective time and date of the merger; and MCI Telecommunications Corporation shall continue its existence as the surviving corporation.
3. The issued and outstanding shares of MCImetro, Inc. shall not be converted in any manner, but each said share which is issued and outstanding at the effective time and date of the merger shall be surrendered and extinguished.
4. The corporation shall cause to be executed and filed and/or recorded the documents prescribed by the laws of the State of Delaware related to the merger of MCImetro, Inc. with and into MCI Telecommunications Corporation and by the laws of any other appropriate jurisdiction and will cause to be performed all necessary acts related to the merger of MCImetro, Inc. with and into MCI Telecommunications Corporation.
5. The effective time of the Certificate of Ownership and Merger setting forth a copy of these resolutions, and the time when the merger therein provided for, shall become effective shall be when the Certificate of Ownership and Merger is filed with the State of Delaware.
6. The board of directors and the proper officers of MCI Telecommunications Corporation are hereby authorized, empowered, and directed to do any and all acts, and to make, execute, deliver, file, and/or record any and all instruments, papers, and documents which shall be or become necessary, proper, or convenient to carry out or put into effect any of the provisions of this Plan of Merger or of the merger herein provided for.

**CONSENT TO ACTION
THE BOARD OF DIRECTORS OF
MCImetro ACCESS TRANSMISSION SERVICES LLC**

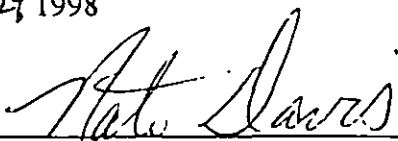
We consent to the adoption of, and do hereby adopt, the following resolutions:

RESOLVED, that the appropriate officers of the Company be, and each of them hereby, is authorized and directed, subject to the approval of the sole member of the Company, to execute and deliver, by and on behalf of the Company, an Agreement and Plan of Merger dated as of June 26, 1998 (the "Merger Agreement") by and between the Company and MCImetro Access Transmission Services, Inc. ("MATSINC"), pursuant to which MATSINC will merge with and into the Company, substantially in the form of the Merger Agreement attached hereto as Exhibit A with such changes therein as the executing officer shall approve, the execution of such Merger Agreement to be conclusive evidence of such approval.

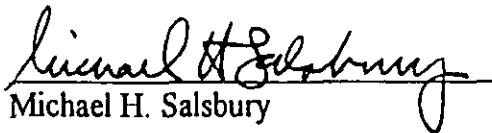
RESOLVED, that the appropriate officers of the Company be, and each of them hereby, is authorized and directed to execute and deliver, by and on behalf of the Company, an Amendment, Waiver and Assumption Agreement dated as of June , 1998 (the "Assumption Agreement") by and between the Company, MATSINC, MCI Telecommunications Corporation, State Street Bank and Trust Company of Connecticut, National Association, not in its individual capacity except as stated in the Assumption Agreement, but solely as Trustee, and Citicorp USA, Inc., as Administrative Agent, pursuant to which the Company agrees, upon the effective date of the merger to assume all the obligations of MATSINC under the Operative Documents (as defined in the Assumption Agreement), substantially in the form of the Assumption Agreement attached hereto as Exhibit B with such changes therein as the executing officer shall approve, the execution of such Assumption Agreement to be conclusive evidence of such approval.

RESOLVED, that the appropriate officers of the company be, and each of them hereby, is authorized and directed to accept and/or execute and deliver, by and on behalf of the company, as each such officer shall deem necessary or appropriate to consummate the transactions contemplated by, and to perform the company's obligations under, the Merger Agreement and the Assumption Agreement.

June 24, 1998



Nate A. Davis



Michael H. Salsbury

being all the members of the board of directors of
MCImetro Access Transmission Services LLC
a Delaware limited liability company

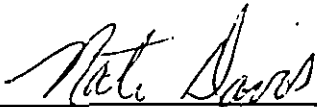
**CONSENT TO ACTION BY
THE BOARD OF DIRECTORS OF
MCImetro ACCESS TRANSMISSION SERVICES, INC.**

We consent to the adoption of, and do hereby adopt, the following resolutions:

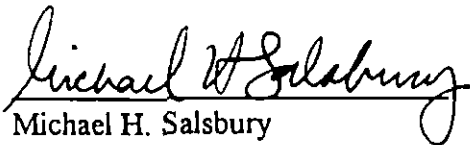
RESOLVED, that the appropriate officers of the corporation be, and each of them hereby, is authorized and directed, subject to the approval of the sole stockholder of the corporation, to execute and deliver, by and on behalf of the corporation, an Agreement and Plan of Merger dated as of June 24 1998 (the "Merger Agreement") by and between the corporation and MCImetro Access Transmission Services LLC ("MATSLLC"), pursuant to which the corporation will merge with and into MATSLLC, substantially in the form of the Merger Agreement attached hereto as Exhibit A with such changes therein as the executing officer shall approve, the execution of such Merger Agreement to be conclusive evidence of such approval.

RESOLVED, that the appropriate officers of the corporation be, and each of them hereby, is authorized and directed to accept and/or execute and deliver, by and on behalf of the corporation, as each such officer shall deem necessary or appropriate to consummate the transactions contemplated by, and to perform the corporation's obligations under, the Merger Agreement.

Date: June 24 1998



Nate A. Davis



Michael H. Salsbury

being all members of the board of directors of
MCImetro Access Transmission Services, Inc.
a Delaware corporation

**CONSENT OF SOLE STOCKHOLDER
OF
MCImetro ACCESS TRANSMISSION SERVICES, INC.**

The undersigned, the sole stockholder of MCImetro Access Transmission Services, Inc., consents to the adoption of, and hereby adopts, the following resolution:

RESOLVED, that the appropriate officers of the corporation be, and each of them hereby, is authorized and directed, subject to the approval of the sole stockholder of the corporation, to execute and deliver, by and on behalf of the corporation, an Agreement and Plan of Merger dated as of June 26, 1998 (the "Merger Agreement") by and between the corporation and MCImetro Access Transmission Services LLC ("MATSLLC"), pursuant to which the corporation will merge with and into MATSLLC, substantially in the form of the Merger Agreement attached hereto as Exhibit A with such changes therein as the executing officer shall approve, the execution of such Merger Agreement to be conclusive evidence of such approval.

Date: June 24, 1998.

MCImetro, Inc.
a Delaware corporation

By: 

Nate A. Davis
President

**CONSENT OF SOLE STOCKHOLDER
OF
MCImetro ACCESS TRANSMISSION SERVICES, INC.**

The undersigned, the sole stockholder of MCImetro Access Transmission Services, Inc., consents to the adoption of, and hereby adopts immediately after the effective time of the merger of MCImetro, Inc. with and into MCI Telecommunications Corporation, the following resolution:

RESOLVED, that the appropriate officers of the corporation be, and each of them hereby, is authorized and directed, subject to the approval of the sole stockholder of the corporation, to execute and deliver, by and on behalf of the corporation, an Agreement and Plan of Merger dated as of June 26, 1998 (the "Merger Agreement") by and between the corporation and MCImetro Access Transmission Services LLC ("MATSLLC"), pursuant to which the corporation will merge with and into MATSLLC, substantially in the form of the Merger Agreement attached hereto as Exhibit A with such changes therein as the executing officer shall approve, the execution of such Merger Agreement to be conclusive evidence of such approval.

Date: June 29, 1998.

MCI Telecommunications Corporation
a Delaware corporation

By: _____

Timothy F. Price
President


**CONSENT OF SOLE MEMBER
OF
MCImetro ACCESS TRANSMISSION SERVICES LLC**

The undersigned, the sole member of MCImetro Access Transmission Services LLC, consents to the adoption of, and hereby adopts, the following resolution:

RESOLVED, that the appropriate officers of the Company be, and each of them hereby, is authorized and directed, subject to the approval of the sole member of the Company, to execute and deliver, by and on behalf of the Company, an Agreement and Plan of Merger dated as of June 24, 1998 (the "Merger Agreement") by and between the Company and MCImetro Access Transmission Services, Inc. ("MATSINC"), pursuant to which MATSINC will merge with and into the Company, substantially in the form of the Merger Agreement attached hereto as Exhibit A with such changes therein as the executing officer shall approve, the execution of such Merger Agreement to be conclusive evidence of such approval.

Date: June 29, 1998.

MCI TELECOMMUNICATIONS CORPORATION
a Delaware corporation

By: 
Timothy F. Price
President

AGREEMENT AND PLAN OF MERGER,

DATED AS OF JUNE 26, 1998,

BY AND BETWEEN

MCImetro ACCESS TRANSMISSION SERVICES LLC

AND

MCImetro ACCESS TRANSMISSION SERVICES, INC.

AGREEMENT AND PLAN OF MERGER

THIS AGREEMENT AND PLAN OF MERGER (the "Agreement and Plan of Merger"), dated as of June 26, 1998, is by and among, MCImetro Access Transmission Services LLC ("MATSLLC"), a Delaware limited liability company, and MCImetro Access Transmission Services, Inc. ("MATSINC"), a Delaware corporation.

WHEREAS, MATSLLC is a single member limited liability company whose single member is MCI Telecommunications Corporation ("MCIT"), a Delaware corporation;

WHEREAS, MATSINC is an indirect wholly-owned subsidiary of MCIT;

WHEREAS, MATSINC desires to merge with and into MATSLLC with MATSLLC being the surviving entity and MATSLLC desires to have MATSINC merge with it;

WHEREAS, MATSINC's Certificate of Incorporation and By-laws permit, and the resolutions adopted by the MATSINC's Board of Directors authorize, this Agreement and Plan of Merger and the consummation of the Merger (as hereinafter defined); and

WHEREAS, MATSLLC's Limited Liability Company Agreement permits, and the resolution adopted by MATSLLC's Board of Directors authorize, this Agreement and Plan of Merger and the consummation of the Merger.

NOW, THEREFORE, the parties hereto agree as follows:

ARTICLE 1 -- THE MERGER

1.1 The Merger. Upon the terms and subject to the conditions set forth in this Agreement, and in accordance with the Delaware Limited Liability Company Act (the "DLLC") and the General Corporation Law of the State of Delaware (the "DGCL"), MATSINC shall be merged with and into MATSLLC (the "Merger") at the Effective Time. Following the Merger, the separate corporate existence of MATSINC shall cease and MATSLLC shall continue as the surviving entity.

1.2 Closing. The closing of the Merger (the "Closing") will take place on the first business day after the satisfaction or waiver (subject to applicable law) of the conditions set forth in Article 2 (the "Closing Date"), unless another time or date is agreed to in writing by the parties hereto.

1.3 Effective Time. As soon as practicable following the Closing, the parties shall (i) file a certificate of merger (the "Delaware Certificate of Merger") in such form as is required by and executed in accordance with the relevant provisions of the DLLC and the DGCL and (ii) make all other filings or recordings required under the DLLC and the DGCL. The Merger shall become effective at such time as shall be specified in the Delaware Certificate of Merger (the date and time the Merger becomes effective being the "Effective Time").

1.4 Effects of the Merger. At and after the Effective Time, the Merger will have the effects set forth in the DLLC and the DGCL. Without limiting the generality of the foregoing, and subject thereto, at the Effective Time all the rights, privileges and powers, and all property, real, personal and mixed, and all debts due to each of MATSINC and MATSLLC, as well as all other things and causes of action to each of MATSINC and MATSLLC shall be vested in MATSLLC, and all debts, liabilities and duties of each of MATSINC and MATSLLC shall become the debts, liabilities and duties of MATSLLC.

1.5 Effect on Capital Stock.

(A) At the Effective Time by virtue of the Merger each share of capital stock of MATSINC outstanding immediately prior to the Effective Time shall, by virtue of the Merger and without any action on the part of the holder thereof, be canceled and no consideration shall be issued in respect thereof.

(B) At the Effective Time by virtue of the Merger, each limited liability company interest in MATSLLC outstanding immediately prior to the Effective Time shall, by virtue of the Merger and without any action on the part of the holder thereof, remain unchanged and continue to remain outstanding as a limited liability company interest in MATSLLC.

ARTICLE 2 -- CONDITIONS TO THE MERGER

2.1 Sole Stockholder and Sole Member Approval. The Merger is subject to the approval of the sole stockholder of MATSINC and the sole member of MATSLLC. Each of MATSINC and MATSLLC agree to seek the applicable approvals as soon as possible after execution of this Agreement and Plan of Merger.

2.2 Public Utility Commission Approvals and Other Consents. All Public Utility Commission approvals and other consents for the Merger shall have been obtained other than those the failure of which to be obtained would not reasonably be expected to have individually or in the aggregate a material adverse effect on MATSLLC.

ARTICLE 3 -- TERMINATION

3.1 Termination. This Agreement may be terminated (i) at any time prior to the Effective Time, by action taken or authorized by the Board of Directors of the terminating party or parties, whether before or after approval of the matters presented in connection with the Merger by the sole stockholder of MATSINC or the sole member of MATSLLC; or (ii) by mutual written consent of MATSINC and MATSLLC, if the Effective Time shall not have occurred on or before December 31, 1998.

ARTICLE 4 -- MISCELLANEOUS

4.1 Counterparts. This Agreement and Plan of Merger may be executed in one or more counterparts, all of which shall be considered one and the same agreement and shall become effective when one or more counterparts have been signed by each of the parties and delivered to the other party, it being understood that both parties need not sign the same counterpart.

4.2 Entire Agreement; No Third Party Beneficiaries.

(A) This Agreement and Plan of Merger constitutes the entire agreement between the parties and supersedes all prior agreements and understandings, both written and oral, among the parties with respect to the subject matter hereof.

(B) This Agreement and Plan of Merger shall be binding upon and inure solely to the benefit of each party hereto, and nothing in this Agreement and Plan of Merger, express or implied, is intended to or shall confer upon any other Person any right, benefit or remedy of any nature whatsoever under or by reason of this Agreement and Plan of Merger.

4.3 Governing Law. This Agreement and Plan of Merger shall be governed and construed in accordance with the laws of the State of Delaware, without giving effect to its conflict of law rules or principles.

4.4 Severability. If any term or other provision of this Agreement and Plan of Merger is invalid, illegal or incapable of being enforced by any law or public policy, all other terms and provisions of this Agreement and Plan of Merger shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party. Upon such determination that any term or other provision is invalid, illegal or incapable of being enforced, the parties hereto shall negotiate in good faith to modify this Agreement and Plan of Merger so as to effect the original intent of the parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby are consummated as originally contemplated to the greatest extent possible.

4.5 Assignment. Neither this Agreement and Plan of Merger nor any of the rights, interests or obligations hereunder shall be assigned by any of the parties hereto, in whole or in part (whether by operation of law or otherwise), without the prior written consent of the other party, and any attempt to make any such assignment without such consent shall be null and void.

IN WITNESS WHEREOF, MATSINC and MATSLLC have caused this Agreement and Plan of Merger to be signed by their respective officers thereunto duly authorized, all as of June 26, 1998.

MCImetro ACCESS TRANSMISSION SERVICES LLC

By: TFQ
Thomas F. Quinn
Assistant Treasurer

MCImetro ACCESS TRANSMISSION SERVICES, INC.

By: TFQ
Thomas F. Quinn
Assistant Treasurer

Exhibit A

CERTIFICATE OF MERGER

OF

MCImetro ACCESS TRANSMISSION SERVICES, INC.

INTO

MCImetro ACCESS TRANSMISSION SERVICES LLC

dated: July __, 1998

The undersigned limited liability company formed and existing under and by virtue of the Delaware Limited Liability Company Act, 6 Del. C. § 18-101, et. seq. (the "DLLC Act"),

DOES HEREBY CERTIFY:

FIRST: The name and jurisdiction of formation or organization of each of the constituent entities which is to merge are as follows:

<u>Name</u>	<u>Jurisdiction of Formation or Organization</u>
MCImetro Access Transmission Services, Inc.	Delaware
MCImetro Access Transmission Services LLC	Delaware

SECOND: An Agreement and Plan of Merger has been approved, adopted, certified, executed and acknowledged (i) by MCImetro Access Transmission Services, Inc. in accordance with Section 264(c), and by written consent of its sole stockholder in accordance with Section 228, of the General Corporation Law of the State of Delaware, 8 Del. C. § 101, et. seq. and (ii) by MCImetro Access Transmission Services LLC in accordance with Section 18-209 of the DLLC Act.

THIRD: The name of the surviving Delaware limited liability company is MCImetro Access Transmission Services LLC.

FOURTH: The merger of MCImetro Access Transmission Services, Inc. into MCImetro Access Transmission Services LLC shall be effective at 5:01 p.m. Eastern Daylight Savings Time, on July __, 1998.

FIFTH: The executed Agreement and Plan of Merger is on file at the principal place of business of the surviving Delaware limited liability company. The address of the principal place of business of the surviving Delaware limited liability company is: 1801 Pennsylvania Avenue, N.W., Washington, DC 20006.

SIXTH: A copy of the Agreement and Plan of Merger will be furnished by the surviving Delaware limited liability company, on request and without cost, to any member of MCImetro Access Transmission Services LLC, or to any stockholder in MCImetro Access Transmission Services, Inc.

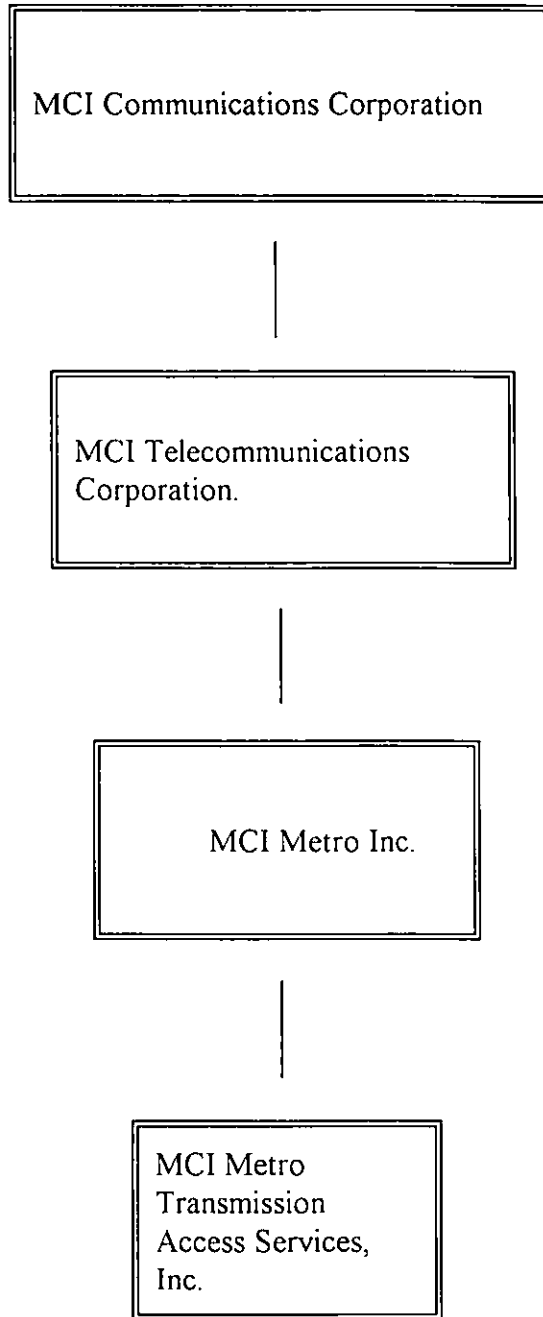
MCImetro ACCESS TRANSMISSION SERVICES LLC

By: _____

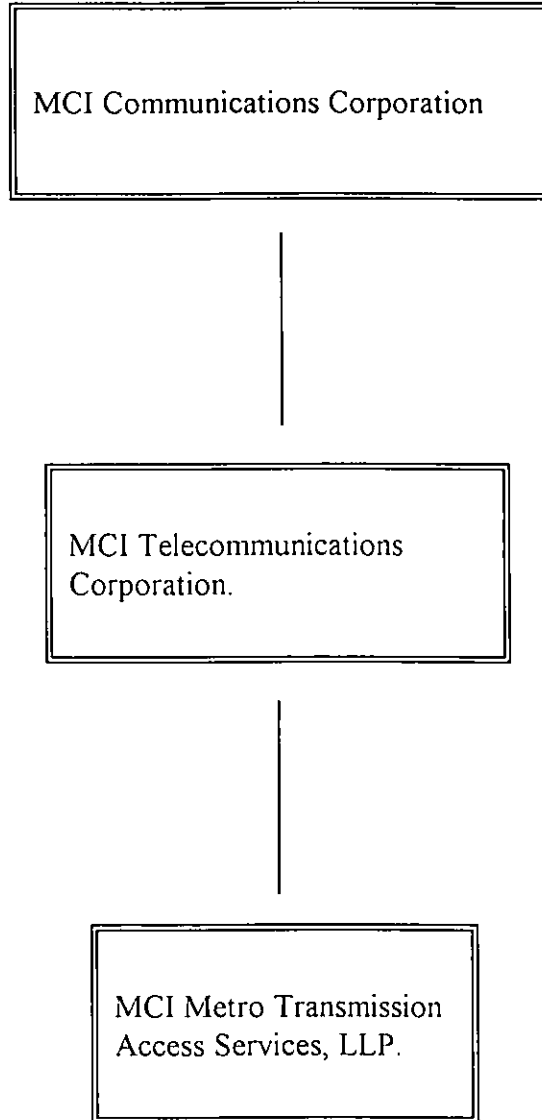
Name:

Title:

BEFORE TRANSACTIONS



AFTER TRANSACTIONS



VERIFICATION

I, Charles W. Rau, do state that the foregoing information in this application is true to my best information, knowledge and belief subject to the penalties of 18 Pa. C.S. § 4904, unsworn falsifications to authorities.



Charles W. Rau, Vice President
MCI Telecommunications Corporation
MCI Metro, Inc.
MCI Metro Access Transmission
Services, Inc.
MCI Metro Access Transmission
Services LLC
1133 19th Street N.W.
Washington, D.C. 20036

Dated: July 29, 1998

CERTIFICATE OF SERVICE

I, Linda C. Smith, Esquire, hereby certify that I have this day caused a true copy of the foregoing Application for Approval of Merger and Motion for Expeditious Approval to be served upon the parties listed below.

Dated at Harrisburg, Pennsylvania, July 31, 1998.

VIA FIRST CLASS MAIL

Office of Consumer Advocate
555 Walnut Street
Forum Place, 5th Floor
Harrisburg, PA 17101

Office of Trial Staff
P.O. Box 3265
Harrisburg, PA 17105

Office of Small Business Advocate
Commerce Building, Suite 1102
300 North Second Street
Harrisburg, PA 17101

Linda C. Smith /hjj
Linda C. Smith

COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
P. O. BOX 3265, HARRISBURG PA 17105-3265

IN REPLY PLEASE
REFER TO OUR FILE
Secretary
717-772-7772

November 9, 1998

A-310752
A-310236 F2000

LINDA C SMITH
DILWORTH PAXSON LLP
305 NORTH FRONT STREET
SUITE 403
HARRISBURG PA 17101-1236

DOCKETED
NOV 09 1998

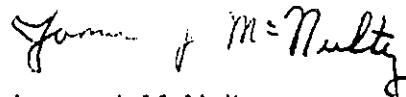
DOCUMENT
FOLDER

Dear Ms. Smith:

Please be advised that the amended Joint Application of MCI Telecommunications Inc., MCImetro Access Transmission Services, Inc., MCImetro Access Transmission, LLC, and MCI Metro, Inc., for approval of the abandonment of telephone services as an interexchange toll reseller by MCImetro Access Transmission Services, Inc., and the right to begin interexchange reseller of toll services by MCImetro Access Transmission Services, LLC, have been docketed to the above numbers.

This matter will receive the attention of the Commission and you will be notified of any further necessary action.

Sincerely,



James J. McNulty
Secretary

JJM:ddt

DATE: November 9, 1998

SUBJECT: A-310752
A-310236 F2000

DOCKETED
NOV 09 1998

TO: Bureau of Fixed Utility Services

FROM: James J. McNulty, Secretary *ddt*

DOCUMENT
FOLDER

**AMENDED JOINT APPLICATION OF MCI
TELECOMMUNICATIONS, INC., MCIMETRO ACCESS
TRANSMISSION SERVICES, INC., MCIMETRO ACCESS
TRANSMISSION LLC, AND MCI METRO, INC.**

We attach hereto a copy of the Amended Joint Application of MCI Telecommunications, Inc., MCImetro Access Transmission Services, Inc., MCImetro Access Transmission Services, LLC, and MCI Metro, Inc., for the approval of the abandonment of telecommunications services as a reseller of toll services by MCImetro Access Transmission Services, Inc., and the right of MCImetro Access Transmission Services, LLC, to begin to offer telecommunications services as an interexchange reseller of toll services to the public in the Commonwealth of Pennsylvania, which have been captioned and docketed to the above numbers.

May we have a report prepared by your Bureau for Public Meeting.

Attachment

cc: Law Bureau
Office of Special Assistants-w/memo and caption only

ddt