

SWIDLER  
&  
BERLIN  
CHARTERED

960000

December 20, 1996

T

**BY OVERNIGHT DELIVERY**

Blanca S. Bayo  
Director, Division of Records & Reporting  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, FL 32399-0870

**Re: Corporate Reorganization of Telco Communications Group, Inc.;  
Dial & Save of Florida, Inc., Docket Nos. 950460-TI through 950462-TI and  
960647-TX; Long Distance Wholesale Club, Docket No. 940867-TI**

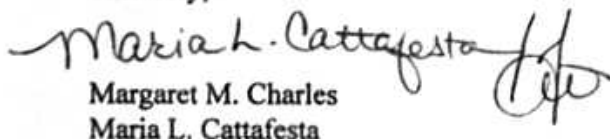
Dear Ms. Bayo:

Please be advised that Telco Communications Group, Inc. ("Telco"), the parent of the above-referenced Licensees, will undergo a corporate reorganization to establish a holding company structure. At the close of this reorganization, Telco Holdings, Inc., a newly created company wholly-owned by Telco, will become the parent of Dial & Save of Florida, Inc. ("Dial & Save") and Long Distance Wholesale Club ("LDWC"). Dial & Save and LDWC will become second-tier subsidiaries of Telco. Consequently, Dial & Save and LDWC will continue to be ultimately controlled by Telco.

Telco has determined that interposing a holding company between itself and Dial & Save and LDWC will provide it greater flexibility to obtain financing for its continuing expansion and to secure its competitive position in the telecommunications marketplace. The corporate reorganization will be transparent to customers and will not disrupt service or cause inconvenience to customers. Moreover, the reorganization will cause no changes in the management, operation, or ultimate ownership of Dial & Save and LDWC.

Should you have any questions, please contact the undersigned.

Sincerely,

  
Margaret M. Charles  
Maria L. Cattafesta

... Counsel for Dial & Save of Florida, Inc., and  
Long Distance Wholesale Club

cc: Bryan Rachlin

177326.1

DOCUMENT NUMBER-DATE

13769 DEC 27 96

3000 K STREET, N.W. ■ SUITE 300  
WASHINGTON, D.C. 20007-5116

(202)424-7500 ■ TELEX 701131 ■ FACSIMILE (202)424-7545

REC-RECORDS/REPORTING

RECEIVED  
FLORIDA PUBLIC  
SERVICE COMMISSION  
DEC 23 PM 12:41  
MAIL ROOM