

February 17, 2000

**MAR 14 2000**

**Granted**  
Telecommunications Division

INTERNATIONAL BUREAU

*Beasse*

Signature Deputy Chief Telecom Div.

via Hand Delivery to Mellon Bank

Donald Abelson, Chief  
International Bureau  
Federal Communications Commission  
Washington, D.C. 20554

Re: **Metrocall, Inc. (Transferor)**  
**Metrocall, Inc. (Transferee)**  
Application for Transfer of Control of Metrocall USA, Inc.

EXPEDITED ACTION REQUESTED

Dear Mr. Abelson:

Metrocall, Inc. ("Metrocall") and Metrocall USA, Inc. ("MUSA"), by their attorneys and pursuant to Section 63.18(e)(3) of the Commission's Rules, 47 C.F.R. § 63.18(e)(3), hereby request the Commission's consent to the transfer of control of MUSA's Section 214 certification for the resale of international switched services (FCC File Nos. ITC-95-131; ITC-95-436-TC; ITC-96-295-TC, ITC-97-261-AI), to reflect additional minority equity investment in Metrocall, MUSA's 100% parent. Metrocall and MUSA respectfully request that this application be promptly placed on Public Notice, so that these additional minority investments may be made without delay.

Introduction

MUSA is the third largest provider of paging and messaging services in the U.S. One hundred percent of MUSA's stock is owned by Metrocall, a publicly-traded company (NASDAQ symbol: "MCLL"). MUSA also holds an authorization to resell international long distance services, however, long distance resale constitutes only a small portion of Metrocall and MUSA's business.

The parties hereby seek the Commission's consent to allow additional investment in Metrocall, which will collectively amount to up to approximately 46.9% of Metrocall's issued and outstanding common stock. Because of incremental, non-substantial changes in the

Categories of Services for 214 Applications  
(Streamlined/Non-streamline)

- LIMITED/GLOBAL RESALE SERVICE
- LIMITED/GLOBAL FACILITIES-BASED SERVICE
- LIMITED/GLOBAL FACILITIES-BASED/RESALE SERVICE
- INDIVIDUAL FACILITIES-BASED SERVICE
- INTERCONNECTED PRIVATE LINE RESALE SERVICE
- INMARSAT AND MOBILE SATELLITE SERVICE
- INTERNATIONAL SPECIAL PROJECT
- SWITCHED RESALE SERVICE
- TRANSFER OF CONTROL
- ASSIGNMENT OF LICENSE
- PRO FORMA TRANSFER/ASSIGNMENT
- SPECIAL TEMPORARY AUTHORITY
- SUBMARINE CABLE LANDING LICENSE

Description of Application: \_\_\_\_\_

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READ INSTRUCTIONS CAREFULLY  
BEFORE PROCEEDING

FEDERAL COMMUNICATIONS COMMISSION  
REMITTANCE ADVISE

APPROVED BY OMB 3060-0589

(1) LOCKBOX # 358115

FCC/PAGE NO. 1 OF FEB 22 2000

SPECIAL USE  
FCC USE ONLY

SECTION A - PAYER INFORMATION

(2) PAYER NAME (if paying by credit card, enter name exactly as it appears on your card)  
Metrocall, Inc. (3) TOTAL AMOUNT PAID (dollars and cents)  
\$ 780.00

(4) STREET ADDRESS LINE NO. 1  
6677 Richmond Highway

(5) STREET ADDRESS LINE NO. 2

(6) CITY Alexandria (7) STATE VA (8) ZIP CODE 22306  
(9) DAYTIME TELEPHONE NUMBER (include area code) (703) 660-6677 (10) COUNTRY CODE (if not in U.S.A.)

IF PAYER NAME AND THE APPLICANT NAME ARE DIFFERENT, COMPLETE SECTION B  
IF MORE THAN ONE APPLICANT, USE CONTINUATION SHEETS (FORM 159-C)

SECTION B - APPLICANT INFORMATION

(11) APPLICANT NAME (if paying by credit card, enter name exactly as it appears on your card)  
Metrocall USA, Inc.

(12) STREET ADDRESS LINE NO. 1  
6677 Richmond Highway

(13) STREET ADDRESS LINE NO. 2

(14) CITY Alexandria (15) STATE VA (16) ZIP CODE 22306  
(17) DAYTIME TELEPHONE NUMBER (include area code) (703) 660-6677 (18) COUNTRY CODE (if not in U.S.A.)

COMPLETE SECTION C FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEETS (FORM 159-C)

SECTION C - PAYMENT INFORMATION

(19A) FCC CALL SIGN/OTHER ID ITC-97-261-AL (20A) PAYMENT TYPE CODE (PTC) C U T (21A) QUANTITY 1 (22A) FEE DUE FOR (PTC) IN BLOCK 20A \$ 780.00

(22A) FCC CODE 1 (24A) FCC CODE 2

(19B) FCC CALL SIGN/OTHER ID (20B) PAYMENT TYPE CODE (PTC) (21B) QUANTITY (22B) FEE DUE FOR (PTC) IN BLOCK 20B (24B) FCC CODE 2

(19C) FCC CALL SIGN/OTHER ID (20C) PAYMENT TYPE CODE (PTC) (21C) QUANTITY (22C) FEE DUE FOR (PTC) IN BLOCK 20C (24C) FCC CODE 2

(19D) FCC CALL SIGN/OTHER ID (20D) PAYMENT TYPE CODE (PTC) (21D) QUANTITY (22D) FEE DUE FOR (PTC) IN BLOCK 20D (24D) FCC CODE 2

(20E) PAYMENT TYPE CODE (PTC) (21E) QUANTITY (22E) FEE DUE FOR (PTC) IN BLOCK 20E (24E) FCC CODE 2

SECTION D - TAXPAYER INFORMATION (REQUIRED)

(25) PAYER TIN 0541215634 (26) COMPLETE THIS BLOCK ONLY IF APPLICANT NAME IN B-115 DIFFERENT FROM PAYER NAME IN A-2  
APPLICANT TIN 0541755198

SECTION E - CERTIFICATION

(27) CERTIFICATION STATEMENT (PRINT NAME) I, Frederick M. Joyce, Certify under penalty of perjury that the foregoing and supporting information are true and correct to the best of my knowledge, information and belief. SIGNATURE

SECTION F - CREDIT CARD PAYMENT INFORMATION

(28) MASTERCARD/VISA ACCOUNT NUMBER:   
MASTERCARD  VISA  AUTHORIZED SIGNATURE   
I hereby authorize the FCC to charge my VISA or MASTERCARD for the service(s)/service(s) herein described.   
EXPIRATION DATE: MONTH YEAR DATE

SEE PUBLIC BURDEN ESTIMATE ON REVERSE

FCC FORM 159 JULY 1997 (REVISED)

February 17, 2000

**via Hand Delivery to Mellon Bank**

Donald Abelson, Chief  
International Bureau  
Federal Communications Commission  
Washington, D.C. 20554

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**Introduction**

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The parties hereby seek the Commission's consent to allow additional investment in Metrocall, which will collectively amount to up to approximately 46.9% of Metrocall's issued and outstanding common stock. Because of incremental, non-substantial changes in the

ownership of Metrocall's common stock which, collectively with the investments contemplated by this application, will cumulatively result in a change of 50% or more of Metrocall's common stock ownership since its last Section 214 application filing, the parties are submitting this application for the Commission's prior consent to the transfer of control of MUUSA. If upon review of this application, the Commission determines that the filing of this application was unnecessary, Metrocall and MUUSA will gladly dismiss it, or take such other action as the Commission may direct. Metrocall and MUUSA respectfully submit that the proposed transactions, which will allow for the infusion of additional capital in Metrocall, will serve the public interest by enhancing the parties' abilities to provide innovative and improved services to subscribers.

**Section 63.18 Information**

- (1) The names, addresses, and telephone numbers of the parties are as follows:

Transferor and Transferee: Metrocall, Inc.  
6677 Richmond Highway  
Alexandria, VA 22306  
Tel.: (703) 660-6677

M1

Authorization Holder: Metrocall USA, Inc.  
6677 Richmond Highway  
Alexandria, VA 22306  
Tel.: (703) 660-6677

- (2) The parties are organized under the laws of the following States:  
Metrocall, Inc. - Delaware  
Metrocall USA, Inc. - Delaware

- (3) Correspondence concerning this application should be directed to the parties' counsel, at the following address:  
Frederick M. Joyce, Esq.  
Christine McLaughlin, Esq.  
Alston & Bird, L.L.P.  
601 Pennsylvania Avenue, N.W.  
North Building, 11<sup>th</sup> Floor  
Washington, D.C. 20004-2601  
Tel.: (202) 756-3300  
Fax: (202) 756-3333

(4) Description of the Services Authorized: The subject Section 214 certificate was issued to MUSA's predecessor-in-interest, Florida Network USA, Inc. ("FNUSA"), effective March 10, 1995, to resell international switched services. See File No. ITC-95-131. On September 4, 1995, the Commission granted its consent to the transfer of control of FNUSA and the subject Section 214 certificate from Network Paging Corp. to A+ Communications, Inc. (which, as part of the merger between those two companies, was renamed A+ Network, Inc.). See File No. ITC-95-436-TC. That transfer was consummated on October 24, 1995, and the Commission was so notified by letter of October 27, 1995. See Letter to Scott Blake Harris, Chief, International Bureau, from A. Thomas Carroccio, Esq. (filed October 27, 1995).

By application filed on May 21, 1996, Metrocall and FNUSA submitted an application for the transfer of control of FNUSA's Section 214 certificate, in connection with the proposed merger of Metrocall and FNUSA's then-parent company, A+ Network, Inc. ("A+"). See File No. ITC-96-295-TC. The Commission granted its consent to that transfer of control by Public Notice of July 25, 1996. See *Public Notice*, Report No. 1-8192 (released July 25, 1996). The A+/Metrocall merger closed on November 15, 1996, and the Commission was subsequently so notified. See Letter to Donald H. Gips, Chief, International Bureau, from Frederick M. Joyce, Esq. (filed November 19, 1996). Upon completion of the merger, A+ ceased to exist, and FNUSA became a wholly-owned subsidiary of Metrocall. On or about April 10, 1997, Metrocall, FNUSA and MUSA submitted an application for the *pro forma* assignment of the subject Section 214 certificate from FNUSA to MUSA; that application was granted on or about May 15, 1997, 1997. See File No. ITC-97-261-AL.

(5) Description of Transactions for which Authorization is Sought: Metrocall has recently entered into a Securities Exchange Agreement with AT&T Wireless Services, Inc. ("ATTWS"), pursuant to which ATTWS will exchange the shares of Series C Convertible Preferred Stock that it currently holds into shares of Metrocall common stock, and if applicable, Metrocall Series D Non-Voting Participating Preferred Stock. Upon completion of all of the proposed transactions, ATTWS will hold approximately 13.25 million shares (approximately 16.8%) of Metrocall's issued and outstanding common stock. Pursuant to the Securities Exchange Agreement, ATTWS's voting power will not exceed 19.9% of the common stock.

Metrocall has also recently entered into agreements with PSINet Inc. ("PSINet," NASDAQ symbol: PSIX), a New York corporation providing commercial Internet access services; Aether Systems, Inc. ("Aether"), a Maryland-based provider of wireless data applications; and HMTF Bridge MCI J.L.L.C. ("HMTF"), a Delaware limited liability company wholly-owned by the investment firm Hicks, Muse, Tate & Furst Incorporated ("Hicks, Muse") and formed solely for the purpose of purchasing and holding shares of Metrocall common stock. Upon closing of the transactions contemplated by those agreements, PSINet, Aether, and HMTF will each hold approximately 7.8 million shares (which would account for approximately 9.9% of Metrocall's issued and outstanding common stock). Metrocall has also entered into an Option Agreement with HMTF, pursuant to which HMTF has obtained two different options: one for

8,333,333 shares of Metrocall common stock, and one for 12,500,000 shares of Metrocall common stock (the second option is exercisable only upon the occurrence of a specified triggering event).

All of the above-referenced agreements are separate and distinct transactions, under which separate, independent companies will each purchase a minority ownership interest in Metrocall. The above-listed purchasers of Metrocall's common stock are not related to one another, and there are no agreements among those parties, express or implied, to vote collectively the stock they may acquire as a block, or in any particular manner. Each of ATTWS, PSINet and Aether has agreed with Metrocall to vote in accordance with the recommendations of Metrocall's Board in certain circumstances for a period of 12 months after closing. Each of PSINet, Aether and HMTF has agreed with Metrocall to certain voting agreement and "stand still" provisions for a period of 24 months after closing.

Assuming that all of the subject transactions are successfully completed, a maximum of 46.9% of Metrocall's common stock will be held by new investors. A minimum of 53.1% of Metrocall's common stock will remain with the public and with members of Metrocall's management. Because Metrocall is a publicly-held company with widely distributed stock, control of Metrocall rests with its executive officers and Board of Directors. The majority of Metrocall's Board of Directors will remain unchanged; each of the three 9.9% investors will have the right to nominate one person to Metrocall's Board. ATTWS will not receive Board representation. There will be no changes to either Metrocall's or MUSA's officers or employees in connection with the above-referenced transactions.

Metrocall will continue to hold 100% of the stock of MUSA. No party to any of the proposed transactions will receive any rights not held by Metrocall's current common stockholders. There will be no change in MUSA's corporate policies or the day-to-day operations of MUSA's FCC-licensed facilities, nor in the persons responsible for those policies and operations. This application makes no other changes to the previously-granted application for authorization to resell international switched services, nor to the parties actually controlling MUSA's policies and day-to-day operations. Rather, this application proposes only additional investment in MUSA's publicly-traded parent company.

The proposed transaction will be in the public interest by providing substantial additional capital (approximately \$51 million) to MUSA's parent company, which will assist MUSA in maintaining and improving its services to the public. The investments contemplated by the subject transactions will assist MUSA in providing new and advanced service offerings to existing and prospective subscribers, while maintaining the quality of MUSA's existing services.

(5) Ownership/Management Information: One-hundred percent of the stock of MUSA is held by Metrocall, and the officers, directors and employees of both corporations are the same.

The names, addresses, and citizenship of the executive officers, directors, and largest shareholders of Metrocall's Common Stock, along with the percentage of Common Stock that is expected to be held by each following consummation of all of the subject transactions, are as follows:

<u>Name/Address</u>	<u>Title</u>	<u>Percent of Common Stock</u>
AT&T Wireless Services, Inc. RTCI 7277 164 <sup>th</sup> Ave., N.E. Redmond, WA 98052	----	16.8%
HMTF Bridge MCI, L.L.P. c/o Hicks, Muse, Tate & Furst Incorporated 1325 Avenue of the Americas 25th Floor New York, NY 10019	---- (will appoint one director)	9.9%
PSINet, Inc. 510 Huntmar Park Drive Herndon, Virginia 20170	---- (will appoint one director)	9.9%
Aether Systems, Inc. 11460 Cronridge Drive Owings Mills, Maryland 21117	---- (will appoint one director)	9.9%
Harry L. Brock, Jr. 6677 Richmond Hwy. Alexandria, VA 22306	Director	4.69%
P.T. Jones Funds c/o 6677 Richmond Hwy. Alexandria, VA 22306	----	3.01%
Ray D. Russenberger 40 South Palafox Street Pensacola, FL 32501-5856		2.8%
UBS Capital LLC c/o Michael Greene 6677 Richmond Hwy.	----	2.66%

*Diversity*



Alexandria, VA 22306			
<u>Name/Address</u>	<u>Title</u>	<u>Percent of Common Stock</u>	
Henry L. Hillman, Elsie Hillard Hillman, and C.G. Grefenstette, Trustees 2000 Grant Building Pittsburgh, PA 15219	----	2.49%	
Richard M. Johnston 66 77 Richmond Highway Alexandria, VA 22306	Chairman	less than 1%	
William L. Collins, III 6677 Richmond Highway Alexandria, VA 22306	Pres., C.E.O., Vice Chairman	less than 1%	
Steven D. Jacoby 6677 Richmond Highway Alexandria, VA 22306	Executive VP, Chief Operating Officer	less than 1%	
Vincent D. Kelly 6677 Richmond Highway Alexandria, VA 22306	Executive V.P., C.F.O., Treasurer	less than 1%	
Shirley B. White 6677 Richmond Highway Alexandria, VA 22306	Asst. Secretary	less than 1%	
Francis A. Martin, III 6677 Richmond Highway Alexandria, VA 22306	Director	less than 1%	
Ronald V. Aprahamian 6677 Richmond Highway Alexandria, VA 22306	Director	less than 1%	
Michael Greene 6677 Richmond Highway Alexandria, VA 22306	Director	less than 1%	

<u>Name/Address</u>	<u>Title</u>	<u>Percent of Common Stock</u>
Max D. Hopper 6677 Richmond Highway Alexandria, VA 22306	Director	less than 1%
Edward E. Jungerman 6677 Richmond Highway Alexandria, VA 22306	Director	less than 1%
Jackie R. Kinzey 6677 Richmond Highway Alexandria, VA 22306	Director	less than 1%
Royce R. Yudkoff 6677 Richmond Highway Alexandria, VA 22306	Director	less than 1%

#### Transferee's Certifications

The undersigned officer of Metrocall, Inc. and Metrocall USA, Inc., pursuant to Sections 63.18(i)-(m) of the Commission's Rules, 47 C.F.R. §§ 63.18(i)-(m), hereby certifies that neither Metrocall, Inc. nor Metrocall USA, Inc. has any affiliation with any foreign carrier.

The undersigned officer of Metrocall, Inc. and Metrocall USA, Inc., pursuant to Section 63.18(j) of the Commission's Rules, 47 C.F.R. § 63.18(j), hereby certifies that neither Metrocall, Inc. nor Metrocall USA, Inc. provides or seeks to provide telecommunications services to any destination country in which Metrocall, Inc. or Metrocall USA, Inc. is a foreign carrier or controls a foreign carrier; in which an entity that owns more than 25% of Metrocall, Inc. or Metrocall USA, Inc., or controls Metrocall, Inc. or Metrocall USA, Inc., controls a foreign carrier; or in which two or more foreign carriers or their controlling entities own in the aggregate more than 25% of Metrocall, Inc. or Metrocall USA, Inc.

The undersigned officer of Metrocall, Inc. and Metrocall USA, Inc., pursuant to Section 63.18(n) of the Commission's Rules, 47 C.F.R. § 63.18(n), hereby certifies that neither Metrocall, Inc. nor Metrocall USA, Inc. has agreed to accept special concessions directly or indirectly from any foreign carrier with respect to any U.S. international route where the foreign carrier possesses market power on the foreign end of the route, nor will either company enter into such agreements

in the future.

The undersigned officer of Metrocall, Inc., and Metrocall USA, Inc., pursuant to Section 63.18(o) of the Commission's Rules, 47 C.F.R. § 63.18(o) hereby certifies that no party to this application is subject to a denial of federal benefits, that includes FCC benefits, pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 853a, because of a conviction for possession or distribution of a controlled substance.

The undersigned officer of Metrocall, Inc. and Metrocall USA, Inc., pursuant to Section 63.18(p) of the Commission's Rules, 47 C.F.R. § 63.18(p), hereby requests streamlined processing pursuant to 47 C.F.R. § 63.12. Neither Metrocall, Inc. nor Metrocall USA, Inc. has any affiliations with a foreign carrier, and therefore this application does not fall into any of the categories listed in Section 63.12(c) for which streamlined processing is unavailable.

The undersigned officer of Metrocall, Inc. and Metrocall USA, Inc., further certifies that the above statements are true, complete and correct to the best of their knowledge and belief, and are made in good faith.

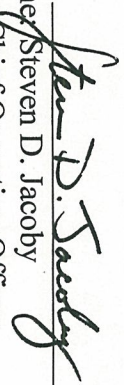
For all the foregoing reasons, the parties respectfully submit that the proposed transfer of control is consistent with the Commission's Rules, and that an expeditious grant of this application will be in the public's interest, convenience and necessity.

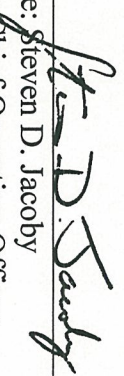
Thank you for your attention to this matter. Should you have any questions or require additional information concerning this matter, kindly contact the Parties' attorneys, Frederick M. Joyce, Esq. or Christine McLaughlin, Esq. at the address and telephone number listed above.

Respectfully submitted,

METROCALL, INC.

METROCALL USA, INC.

By:   
 Name: Steven D. Jacoby  
 Title: Chief Operating Officer  
 Date:

By:   
 Name: Steven D. Jacoby  
 Title: Chief Operating Officer  
 Date: