



July 23, 2018

Ms. Marlene H. Dortch  
Secretary of the Federal Communications Commission  
Federal Communications Commission  
445 12th St. SW, Room TW-B204  
Washington, DC 20554

**Re: Capital Telecommunications, Inc. ITC-214-19920520-00115 and StarVox  
Communications, Inc. ITC-214-20050407-00146, WC Docket Nos. 06-127 and 07-  
115**

Dear Ms. Dortch,

The Department of Homeland Security (DHS), with the concurrence of the Department of Justice (DOJ), including the Federal Bureau of Investigation (FBI), (collectively, the Agencies), hereby requests that the Federal Communications Commission (FCC) terminate, declare null and void and no longer in effect, and/or revoke the domestic and international Section 214 authority held by StarVox Communications, Inc. (StarVox)<sup>1</sup> and the domestic and international Section 214 authority held by Capital Telecommunications, Inc. (CTI), a wholly-owned subsidiary of StarVox<sup>2</sup> for failure to comply with the Letter of Assurances (LOAs) filed in connection with the transfers of control of that authority. The Agencies request this termination because we believe that StarVox and CTI are no longer in business.

In 2006, StarVox filed domestic and international 214 applications to acquire control of CTI. The Agencies notified the FCC on September 15, 2006 that they had no objection to the FCC granting the applications provided that it conditioned the grants on StarVox and CTI abiding with the commitments and undertakings made to the Agencies in their September 15,

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<sup>1</sup> StarVox's international section 214 authorization was granted on May 5, 2005, under file number ITC-214-20050407-00146. *See International Authorizations Granted, Section 214 Applications (47 C.F.R. § 63.18); Section 310(b)(4) Requests, Report No. TEL-0097, Public Notice, 20 FCC Rcd 8781 (IB 2005)*. StarVox holds domestic section 214 authority pursuant to 47 CFR § 63.01.

<sup>2</sup> CTI's international authorization was granted on October 7, 1992, under file number I-T-C-92-169 (new file number ITC-214-19920520-00115). *See DA-92-984, Public Notice, 7 FCC Rcd 16 (IB 1992)*. CTI holds domestic section 214 authority pursuant to 47 CFR § 63.01.

2006 letter to Sigal P. Mandelker, Stewart A. Baker, and Elaine N. Lammert.<sup>3</sup> In 2007, StarVox filed domestic and international 214 applications to transfer control of StarVox and CTI to U.S. Wireless Data, Inc. (USWI). On August 10, 2007, the Agencies notified the FCC that they had no objection to the FCC granting the applications provided that it conditioned the grants on USWI, StarVox and CTI abiding with the commitments and undertakings made to the Agencies in their July 25, 2007 letter to Sigal P. Mandelker, Stewart A. Baker, and Elaine N. Lammert (reaffirming the commitments in the September 15, 2006 LOA).<sup>4</sup> In both cases, the FCC conditioned its grant of the transfer of control applications on compliance with the LOAs.<sup>5</sup>

The Agencies have reason to believe that StarVox and CTI are no longer in existence and thus are no longer able to comply with the LOAs. On November 24, 2015, in an effort to reach out to StarVox for compliance with LOAs, DHS staff emailed outside counsel found in StarVox's 2007 applications for consent to transfer control of StarVox to USWI. Counsel informed DHS staff that he no longer represents StarVox and believes that StarVox is no longer in business. In 2014, Counsel provided open source research to DHS staff via email indicating that StarVox filed for bankruptcy and is no longer in operation.<sup>6</sup> Research conducted by DHS staff confirms this status.<sup>7</sup> In 2010, the FCC also acknowledged that CTI filed for bankruptcy in an enforcement action against CTI.<sup>8</sup> Further, on March 19, 2008, StarVox and CTI filed an application with the FCC to discontinue service.<sup>9</sup> In addition, the FCC's Form 499 Telecommunications Company Filer Database indicates that StarVox and

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<sup>3</sup> The Petition to Adopt Conditions to Authorizations and Licenses and the September 15, 2006 Letter can be found on the FCC IBFS website by searching for file number ITC-T/C-20060616-00317 and selecting "Attachment Menu" from the Document Viewing area.

<sup>4</sup> The Petition to Adopt Conditions to Authorizations and Licenses and the July 25, 2007 Letter can be found on the FCC IBFS website by searching for file numbers ITC-T/C-20070501-00175 or ITC-T/C-20070501-00173 and selecting "Other Filings related to this application" from the Document Viewing area.

<sup>5</sup> Domestic Authorization Granted, Application Filed for the Transfer of Control of Capital Telecommunications, Inc. to StarVox Communications Inc., WC Docket No. 06-127, 21 FCC Rcd 10695 (WCB 2006); ITC-T/C-20060616-00317, *International Authorizations Granted, Section 214 Applications (47 C.F.R. § 63.18)*; *Section 310(b)(4) Requests*, Report No. TEL-01069, Public Notice, 21 FCC Rcd 10675 (IB 2006); Domestic Section 214 Authorization Granted, Applications for the Transfer of Control of StarVox Communications Inc. and Capital Telecommunications, Inc. to U.S. Wireless Data, Inc., WC Docket No. 07-115, 22 FCC Rcd 15276 (WCB 2007); ITC-T/C-20070501-00173, ITC-T/C-20070501-00175, *International Authorizations Granted, Section 214 Applications (47 C.F.R. § 63.18)*; *Section 310(b)(4) Requests*, Report No. TEL-01180, Public Notice, 22 FCC Rcd 16035 (IB 2007).

<sup>6</sup> "On 1/28/2014, the Company's [StarVox] bankruptcy case (#08-51447) was closed in the U.S. Bankruptcy Court for the Northern District of California. This company is no longer actively traded on any major stock exchange." <https://www.crmz.com/Report/ReportPreview.aspx?BusinessId=3168>.

<sup>7</sup> On January 28, 2014 StarVox went out of business on completion of liquidation under Chapter 7 <http://www.bloomberg.com/research/stocks/private/snapshot.asp?privcapId=23646578>.

<sup>8</sup> *Capital Telecommunications, Inc.* File No. EB-06-TC-4006, NAL/Acct. No. 200732170076, Apparent Liability for Forfeiture, DA 10-1844, 25 FCC Rcd 13512 (TCD/EB 2010) ("CTI filed for bankruptcy protection and is no longer active.").

<sup>9</sup> *Comments Invited on Application of Capital Telecommunications, Inc. and StarVox Communications, Inc. to Discontinue Domestic Telecommunications Services*, WC Docket No. 08-48, Public Notice, DA 08-791, 23 FCC Rcd 5619 (WCB 2008).

CTI are no longer active as of March 26, 2008.<sup>10</sup> Therefore, the Agencies believe that StarVox and CTI are no longer providing services pursuant to any of the aforementioned Section 214 authority.

The LOAs provide that if the companies breach the commitments made in the letter, including maintaining a point of contact, the Agencies may request that the FCC revoke, cancel or render null and void the companies' Section 214 authority.<sup>11</sup> Accordingly, the Agencies request that the FCC terminate, declare null and void and/or revoke the domestic and international Section 214 authority held by StarVox and CTI.

Respectfully,  
/s/ Phil Ludvigson  
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Foreign Investment Risk Management  
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<sup>10</sup> Federal Communications Commission, *FCC Form 499 Filer Database*, <http://apps.fcc.gov/cgb/form499/499detail.cfm?FilerNum=822110> (last visited May 14, 2018).

<sup>11</sup> September 15, 1006 LOA at 3; July 25, 2007 LOA at 2.

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