

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

ITC-214-19981103-00758

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

US-Canada

Description of Application:

FR 1

READ INSTRUCTIONS CAREFULLY

BEFORE PROCEEDING

FEDERAL COMMUNICATIONS COMMISSION

REMITTANCE ADVICE

FCC/REMELTON NOV 03 1998

APPROVED BY OMB

(66)-0589

COPY

(1) LOCKBOX #

PAGE NO. 1 OF 1

FCC USE ONLY

SECTION A - PAYER INFORMATION

(2) PAYER NAME (if paying by credit card, enter name exactly as it appears on your card)
Wiley, Rein & Fielding

(3) TOTAL AMOUNT PAID (dollars and cents)
\$ 780.00

(4) STREET ADDRESS LINE NO. 1
1776 K Street, N.W.

ITC-214-19981103-00758

(5) STREET ADDRESS LINE NO. 2

(6) CITY
Washington

(7) STATE
D.C.

(8) ZIP CODE
20006

(9) DAYTIME TELEPHONE NUMBER (include area code)
(202) 429-7000

(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)
HONOROLA Corporation

(12) STREET ADDRESS LINE NO. 1
303 South Broadway, Suite 440

(13) STREET ADDRESS LINE NO. 2

(14) CITY
Tarrytown

(15) STATE
N.Y.

(16) ZIP CODE
10591

(17) DAYTIME TELEPHONE NUMBER (include area code)
(914) 631-3666

(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
(20A) PAYMENT TYPE CODE (PTC)
C U T 1

(21A) QUANTITY
1

(22A) FEE DUE FOR (PTC) IN BLOCK 20A
\$ 780.00

FCC USE ONLY

(23A) 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
\$

FCC USE ONLY

(23B) FCC CODE 1

(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
\$

FCC USE ONLY

(23C) FCC CODE 1

(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
\$

FCC USE ONLY

(23D) FCC CODE 1

(24D) FCC CODE 2

SECTION D - TA PAYER INFORMATION (REQUIRED)

(25) PAYER TIN
0521289988

APPLICANT TIN

161346911

SECTION E - CERTIFICATION

(27) CERTIFICATION STATEMENT
I, Linda Grant 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 Linda Grant

SECTION F - CREDIT CARD PAYMENT INFORMATION

(28) MASTERCARD/VISA ACCOUNT NUMBER:

EXPIRATION DATE:

MASTERCARD

Grid for MASTERCARD/VISA ACCOUNT NUMBER

Grid for EXPIRATION DATE (MONTH YEAR)

VISA

I hereby authorize the FCC to charge my VISA or MASTERCARD for the service(s) authorized herein described.

AUTHORIZED SIGNATURE

DATE

SEE PUBLIC BUREAU ESTIMATE ON REVERSE

FCC FORM 159 JULY 1997 (REVISED)

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of

FONOROLA Corporation

Application For Authority Pursuant To
Section 214 Of The Communications Act
To Provide Facilities-Based Services
Between The United States And Canada

ITC-214-19981103-00758

**APPLICATION FOR AUTHORITY TO PROVIDE FACILITIES-BASED SERVICES
BETWEEN THE UNITED STATES AND CANADA**

FONOROLA Corporation (“FONOROLA” or “Applicant”), pursuant to Section 214 of the Communications Act of 1934, as amended, 47 U.S.C. § 214, and Section 63.18 of the Commission’s Rules, 47 C.F.R. § 63.18, seeks authority to provide facilities-based switched and private line services between the United States and Canada. FONOROLA’s Application is entitled to streamlined processing under Section 63.12 of the Commission’s Rules, 47 C.F.R. § 63.12.

FONOROLA is a wholly-owned subsidiary of FONOROLA Inc., a Canadian company providing telecommunications services in Canada, which in turn is wholly-owned by Call-Net Enterprises Inc. (“Call-Net”). FONOROLA currently is authorized as a non-dominant carrier to provide the following international services: 1) facilities-based switched and private line

services to all points other than Canada;¹ 2) resold private lines for the provision of non-interconnected private line voice and data services;² 3) resold switched services;³ and 4) switched services over resold private lines between the United States and Canada.⁴ Applicant now seeks

Section 214 authority to provide facilities-based services as a non-dominant carrier between the United States and Canada.

Grant of FONOROLA's Application to provide facilities-based services between the United States and Canada would serve the public interest. Applicant's entrance into the market for international facilities-based services will promote competition and lower prices for international services. Moreover, grant of this Application is consistent with the Commission's stated goal of promoting competition in international markets.⁵

In support of its Application, Applicant submits the following information in accordance with Section 63.18 of the Commission's Rules:

a. Name, address, and telephone number of the Applicant

FONOROLA Corporation
303 South Broadway, Suite 440
Tarrytown, NY 10591

¹ *Overseas Common Carrier Section 214 Application Actions Taken, Public Notice*, 11 FCC Rcd 13980 (1996).

² *Overseas Common Carrier Section 214 Applications Actions Taken, Public Notice*, ITC-94-443 (Oct. 5, 1994).

³ *Overseas Common Carrier Section 214 Application Actions Taken, Public Notice*, ITC-94-391 (Sept. 1, 1994).

⁴ *FONOROLA Corporation*, 7 FCC Rcd 7312 (1992).

⁵ *See Regulation of International Accounting Rates, Phase II, First Report and Order*, 7 FCC Rcd 559, 562 (1992).

(914) 631-3666

- b. FONOROLA is a corporation formed under the laws of the State of Delaware.
- c. The Vice President to whom any correspondence concerning this Application should be directed is:

Jean B. Brazeau
Vice President, Regulatory Affairs
Call-Net Enterprises Inc.
2235 Sheppard Ave. East
Atria II, Suite 1800
North York, Ontario
Canada M2J 5G1

Please send a copy of any correspondence to:

✓ Carl R. Frank
WILEY, REIN & FIELDING
1776 K Street, N.W.
Washington, DC 20006
(202) 429-7000

- d. Applicant currently has Section 214 authorization to provide: 1) facilities-based switched and private line services to all points other than Canada; 2) resold switched services; 3) switched services over resold private lines between the United States and Canada; and 4) resold private lines for the provision of non-interconnected private line voice and data services.
- e. Applicant is seeking authority to provide international switched and private line services as a facilities-based carrier between the United States and Canada pursuant to Section 63.18(e)(1).
- f. Not applicable.
- g. Not applicable.

h. Applicant is a wholly-owned subsidiary of FONOROLA, Inc., a Canadian company, which through its various subsidiaries, provides telecommunications services throughout North America. FONOROLA, Inc. is located at 500 Rene-Levesque Boulevard West, 5th Floor, Montreal, QC H2Z 1W7. FONOROLA, Inc. is wholly-owned by ~~Call-Net:~~

Call-Net Enterprises Inc.
2235 Sheppard Avenue East
Atia II, Suite 1800
North York, Ontario M2J 5G1
Citizenship: Canadian
Principal Business: Telecommunications Holding Company
Ownership Interest: 100 percent

Call-Net's only ten percent or greater direct or indirect shareholder is:

Sprint Communications Company LP
2330 Shawnee Mission Parkway
Westwood, KS 66205
Citizenship: United States
Principal Business: Telecommunications

Applicant is affiliated within the meaning of Section 63.18(h)(1) with Sprint

Canada, Inc., a wholly-owned subsidiary of Call-Net that provides long-distance voice, data, Internet access and network management services to consumers, businesses, and governments throughout Canada in competition with Canadian telephone companies.

h(5). Canada is a member of the World Trade Organization.

h(8). Applicant is presumed non-dominant under Section 63.10(a)(3) of the Commission's Rules. As the Commission recently determined, FONOROLA's

affiliates in Canada lack sufficient market power to adversely affect competition in the U.S. market.⁶

- i. Applicant certifies that it has not 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 sufficient market power on the foreign end of the route to affect competition adversely in the U.S. market and will not enter into such agreements in the future.
- j. Applicant certifies that no party to this Application is subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 853a.
- k. Applicant qualifies for streamlined processing under Section 63.12(a) because Canada is a WTO Member country and, as the Commission has found, FONOROLA's affiliates in Canada lack sufficient market power to adversely affect competition in the U.S. market.⁷

⁶ See FONOROLA *Fiber Development Inc. Ledcor Industries Inc.*, DA 98-1668, ¶ 12 (Aug. 21, 1998). Therein the Commission determined that Sprint Canada has only 11 percent of the Canadian long-distance market and that FONOROLA Inc.'s subsidiaries have only 5 percent of the same market.

⁷ *Id.*

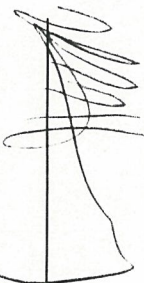
CONCLUSION

For the foregoing reasons, Applicant proposes that grant of this Application will serve the present and future public interest, convenience and necessity. Accordingly, Applicant respectfully requests that the Commission grant it Section 214 authority so Applicant may begin providing the international telecommunications services described herein.

Respectfully submitted,

FONOROLA Corporation

By:



Mark R. Hemmingway
Secretary and Vice President, Law
2235 Sheppard Avenue East
Atria II, Suite 1800
North York, Ontario
Canada M2J 5G1
Phone: (416) 718-6433
Fax: (416) 718-6410

October 30, 1998

WILEY, REIN & FIELDING

No. 108440

1776 K Street, N.W.
Washington, DC 20006

Operating Account

Date	Amount
11/03/1998	*****780.00

Pay Seven Hundred Eighty and No/100 Dollars ONLY

To the
Order of FCC

NationsBank of DC, N.A.
Washington, DC 20006
15-120/540

Bruce J. Stowers
(Two Signatures Required For Amounts Over \$1,000.00)

⑈ 108440⑈ ⑆054001204⑆ ⑈000003702987⑈

Attached is our check in full settlement of items shown hereon. If not correct, please return with explanation or call us at (202)828-7512.

No. 108440

Check Date 11/03/1998

Description	Date	Invoice No.	Amount of Invoice	Discount	Net
FCC FILING	11/03/1998		780.00	.00	780.00
Total			780.00		780.00

Remittance Advice
Detach before depositing

WILEY, REIN & FIELDING
Operating Account