

George Li

From: George Li
Sent: Wednesday, March 27, 2013 8:53 AM
To: 'Sofield, Richard (NSD)'
Brown, Tyrone (NSD) (Tyrone.Brown@usdoj.gov); Rockoff, Jennifer (NSD) (Jennifer.Rockoff@usdoj.gov); 'Taylor, Kristin (NSD)' (Kristin.Taylor@usdoj.gov)
Subject: RE: Team Telecom Update: EB 13-06

Thank you Rick.

From: Sofield, Richard (NSD) [mailto:Richard.Sofield2@usdoj.gov]
Sent: Wednesday, March 27, 2013 8:20 AM
To: George Li; Adrienne Downs; Howard Griboff; David Krech
Cc: 'twg@leo.gov' (twg@leo.gov)
Subject: Team Telecom Update: EB 13-06

Team Telecom requests that the following matters be removed from Streamline:

ITC-214-20130204-00048 IP Network America LLC
ITC-214-20130226-00053 Procom Inc.
ITC-214-20130221-00063 Speed Telco LLC
ITC-ASG-20130228-00067 WQN, Inc./BTS Global, LLC

Thank you.

Richard C. Sofield

Director
Foreign Investment Review Staff
National Security Division
U.S. Department of Justice

W-(202) 233-0702
M-(202) 598-0667

George Li

From: Adrienne Downs
Sent: Friday, March 29, 2013 1:24 PM
To: raul@rntelecomlaw.com; Christopher Canter (cac@compliancegrp.com); 'Brantl, Winafred R.'; 'saugustino@kellydye.com'; douglas.orvis@bingham.com
Cc: 'edward.hand@usdoj.gov'; "Morgan, Hillary J CIV (US)" (hillary.j.morgan.civ@mail.mil)'; 'chemmerlein@ntia.doc.gov'; 'vbarrish@askcalea.net'; 'maydc@state.gov'; 'Christopher.Siefken@ic.fbi.gov'; 'Marilyn.Shafter@usdoj.gov'; 'Tyronne.Brown@usdoj.gov'; 'Brian.williams@associates.dhs.gov'; 'shawn.cooly@dhs.gov'; 'TTelecom@usdoj.gov'; 'Siobhan.Dupuy@usdoj.gov'; 'alex.daman@dhs.gov'; 'Joanne.Ongman@usdoj.gov'; 'matthew.bernstein@ic.fbi.gov'; 'Jennifer.Rockoff@usdoj.gov'; 'jimchale@ustr.gov'; 'Richard.Sofield2@usdoj.gov'; 'glenn.kaminsky@hq.dhs.gov'; 'dalebarr@hq.dhs.gov'; 'scott_m._deutschman@ostp.eop.gov'; 'IP-FCC@dhs.gov'; 'kristin.taylor@usdoj.gov'; 'john.delmore@ic.fbi.gov'; 'ttwg@leo.gov'; George Li; David Krech; Susan OConnell; Howard Griboff; James Ball
Subject: Removed from Streamline

ITC-214-20130204-00048 – IP Network America LLC

ITC-214-20130221-00063 – Speed Telco LLC

ITC-ASG-20130228-00067 – BTS Group Inc.

ITC-T/C-20130131-00050 – AccessLine Communications Corporation

The above referenced applications were placed on Public Notice for streamlined processing. Since the Public Notice was released, the Commission has been requested by the Executive Branch agencies of the United States that we remove the subject applications from streamlined processing. Therefore, pursuant to Section 63.12(c)(3) of the Commission's Rules, we have removed these applications from streamlined processing.

Please be advised that your company may not commence operations until the authorization is granted. See Section 63.12(d) of the rules, 47 C.F.R. Section 63.12(d). The Executive Branch will contact you or the "Contact" listed on your application directly for further information. You can be assured that your application will be processed expeditiously upon completion of Executive Branch's review. We will notify you by e-mail when your application is granted.

The Public Notice indicating that the application has been removed from streamlined processing is attached. If you have any questions, please email: George.Li@fcc.gov.



Adrienne Downs
International Bureau, FCC
(202) 418-0412
Adrienne.Downs@fcc.gov

George Li

From: George Li
Sent: Saturday, July 13, 2013 1:32 PM
To: David Krech
Subject: Re: ITC-ASG-20130228-00067 (BTS Global / WQN Asset Transfer Application)

Thank you.

Sent from my BlackBerry Wireless Handheld

From: David Krech
Sent: Saturday, July 13, 2013 09:35 AM Eastern Standard Time
To: George Li
Subject: FW: ITC-ASG-20130228-00067 (BTS Global / WQN Asset Transfer Application)

From: Brantl, Winafred R. [WBrantl@KelleyDrye.com]
Sent: Friday, July 12, 2013 7:37 PM
To: David Krech; Sumita Mukhoby; Adrienne Downs
Subject: ITC-ASG-20130228-00067 (BTS-Global / WQN Asset Transfer Application)

All -

This is just to let you know that the above-referenced application for approval of a transfer of assets has been ~~withdrawn~~ today. (A copy of the withdrawal confirmation is attached.) After re-evaluation, the parties decided not to pursue the transaction further. The Team Telecom agencies have been notified as well.

Thanks,

Winafred
Counsel for BTS Global, LLC

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

In the Matter of)	IB File No. _____
WQN, Inc.)	
Assignor)	
and)	
BTS Global, LLC)	
Assignee)	
Application for Consent to Assign Assets from)	
WQN, Inc., a Company Holding)	
International Authorization Pursuant to)	
Section 214 of the Communications Act of 1934,)	
As Amended, to BTS Global, LLC)	

APPLICATION

WQN, Inc. (“WQN”) and BTS Global, LLC (“BTS Global” and, together with WQN, the “Applicants”) hereby request authority, pursuant to Section 214 of the Communications Act of 1934, as amended, 47 U.S.C. §214 (the “Act”) and to Commission Rule §63.24, 47 C.F.R. §63.24, for the assignment of certain assets from WQN to BTS Global.

WQN and BTS Global each provide pinless international prepaid phone card services¹, tailoring their service offerings to immigrant communities in the United States. The proposed assignment will transfer the entirety of WQN’s assets related to the provision of these services, consisting of prepaid products, customer accounts, related technology and other assets, to BTS

¹ The assets in question are used to provide international service. It is possible that a minute amount of domestic interstate calling is generated using these assets; however, such traffic is undeniably *de minimis*.

Global.² Following consummation of the transaction, BTS Global will be the provider for the prepaid card accounts that have been transferred, ensuring uninterrupted service to these customers.

The Applicants respectfully request streamlined treatment of this Application pursuant to Section 63.12 of the Commission's Rules, 47 C.F.R. §63.12. This Application is eligible for streamlined processing because (i) Applicants are not affiliated with a dominant foreign carrier, (ii) Applicants will not become affiliated with any foreign carrier as a result of the proposed transaction, and (iii) none of the other provisions contained in Section 63.12(c) of the Commission's Rules, 47 C.F.R. § 63.12(c), apply.

I. APPLICANTS

WQN

WQN, (FRN 0016796914), a Texas corporation, is headquartered at 14911 Quorum Drive, Suite 140, Dallas, TX 75254-1487 (tel: 972-361-1980). WQN provides pin-free prepaid international calling card services in all US states pursuant to global or limited global resale authority granted by the Commission.³ WQN sells its international prepaid telecommunications services primarily through its website, where each customer can establish an account and register his or her telephone number.⁴ A call made from a registered number to the WQN access number will be recognized and routed to the appropriate destination number and the associated charge will be applied to the customer's account. Customers may also use their service from other

² Following consummation of the proposed transaction, WQN will continue to hold its Section 214 international services authorization in order to provide other regulated services.

³ See ITC-214-20090416-00200.

⁴ Customers also may contact customer service by telephone to establish an account.

phones, by means of an authorization code. Account replenishments are made through the WQN website, via WQN's interactive voice response ("IVR") system, or by calling customer service.⁵

BTS Global

BTS Global (FRN: 0021536248) is a Florida limited liability company located at 2620 S.W. 27th Avenue, Miami, FL 33133 (tel: (305) 358-5850). BTS Global was formed to provide international prepaid calling card services and operates pursuant to the international Section 214 license of its parent, BTS Group, Inc. ("BTS Group"), a Delaware corporation.⁶ BTS Global has no interlocking directorates with a foreign carrier and is not in any other respect affiliated with a foreign carrier.⁷

II. DESCRIPTION OF THE TRANSACTION

Pursuant to the terms of an Asset Purchase Agreement, dated January 22, 2013, between BTS, a Florida corporation, and DataLack, Inc. ("DataLack"), a Nevada corporation and the sole parent of WQN, DataLack intends to assign the assets related to WQN's provision of prepaid services.⁸ The assets being conveyed include the entire WQN prepaid product line, the WQN web portal, as well as existing prepaid customer accounts and related technology. The customer accounts being transferred from WQN to BTS Global are all associated with the WQN pinfree

⁵ Following the proposed transfer, former WQN customers will retain the same options for replenishing their accounts as were available to them previously.

⁶ See ITC-214-20010921-00482.

⁷ BTS Global is affiliated, by virtue of common ownership, with certain other providers of telecommunications services, including its parent, BTS Group, and the other operating subsidiaries of BTS Group: ADMA Telecom, Inc. and Business Telecommunications Services, Inc. ("BTS"). These operating subsidiaries all operate pursuant to the BTS Group international authority. BTS Global also is affiliated with One World Telecom, LLC ("OWT"), a Section 214 carrier in which BTS holds direct fifty (50) percent interest, and OWT's wholly-owned subsidiary, Yo Llamo, LLC. None of these entities is a foreign carrier or is affiliated with a foreign carrier and none is a dominant U.S. carrier.

⁸ Consistent with the terms of the Asset Purchase Agreement, upon consummation of the transaction, BTS will assign the WQN assets to its lateral affiliate, BTS Global, which will act as the service provider for the transferred customer accounts.

prepaid international calling service. After consummation of the transaction, BTS Global will provide service to these accounts pursuant to its existing authority.⁹

The proposed transfer of prepaid accounts from W/QN to BTS Global will have no adverse impact on the affected customers. Following consummation of the transaction, these customers will continue to receive their current services without interruption.

III. PUBLIC INTEREST STATEMENT

Commission approval of the proposed transaction will serve the public interest. BTS Global and the other BTS Group operating companies are strong, established providers of prepaid telecommunications products in the United States. Consequently, customers using the W/QN prepaid service accounts that are transferred to BTS Global will experience no diminishment of service whatsoever. To the contrary, they will continue to receive their current services without interruption and in the same manner as previously. Indeed, because the transaction conveys the W/QN product website to BTS Global, customers will continue to access their accounts at the same website address, eliminating a potential source of confusion. Over time, these customers will receive the benefit of the expanding service offerings provided by BTS Global.

BTS and W/QN will provide notice to customers of the change in carrier for their prepaid cards. A user of the W/QN prepaid product, upon calling the access number for a card, will be informed that BTS Global is now the service provider for these services. When a consumer calls for customer service associated with a W/QN account or to recharge an account, BTS Global's customer service representatives will explain that the service is now being provided by BTS

⁹ Pursuant to the Asset Purchase Agreement, BTS Global will acquire rights to the W/QN brand in connection with the transferred services. In the near term, it is expected that these services will continue to be marketed under the W/QN brand; however, at a future time, the product line may be re-branded under the BTS Global name.

Global. In addition, BTS Global will post a notice on the WQN product website informing consumers that BTS Global is now the provider of service.

As with other prepaid card transactions, separate written notice to every customer of WQN is not required because WQN does not have a presubscribed customer base.¹⁰ WQN's prepaid products can be used by any person at any time after purchasing the prepaid account from the carrier. In some instances, WQN does not have identifying information, such as a mailing address, for the customer, and lacks a direct relationship with the account user. In these instances, separate customer notice would be impractical. However, where WQN has an email address for its customer, it will endeavor to provide notice of the transaction to those customers.

The Commission has recognized repeatedly that carrier flexibility is an important component of a thriving telecommunications marketplace. The transaction proposed in this application serves the business interests of both WQN and BTS Global and, as described, has no adverse effects whatsoever upon the affected customers. Indeed, it holds definite potential benefits for these customers. Thus, the public interest is best served by expeditious grant of Applicants' request.

IV. INFORMATION REQUIRED BY SECTION 63.24(e) OF THE COMMISSION'S RULES

The Applicants submit the following information pursuant to Section 63.24(e) of the Commission's Rules, including the information requested in Section 63.18:

¹⁰ See, e.g., *In the Matter of Sprint Communications Company L.P. and STI Prepaid LLC Application for Consent to Assign Assets and/or Transfer Control of Assets Pursuant to Section 214 of the Communications Act of 1934, as Amended*, WC Docket No. 08-91 (filed June 6, 2008); *Application of CVT Prepaid Solutions, Inc., CTTel License Corporation and STI Prepaid, LLC for Consent to Assign Assets and/or Transfer Control of Assets pursuant to Section 214 of the Communications Act of 1934, Amended*, WC Docket 08-203 (filed Sept. 18, 2008).

(a) Name, address and telephone number of Applicants:

WQN, Inc.
14911 Quorum Drive, Suite 140
Dallas, TX 75254-1487
Tel: (972) 361-1980

BTS Global, LLC
2620 S.W. 27th Avenue
Miami, FL 33133
Tel: (305) 358-5850

(b) WQN is a Texas corporation. BTS Global is a Florida limited liability company.

(c) Correspondence concerning this Application should be sent to:

Steven A. Augustino
Winifred Brantl
Kelley Drye & Warren LLP
3050 K Street, N.W.
Washington, D.C. 20007
Tel: (202) 342-8400
saugustino@kelleydrye.com
wbrantl@kelleydrye.com

(d) WQN was granted global/limited global resale authority by the Commission on June 5, 2009 in File No. ITC-214-20090416-00200. BTS Global operates pursuant to the Section 214 international authorization currently held by its parent, BTS Group to provide global/limited global facilities-based international telecommunications services, granted in File No. ITC-214-20010921-00482 on October 19, 2001.

(h) BTS Global is wholly-owned by BTS Group, a Delaware holding company located at 2620 SW 27th Avenue, Miami, Florida 33133. BTS Group, in turn, is owned in equal fifty (50) percent shares by Rafael Olloqui Family, LLC and Ricardo Olloqui Family, LLC, both Delaware limited liability companies with principal businesses of telecommunications, located at 2620 SW 27th Avenue, Miami, Florida 33133.

Rafael Olloqui Family, LLC is owned 99% by the Rafael Olloqui Dominguez Family Irrevocable Trust (Northern Trust Company of Delaware, Trustee), located at 2620 SW 27th Avenue Miami, Florida 33133, which is formed under the laws of the United States and is controlled by Rafael Olloqui. Through control of the Rafael Olloqui Dominguez Family Irrevocable Trust and ownership of the remaining 1% interest in Rafael Olloqui Family, LLC, ultimate 50% indirect interest in BTS Global, is held by Rafael Olloqui, located at 2620 SW 27th Avenue, Miami, Florida

33133. Rafael Olloqui, a citizen of Spain, has a principal business of telecommunications.¹¹

Ricardo Olloqui Family, LLC is owned 99% by the Ricardo Olloqui Dominguez Family Irrevocable Trust (Northern Trust Company of Delaware, Trustee), located at 2620 SW 27th Avenue Miami, Florida 33133, which is formed under the laws of the United States and is controlled by Ricardo Olloqui. Through control of the Ricardo Olloqui Dominguez Family Irrevocable Trust and ownership of the remaining 1% interest in Ricardo Olloqui Family, LLC, ultimate 50% indirect interest in BTS Global is held by Ricardo Olloqui, located at 2620 SW 27th Avenue, Miami, Florida 33133. Ricardo Olloqui, a citizen of Spain, has a principal business of telecommunications.¹¹

BTS Global has no interlocking directorates with any foreign carrier.

(i) As evidenced by the signatures to this Application, Applicants certify that, following consummation of the transaction, (a) Applicants will not be foreign carriers, and (b) Applicants will not be affiliated with any foreign carrier.

(j) As evidenced by the signatures to this Application, Applicants certify that they do not seek to provide international telecommunications services to any destination country where, once the transaction closes, (a) Applicants are foreign carriers; (ii) Applicants control a foreign carrier; (iii) any entity that owns more than 25 percent of Applicants, or that controls Applicants, controls a foreign carrier in that country; or (iv) two or more foreign carriers (or parties that control foreign carriers) own, in the aggregate, more than 25 percent of Applicants and are parties to, or the beneficiaries of, a contractual relation affecting the provision or marketing or international basic telecommunications services in the United States.

(k) Not applicable.

(l) Not applicable.

(m) Not applicable.

¹¹ Applicants note that the ultimate ownership of BTS Group and its subsidiaries by Rafael Olloqui and Ricardo Olloqui has not changed since the original grant of Section 214 authority and, further, that this ownership has been reviewed by the Federal agencies ("Team Telecom") in connection with applications as recently as October 2012. See, ITC-T/C-20120725-00186.

(m) As evidenced by the signatures to this Application, the Applicants certify that they have 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 market power on the foreign end of the route, and that the Applicants will not enter into such agreements in the future.

(o) As evidenced by the signatures to this Application, Applicants certify that, pursuant to Sections 1.2001 through 1.2003 of the Commission's Rules, they are not subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988.

(p) Applicants request streamlined processing of this Application pursuant to Section 63.12 of the Commission's Rules, 47 C.F.R. § 63.12. This Application qualifies for streamlined treatment under Section 63.12(c) of the Commission's Rules, because (i) post-close, Applicants will not be affiliated with any foreign carrier; (ii) Applicants are not affiliated with any dominant U.S. carrier whose international switched or private line services Applicants seek authority to resell, nor will Applicants be so affiliated post-close, and (iii) none of the other scenarios outlined in Section 63.12(c) of the Commission's Rules, 47 C.F.R. § 63.12, apply.

V. CONCLUSION

Based on the foregoing, the Applicants respectfully submit that the public interest,

convenience, and necessity will be furthered by grant of this Application.

Respectfully submitted,

WQN, Inc.

BTS Global, LLC

By: 

By: 

Stuart Ehrlich

Andres Proano

Chief Executive Officer

Chief Financial Officer

WQN, Inc.

BTS GLOBAL, LLC

14911 Quorum Drive, Suite 140

2620 S.W. 27th Avenue

Dallas, TX 75254-1487

Miami, FL 33133

Dated: February 26, 2013

Attachment 1

BTS Global, LLC Ownership

BTS Global, LLC Ownership

