

Categories of Services for 414 Applications  
(Streamline/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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Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554

In the Matter of

MILLENNIUM OPTICAL NETWORKS, INC.

and

MILLENNIUM OPTICAL NETWORKS/  
NORTH AMERICA, INC.

File No. ITC-00 \_\_\_\_\_

Application for Authority Pursuant to  
Section 214 of the Communications Act  
of 1934, as amended, to Assign Authorization  
to Provide Global Facilities-Based  
and Resale Telecommunications Services

JOINT APPLICATION

Millennium Optical Networks, Inc. ("MONI") and Millennium Optical Networks/North America, Inc. ("MONNAI") (collectively "Applicants"), by their undersigned counsel and pursuant to Section 214 of the Communications Act of 1934, as amended, 47 U.S.C. § 214, and Section 63.18(e)(3) of the Commission's Rules, 47 C.F.R. § 63.18(e)(3), hereby request approval of the assignment (the "Assignment") whereby the Section 214 authorization granted by this Commission to MONI on January 5, 2000 under Docket ITC-214-19991210-00777 (the "Section 214 Authorization") will be assigned to MONNAI.

As fully described herein, approval of the Assignment will permit MONNAI to realize significant economic and marketing efficiencies which will enhance its ability to provide high quality, low cost telecommunications services and to compete more effectively in the international

telecommunications marketplace. Accordingly, grant of this Application will benefit the public interest. In support of this Application, Applicants submit the following information:

**I. THE PARTIES**

**A. Millennium Optical Networks/North America, Inc.**

MONNNAI is a privately held Delaware corporation headquartered in New York, New York. MONNNAI does not have any subsidiaries or assets at this time. Under the proposed Assignment, MONNNAI will have sufficient technical, financial, and managerial resources to operate as a global reseller and facilities-based carrier of international telecommunications services pursuant to the terms and conditions of Section 63.18(e)(2) of the Commission's Rules. Upon approval by the Commission of this Application and the closing of the Assignment, (a) the MONI personnel that provide the telecommunication services authorized under the Section 214 Authorization will be employed by MONNNAI, (b) the physical assets of MONI that are necessary to provide the telecommunication services authorized under the Section 214 Authorization will be transferred to MONNNAI, (c) and MONNNAI will receive, as a result of the Assignment, working capital.

**B. Millennium Optical Networks, Inc.** MONI is a New York corporation headquartered in New York, New York. MONI is authorized to provide international switched voice services between the United States and international points as an international resale and facilities-based carrier. Further information concerning MONI was submitted in File No. ITC-19991210-00777 and is, therefore, already a matter of public record at the Commission, and Applicants request that it be incorporated by reference herein.

## **II. THE TRANSACTION**

MONI and MONNAI have determined that they will realize significant economic and marketing efficiencies by establishing MONNAI as a subsidiary of MONI. Accordingly, MONI, MONNAI, and Pegot Venture Partners, L.P. ("Pegot") have entered into an Asset Purchase Agreement under which, among other things, MONI will transfer certain assets, including its Section 214 Authorization, to MONNAI in exchange for receiving 83% of the common stock of MONNAI. Pegot will pay approximately \$3,204,000 to MONNAI to purchase MONNAI's preferred stock. As a result of the transaction, MONNAI will be a subsidiary of MONI.

The Assignment will result in the establishment of MONI as the corporate parent of MONNAI, but will not involve a change in the manner in which MONI currently provides service to its international customers. Following consummation of the Assignment, MONI will continue to operate under the name MONI. Those services currently being provided by MONI will continue to be offered by MONNAI pursuant to the MONI tariffs currently on file with this Commission. MONNAI, will be led by a team of well-qualified telecommunications managers comprised, in part, of existing MONI personnel. The transfer of MONI's Section 214 Authorization to MONNAI, therefore, will be virtually transparent to the customers of MONI in terms of the services that these customers receive.

## **III. PUBLIC INTEREST CONSIDERATIONS**

Consummation of the proposed transaction will serve the public interest in promoting competition among providers of local and interexchange telecommunications services by combining the financial resources and complementary managerial skills and experience of MONI and MONNAI

in providing telecommunications services to the public. Applicants anticipate that the contemplated Assignment will result in a company better equipped to accelerate its growth as a competitive telecommunications service provider. The Assignment will allow Applicants to manage their telecommunications operations more efficiently, thereby enhancing Applicants' operational flexibility and efficiency as well as their financial viability. These enhancements will inure to the benefit of both carriers' customers, who will also benefit from the expanded array of services offered by each carrier. The proposed transaction will therefore ensure the continued provision of high quality and innovative telecommunications services to MONI's existing customers and should promote competition in the international telecommunications service market. In sum, the proposed acquisition will benefit the public interest by enhancing the ability of MONI and MONNAI to offer competitively priced services in the U.S. interstate and international marketplace.

#### **IV. INFORMATION REQUIRED BY SECTION 63.18**

Pursuant to Section 63.18(e)(3) of the Commission's Rules, 47 C.F.R. § 63.18(e)(3),

Applicants submit the following information:

(a) Name and address of Applicants:

Millennium Optical Networks, Inc.  
200 Madison Avenue, Suite 502  
New York, New York 10016  
Tel.: (212) 683-1011  
Fax.:(212) 683-6966

Millennium Optical Networks/  
North America, Inc.  
200 Madison Avenue, Suite 502  
New York, New York 10016  
Tel.: (212) 683-1011  
Fax.:(212) 683-6966

(b) MONI is a corporation organized under the laws of the State of New York. MONNNAI is a corporation organized under the laws of the State of Delaware.

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

For MONI and MONNNAI:

Douglas G. Bonner, Esq.  
Louis J. Grimmelbein, Esq.  
Arent Fox Kintner Plotkin & Kahn, PLLC  
1050 Connecticut Avenue, N.W.  
Washington, D.C. 20036-5339  
Tel.: (202) 857-6293 (Bonner) or 6223 (Grimmelbein)  
Fax.: (202) 857-6395

(d) MONNNAI does not hold directly or indirectly Section 214 authorization.

MONI is authorized to provide resold and facilities-based international telecommunications services pursuant to Section 214 authorization granted by the FCC. See File No. ITC-19991210-00777.

(e) This application seeks authority for the assignment of MONI's Section 214 Authorization to MONNNAI, a privately-held telecommunications company that does not currently hold international Section 214 authorization. MONI and MONNNAI currently are not affiliated with each other but after completion of the Assignment, MONI will own eighty-three percent of MONNNAI.

(f) Not applicable.

(g) Not applicable.

(h) In support of this Application, MONNNAI represents that currently there are no shareholders of MONNNAI. After the closing of the Assignment, the following shareholders or equity holders will have a ten percent or greater interest in MONNNAI:

Millennium Optical Networks, Inc.  
200 Madison Avenue, Suite 502  
New York, NY 10016  
Percent Ownership: 83%

Principal Business: Telecommunications  
Citizen: A New York corporation

Peter Tierney (through his interest in  
Millennium Optical Networks, Inc.)  
200 Madison Avenue, Suite 502

New York, NY 10016  
Percent Ownership: 23%  
Principal Business: Telecommunications  
Citizen: A U.S. Citizen

Allan Quasha  
(through his interest in  
Millennium Optical Networks, Inc.)  
720 5<sup>th</sup> Avenue, 9<sup>th</sup> Floor  
New York, New York 10019  
Percent Ownership: 24%  
Principal Business: Investment  
Citizen: A U.S. Citizen

Pegnot Venture Partners, L.P.  
500 Nyala Farm Road  
Westport, CT 06880  
Percent Ownership: 17%  
Principal Business: Investment  
Citizen: A Delaware limited liability partnership

- (i) See Attached Certification
- (j) See Attached Certification
- (k) Not Applicable
- (l) Not Applicable
- (m) Not Applicable
- (n) By the attached certification and as required by Section 63.18(m) of the Commission's Rules, MONNAI, the assignee, certifies that, except as permitted by the Commission's Rules, as amended from time to time, MONNAI has not agreed to accept any special concessions, as defined by the Commission's Rules, directly or indirectly from any foreign carrier or administration with respect to traffic or revenue flows between the U.S. and any foreign country which MONNAI may be authorized to serve and it will not enter into such agreements in the future.
- (o) By the attached certification and as required by Section 63.18(o) of the Commission's Rules, MONNAI, the assignee, 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. § 853(a).
- (p) Applicants request review of this Application on a "streamline basis" because the assignment of MONI's Section 214 Authorization is in the public's interest as set forth herein, would increase competition in the international telecommunications market, and MONNAI has agreed to be subject to all of the same conditions to which MONI is subject to for providing its services under the Section 214 Authorization.

CONCLUSION

For the reasons stated herein, Millennium Optical Networks, Inc. and Millennium Optical Networks/North America, Inc. respectfully submit that the public interest, convenience, and necessity would be furthered by grant of this application for consent to the assignment of Millennium Optical Networks, Inc.'s Section 214 Authorization to Millennium Optical Networks/North America, Inc. Applicants respectfully request that the Commission authorize the assignment of the Section 214 Authorization described herein on a streamlined basis.

Respectfully submitted,

MILLENNIUM OPTICAL NETWORKS, INC.  
MILLENNIUM OPTICAL NETWORKS/  
NORTH AMERICA, INC.

By: 

Douglas G. Bonner, Esq.  
Louis J. Grimmelbein, Esq.  
Arent Fox Kintner Plotkin & Kahn, PLLC  
1050 Connecticut Avenue, N.W.  
Washington, D.C. 20036-5339  
Tel.: (202) 857-6293 (Bonner) and 6223 (Grimmelbein)  
Fax.: (202) 857-6395

Counsel for Millennium Optical Networks, Inc. and  
Millennium Optical Networks/North America, Inc.

Dated: February 1, 2000



**CERTIFICATION REQUIREMENTS OF 47 CFR 63.180(D)(N) AND (O)**

1. 47 CFR 63.18(i). Millennium Optical Networks, Inc. ("MONI") and Millennium Optical Networks/North America, Inc. ("MONNAI") are not affiliated with any foreign carrier.
2. 47 CFR 63.18(j). MONNAI does not seek to provide international communication services to any destination country meeting any of the conditions set forth in 47 CFR 63.18(j)
3. 47 CFR 63.18(m). Except as permitted by the Commission's Rules, as amended from time to time, MONNAI has not agreed to accept any special concessions, as defined by the Commission's Rules, directly or indirectly from any foreign carrier or administration with respect to traffic or revenue flows between the U.S. and any foreign country which MONNAI may be authorized to serve and it will not enter into such agreements in the future.
4. 47 CFR 63.18(o). 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. § 853(a).

**CERTIFICATION**

STATE OF NY  
COUNTY OF NY

I, Peter Tierney under penalty of perjury declare that I am the President of Millennium Optical Networks, Inc. and the President of Millennium Optical Networks/North America, Inc.; that

I am authorized to make this certification on behalf of the Applicants in the subject proceeding; that I have read the foregoing statements attached hereto; and that the same are true, accurate and correct to the best of my knowledge, information or belief.

By: Peter Tierney  
Name: PETER TIERNEY  
Title: President  
of Millennium Optical Networks, Inc.  
and President of  
Millennium Optical Networks/North

**TERESA M. ROTH**  
NOTARY PUBLIC, State of New York  
No. 01RO5055797  
Qualified in Nassau County  
Commission Expires February 20 2002

America, Inc.

Subscribed and sworn to before me this 14th day of February, 2000

Muwa M. Ross  
Notary Public

My commission expires: 2/29/00