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

In the Matter of the Joint Application of))
NetCarrier Telecom, Inc. Assignee,)))
and) WC Docket No. 10
SNiP LiNK, LLC Assignor,) File No. ITC-ASG-2010
For Grant of Authority Pursuant to Section 214 of the Communications Act of 1934, as amended, and Sections 63.04,and 63.24 of the Commission's Rules to Complete an Assignment of Assets of Authorized Domestic and International Section 214 Carriers)))))))

JOINT APPLICATION

I. INTRODUCTION

A. Summary of Transaction

NetCarrier Telecom, Inc. ("NetCarrier" or "Assignee") and SNiP LiNK, LLC ("SNiP" or "Assignor"), (Assignees and Assignors together, the "Applicants"), through their undersigned counsel and pursuant to Section 214 of the Communications Act, as amended, 47 U.S.C. § 214, and Sections 63.04 and 63.24 of the Commission's Rules, 47 C.F.R. §§ 63.04, 63.24, respectfully request Federal Communications Commission ("Commission") approval or such authority as may be necessary or required to complete a transaction whereby NetCarrier will acquire substantially all of the assets, including certain switching facilities and other equipment,

customers and their account information, customer contracts, and customer deposits, from Assignor. The customers to be assigned from SNiP to NetCarrier are customers of facilities-based and resold voice and data local and long distance (intrastate, interstate and international) services located in the states of New Jersey, Delaware and Pennsylvania ("the Customers"). Pursuant to an Asset Purchase Agreement, Assignor's current Customers will be transferred to NetCarrier, which will become the service provider for the telecommunications services the Customers currently receive from SNiP. As described below, the rates, terms or conditions of the services being received by the Customers will not change as a result of the assignment, making the proposed transaction virtually transparent to Customers of Assignor in terms of the services that those customers receive.

B. Request for Streamlined Processing

Applicants respectfully submit that this Application is eligible for streamlined processing pursuant to Sections 63.03 of the Commission's Rules, 47 C.F.R. §63.03. In particular, this Application is eligible for streamlined processing pursuant to Section 63.03(b)(2)(i) because, immediately following the transaction, Assignee will have a market share in the interstate, interexchange market of less than 10 percent and will provide competitive telephone exchange services or exchange access services exclusively in geographic areas served by a dominant local exchange carrier that is not a party to the transaction, and neither of the Applicants is dominant with respect to any service.

With respect to international authority, Applicants respectfully submit that this Application is eligible for streamlined processing pursuant to Section 63.12(a)-(b) of the Commission's Rules, 47 C.F.R. §63.12(a)-(b). In particular, Section 63.12(c)(1) is inapplicable because neither of the

Applicants are or are affiliated with any foreign carriers and Section 63.12(c)(2) is inapplicable because neither of the Applicants is affiliated with a dominant U.S. carrier.

In support of this Application, Applicants provide the following information:

II. DESCRIPTION OF THE APPLICANTS

A. NetCarrier Telecom, Inc. ("Assignee")

Netcarrier is a privately-held corporation organized under the laws of the Commonwealth of Pennsylvania. Netcarrier's principal business address is 4000 N. Cannon Avenue, Lansdale, Pennsylvania 19446. NetCarrier is a wholly-owned subsidiary of NetCarrier Inc., which has the same office address. NetCarrier is authorized to provide facilities-based and resold local and intrastate resold long distance telecommunications services in New Jersey, Delaware, Pennsylvania and New York. It is also authorized to provide interstate and international telecommunications services, providing the latter services pursuant to ITC-214-20000908-00525.

NetCarrier is full-service telecommunications company, providing voice and advanced data and internet services to predominantly small to medium-sized business customers in the Mid-Atlantic region. It began operations in 2000 and currently serves a total of approximately 1,400 business customers in Pennsylvania, Delaware and New Jersey.

B. SNiP LiNK, LLC ("Assignor")

SNiP is privately-held New Jersey limited liability company with offices at 100-A Twinbridge Drive, Pennsauken, New Jersey 08110. SNiP is a competitive telecommunications carrier authorized to provide facilities-based and resold local and resold intrastate long distance voice and data services in New Jersey, Pennsylvania and Delaware. SNiP is also authorized to provide resold long distance services in 39 other states; however, none of SNiP's long distance customers or associated assets in those states will be transferred to NetCarrier pursuant to the

Asset Purchase Agreement described herein. SNiP is also authorized to provide interstate and international telecommunications services, the latter pursuant to ITC-214-20000404-00211.

Like NetCarrier, SNiP provides local and bundled local/long distance services exclusively to business customers, predominantly small to medium-sized entities. SNiP provides resold long distance stand-alone services to both business and residential subscribers. It currently provides local and local/long distance bundled services to approximately 393 business and long distance only service to 12 business customers and 1,113 residential customers in New Jersey, Delaware, and Pennsylvania, who will be subject to the customer base transfer to NetCarrier as proposed herein.

III. DESCRIPTION OF THE TRANSACTION

Pursuant to an Asset Purchase Agreement dated February 1, 2010, between Netcarrier, SNiP and for limited purposes the principal members of SNiP, NetCarrier intends to purchase certain assets, including switching facilities and other telecommunications equipment, customers, customer contracts, deposits and associated customer account information from SNiP (the "Transaction"). The Customers involved in the Transaction are certain local and long distance resale and facilities-based customers of SNiP located in Delaware, New Jersey and Pennsylvania. NetCarrier will acquire approximately 6,485 local subscriber lines and 2,610 pre-subscribed long distance lines in the three states combined. After consummation of the Transaction, NetCarrier will provide telecommunication services to the SNiP Customers directly pursuant to its own state and federal telecommunications authorizations. The Transaction is expected to close as soon as possible, subject to regulatory approvals.

The proposed transfer of the Customers to NetCarrier will have no adverse impact on the Customers. Following the Transaction, the Customers will continue to receive their existing services at the same rates, terms and conditions that they have prior to the transfer. NetCarrier

will notify the Customers of any future changes in the rates, terms and/or conditions of service consistent with applicable state and federal requirements. All of the affected customers will receive notice in compliance with the Commission's Rules.¹

Based on nearly 10 years of experience in providing complex voice and data services to business subscribers in the same areas served by SNiP, NetCarrier has the financial, managerial and technical qualifications necessary to provide quality telecommunications services to the Customers that it will acquire from SNiP.

Given the increasingly complex and competitive nature of the telecommunications and capital markets and for other business reasons, Applicants seek to complete the proposed Transaction as soon as possible. Accordingly, Applicants respectfully request that the Commission process, consider, and approve this Application as expeditiously as possible.

IV. PUBLIC INTEREST STATEMENT

The proposed Transaction described above will serve the public interest by ensuring that Assignor's customers enjoy continued high-quality telecommunications service from a financially and managerial sound company, NetCarrier. The transfer of Assignor's customers and associated assets will ensure that the Customers continue to receive uninterrupted interstate and international services. The transferred Customers will be served by a carrier with significant technical, managerial and financial resources and expertise. Insofar as Applicants are direct or potential competitors in Delaware, New Jersey and Pennsylvania, there is vigorous competition in those markets from carriers such as Verizon, Comcast, Birch Communications, Ernest Communications, Cavalier Telephone, Matrix Telecom, and other competitive carriers. Further,

NetCarrier will file the required certificate of compliance under separate cover in Docket No. 00-257; the customer notice is also included as an attachment to this Application.

the transfer will enhance competition by strengthening NetCarrier's position as a competitive provider in the market for small to medium business customers.²

V. **INFORMATION REQUIRED BY SECTION 63.24(e)**

Pursuant to Section 63.24(e)(2) of the Commission's Rules, the Applicants submit the following information requested in Section 63.18 (a)-(d) and (h)-(p) in support of this Application:

Name, address and telephone number of each Applicant: (a)

SNiP (Assignor):

SNiP LiNK, LLC. 100-A Twinbridge Drive

Pennsawan, NJ

Tel:

856-662-8640

NetCarrier (Assignee):

NetCarrier Telecom, Inc.

4000 N. Cannon Ave. Lansdale, PA 19446

Tel: 215-966-3382

(b) Jurisdiction of Organizations:

Assignee:

NetCarrier is a Pennsylvania Corporation

Assignor:

SNiP is a New Jersey Limited Liability Company

FRN 0004322954

FRN 0005043195

² See Telephone and Data Systems, Inc. and Chorus Communications, Ltd., Memorandum Opinion and Order, 16 FCC Rcd. 15293, 15298 (2001).

(c) (Answer to Question 10) Correspondence concerning this Application should

be sent to:

For SNiP:

Steven A. Augustino Partner Kelley Drye & Warren LLP Washington Harbour, Suite 400 3050 K Street, NW Washington, D.C. 20007-5108

Tel: 202-342-8612 Fax: 202-342-8451

saugustino@kelleydrye.com

with copies to:

Joseph J. Giacomelli VP Carrier Relations SNiP LiNK, LLC 100-A Twinbridge Drive Pennsauken, NJ 08110 Tel: 856-903-2005

Fax: 856-903-2905 jgiacomelli@snipmail.net

Daniel R. Greenberg Friedman Kaplan Seiler & Adelman LLP 1633 Broadway New York, N. Y. 10019 Tel: 212-833-1145

Tel: 212-833-1145 Fax: 212-373-7965 dgreenberg@fklaw.com

For NetCarrier:

Sharon Thomas Consultant Technologies Management, Inc. 2600 Maitland Center Parkway Suite 300 Maitland, FL 32751

Tel: 407-740-3031 Fax: 407-740-0613 sthomas@tminc.com

with copies to:

Caryn Cerczak NetCarrier Telecom, Inc. 4000 N. Cannon Ave. Lansdale, PA 19446 Tel: 215-966-3382

Fax: 215-xxx-xxxx

Email: gerczakc@corp.netcarrier.com

(d) Section 214 Authorizations

Assignee: NetCarrier holds international Section 214 authority to provide

global or limited global resale service pursuant to IB File No. ITC-214-20000908-00525. NetCarrier also hold blanket domestic

Section 214 authority pursuant to 47 C.F.R § 63.01.

Assignor: SNiP holds international Section 214 authority to provide Global

or Limited Global Facilities-Based and Resale Service pursuant to IB File No. ITC-214-20000404-00211. SNiP also hold blanket

domestic Section 214 authority pursuant to 47 C.F.R § 63.01.

(h) (Answer to Questions 11 & 12) The following persons or entities hold, directly or indirectly a 10% or greater interest² in Applicants as calculated pursuant to the Commission ownership attribution rules for wireline and international telecommunications carriers:³

Unless otherwise indicated, the ownership interests provided herein represent both equity and voting interests.

While the Commission's rules for combined domestic and international applications require this information only for the assignee/transferee, *see* 47 C.F.R. §§ 63.04(b), 63.24(3)(2), Applicants are providing ownership information for both parties.

Ownership of Assignee

1) The following persons hold a ten percent (10%) or greater, direct or indirect, interest in **NetCarrier**:

Name:

Brook Lenfest

Address:

4000 N. Cannon Avenue

Lansdale, Pennsylvania 19446

Citizenship:

U.S.

Principal Business:

Telecommunications

% Interest:

90%

Name:

Christopher Peltier

Address:

4000 N. Cannon Avenue

Lansdale, Pennsylvania 19446

Citizenship:

U.S.

Principal Business:

Telecommunications

% Interest:

10%

No other person or entity owns or controls a ten percent or greater, direct or indirect, interest in Assignee. The Assignee has no interlocking directorates with a foreign carrier.

Ownership of Assignor

1) The following persons hold a ten percent (10%) or greater direct interest in **SNiP:**

Name:

Ira D. Riklis

Address:

32 East 57th Street

16th Floor

New York, NY 10022

Citizenship:

U.S.

Principal Business:

Telecommunications

% Interest:

91.11%

No other person or entity owns or controls a ten percent or greater, direct or indirect, interest in Assignor. The Assignor has no interlocking directorates with a foreign carrier.

(i) (Answer to Question 14) Assignee certifies that it is not a foreign carrier, nor is it affiliated with any foreign carrier, nor will it become affiliated with any foreign carrier as a result of this transaction.

- (j) (<u>Answer to Question 15</u>) Assignee certifies that it does not seek to provide international telecommunications services to any destination country where:
 - (1) The Assignee is a foreign carrier in that country; or
 - (2) The Assignee controls a foreign carrier in that country; or
 - (3) Any entity that owns more than 25 percent of the Assignee, or that controls the Assignee, controls a foreign carrier in that country; or
 - (4) Two or more foreign carriers (or parties that control foreign carriers) own, in the aggregate more than 25 percent of the Assignee and are parties to, or the beneficiaries of, a contractual relation affecting the provision or marketing of international basic telecommunications services in the United States.
 - (k) Not applicable.
 - (I) Not applicable.
 - (m) Not applicable.
- (n) Assignee 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 market power on the foreign end of the route and will not enter into such agreements in the future.
- (o) Applicants certify that they are not subject to denial of federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1998. *See* 21 U.S.C. § 853a; *see also* 47 C.F.R. §§ 1.2001-1.2003.
- (p) Applicants respectfully submit that this Application is eligible for streamlined processing pursuant to Section 63.12(a)-(b) of the Commission's Rules, 47 C.F.R. §63.12(a)-(b). In particular, Section 63.12(c)(1) is inapplicable because none of the Applicants are or are affiliated with any foreign carriers and none of the scenarios outlined in Section 63.12(c) of the Commission's Rules, 47 C.F.R. § 63.12(c), apply.

VI. INFORMATION REQUIRED BY SECTION 63.04

In lieu of an attachment, pursuant to Commission Rule 63.04(b), 47 C.F.R. § 63.04(b) Applicants submit the following information in support of their request for domestic Section 214 authority in order to address the requirements set forth in Commission Rule 63.04(a)(6)-(12), 47 C.F.R. § 63.04(a)(6)-(12):

- (a)(6) A description of the proposed Transaction is set forth in Section III above.
- (a)(7) The assets and customers being transferred as a result of the Transaction as located in the following states: Pennsylvania, New Jersey, and Delaware. Local and long distance voice and data services are currently provided by both the Assignor and the Assignee in those states.
- (a)(8) Applicants respectfully submit that this Application is eligible for streamlined processing pursuant to Sections 63.03 of the Commission's Rules, 47 C.F.R. §63.03. In particular, this Application is eligible for streamlined processing pursuant to Section 63.03(b)(2)(i) because, immediately following the transaction, Transferee will have a market share in the interstate, interexchange market of less than 10 percent, and the Transferee will provide competitive telephone exchange services or exchange access services exclusively in geographic areas served by a dominant local exchange carrier that is not a party to the transaction, and none of the Applicants are dominant with respect to any service.
- (a)(9) By this Application, Applicants seek authority with respect to both international and domestic Section 214 authorizations (this Application is being separately and concurrently filed with respect to both types of authorities in compliance with Commission Rule 63.04(b), 47 C.F.R. § 63.04(b)). No other applications are being filed with the Commission with respect to this transaction.

- (a)(10) Prompt completion of the proposed transaction is critical to ensure that Applicants can obtain the benefits described in the foregoing application. Accordingly, Applicants respectfully request that the Commission approve this Application expeditiously in order to allow Applicants to consummate the proposed transaction as soon as possible. No party, however, is requesting special consideration because it is facing imminent business failure.
 - (a)(11) Not applicable.
- (a)(12) A statement showing how grant of the application will serve the public interest, convenience and necessity is provided in **Section IV** above.

VI. CONCLUSION

For the reasons stated above, Applicants respectfully submit that the public interest, convenience, and necessity would be furthered by a grant of this Application. Indeed, failure to grant it would directly harm the public interest. In light of the particular need to ensure continuity of service to existing customers, Applicants respectfully request expedited treatment to permit Applicants to complete the Transactions as soon as possible.

Respectfully submitted,

Sharon Thomas

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Maitland, FL 32751

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Consultant to Assignee

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202-783-5851

LMovshin@wbklaw.com

Counsel to Assignor

Dated: February 2, 2010

VERIFICATION

COMMONWEALTH OF PENNSYLVANIA COUNTY OF MONTGOMERY

I, Brook Lenfest, being first duly sworn, do hereby certify, depose and state that I am Chief Executive Officer of NetCarrier Telecom, Inc. and that I am authorized to make this verification on behalf of the Assignee; that I have read the foregoing Application; and that the facts stated therein are true and correct to the best of my knowledge, information and belief.

Brook Lenfest
Chief Executive Officer
NetCarrier Telecom, Inc.

Subscribed and sworn to before me, a Notary Public, this

1ST day of FEB

2010.

Notary Public

AMAY LYEMMEN TO HELLE WINCHMOD

NOTARIAL SEAL MARIANNE T. MILLER, Notary Public Lansdale Boro., Montgomery County My Commission Expires April 23, 2011

My Commission expires:

VERIFICATION

STATE OF NEW JERSEY COUNTY OF CAMDEN

I, Peter M. Cava, Jr., being first duly sworn, do hereby certify, depose and state that I am President of SNiP Link, LLC and that I am authorized to make this verification on behalf of the Assignor in this Application; that the foregoing Application was prepared under my direction and supervision; and that the contents with respect to Assignor are true and correct to the best of my knowledge, information and belief.

Peter M. Čava, Jr.

President

SNiP Link, LLC

Subscribed and sworn to before me, a Notary Public, this

day of

tebruary2010

Notary Public

NOTARY PUBLIC OF NEW JERSEY

Commission Expires Feb. 26, 2012 Robert P. Norris III

My Commission expires:

2/26/2012