BINGHAM

Jean L. Kiddoo Brett P. Ferenchak jean.kiddoo@bingham.com brett.ferenchak@bingham.com

August 23, 2010

Via Electronic Filing

Marlene H. Dortch, Secretary Federal Communications Commission International Bureau Applications P.O. Box 979093 St. Louis, MO 63197-9700

In the Matter of the Joint Application of SE Acquisitions, LLC ("Assignee"), Re: and SouthEast Telephone, Inc. ("Assignor") for Grant of Authority to Complete an Assignment of Assets, Customers and International Section 214 Authorization

Dear Ms. Dortch:

On behalf of SE Acquisitions, LLC and SouthEast Telephone, Inc. (debtor-in-possession) (together, the "Applicants"), attached for filing is an Application for Grant of Authority to Complete an Assignment of Assets, Customers and International Section 214 Authorization of SouthEast Telephone, Inc., Debtor-in-Possession to SE Acquisitions, LLC. Pursuant to Section 63.04(b) of the Commission's rules, Applicants submit this filing as a combined domestic section 214 assignment application and international section 214 assignment application ("Combined Application").

This filing and the applicable credit card payment in the amount of \$1.015.00, which satisfies the filing fee required for this Combined Application under line 2.b of Section 1.1105 of the Commission's Rules, are being submitted electronically through the Applicants are simultaneously filing the Application with the Wireline Competition Bureau, in accordance with the Commission's rules.

Please direct any questions regarding this filing to the undersigned.

Respectfully submitted,

Jean L. Kiddoo Brett P. Ferenchak

Counsel for SE Acquisitions, LLC

But P Ferenchia

Boston Hartford Hong Kong London Los Angeles New York Orange County San Francisco Santa Monica Silicon Valley Tokyo Washington

Bingham McCutchen LLP 2020 K Street NW Washington, DC 20006-1806

> T +1.202.373.6000 F +1.202.373.6001 bingham.com

A/73481343.1

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

In the Matter of the Joint Application of	
SE Acquisitions, LLC, Assignee	WC Docket No. 10-
and	IB File No. ITC-ASG-2010
SouthEast Telephone, Inc., Assignor,))
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 the Assignment of the Assets, Customers and))
International Section 214 Authorization of SouthEast Telephone, Inc. to SE Acquisitions, LLC))
)

JOINT APPLICATION

SE Acquisitions, LLC ("SEA" or "Assignee") and SouthEast Telephone, Inc. (debtor-in-possession) ("SouthEast" or "Assignor") (collectively, "Applicants"), 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 Commission approval or such authority as may be necessary or required to enable the parties to consummate a transaction whereby SouthEast will transfer substantially all of its assets, including its customers and International 214 Authorization, to SEA. As a result of the transaction, SouthEast's customers will be transferred to SEA, which will become the service provider for those customers. As described below, the proposed transaction will be virtually transparent to customers of SouthEast in terms of the services that those customers receive and the rates and terms of those services.

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

I. REQUEST FOR STREAMLINED PROCESSING

Applicants respectfully submit that this Application is eligible for streamlined processing pursuant to Sections 63.03 and 63.12 of the Commission's Rules, 47 C.F.R. §§ 63.03 & 63.12. This Application is eligible for streamlined processing pursuant to Section 63.03(b)(2)(i) because, immediately following the transaction, Assignee (and its Affiliates) will have a market share in the interstate, interexchange market of less than 10 percent, and the Assignee (and its Affiliates) will provide competitive telephone exchange services or exchange access services (if at all) exclusively in geographic areas served by a dominant local exchange carrier that is not a party to the transaction, and none of the Applicants (or their Affiliates) are dominant with respect to any service.

With respect to international authority, 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 is a foreign carrier, or is 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), applies. Accordingly, this Application qualifies for streamlined processing pursuant to Section 63.12 of the Commission's rules.

II. DESCRIPTION OF THE APPLICANTS

A. SE Acquisitions, LLC

SE Acquisitions, LLC is a Kentucky limited liability company with principal offices located at 1901 Eastpoint Parkway, Louisville, Kentucky 40223-4145. SEA is a wholly-owned direct subsidiary of Lightyear Network Solutions, Inc. ("LYNS"), a publicly held (OTCBB: LYNS) Nevada corporation whose principal business is telecommunications. SEA was formed in order to acquire and operate the assets of SouthEast. Following completion of the transaction,

SEA will operate under the name "SouthEast Telephone" in order to minimize customer confusion.

LY Holdings, LLC, a Kentucky limited liability company, directly owns 66% of LYNS. No other person or entity directly owns 10% or more of LYNS. LYNS wholly owns Lightyear Network Solutions, LLC ("Lightyear" and together with SEA, the "Company"), a Kentucky limited liability company. Lightyear holds domestic and international Section 214 authorizations from the FCC and is authorized to provide local exchange telecommunications services in 44 states and long distance telecommunications services in 49 states.

B. SouthEast Telephone, Inc.

SouthEast Telephone, Inc. is a Kentucky corporation with a principal business address of 106 Scott Avenue, Pikeville, Kentucky 41501. SouthEast offers local telephone service, long distance, Internet and paging products for residential and business customers throughout underserved rural areas of Kentucky. SouthEast holds domestic and international Section 214 authorizations from the FCC and is authorized to provide local exchange and interexchange telecommunications services in Kentucky.

On September 28, 2009, SouthEast filed a voluntary petition for relief under Chapter 11 of Title 11, U.S.C. §§ 101 et seq., as amended (the "Bankruptcy Code"), in the United States Bankruptcy Court for the Eastern District of Kentucky, Pikeville Division (the "Bankruptcy Court") Case No. 09-70731-wsh. As a debtor and debtor-in-possession, SouthEast continues to operate its business and provide telecommunications services to its customers.

III. DESCRIPTION OF THE TRANSACTION

Pursuant to an Asset Purchase Agreement dated as of June 28, 2010, by and among SouthEast, LYNS and SEA, SEA will purchase substantially all of the assets of SouthEast, including SouthEast's telecommunications equipment and customer accounts (the "Transac-

tion"). The Bankruptcy court issued a Sale Order approving the Transaction on August 16, 2010. The Sale Order anticipates that closing will occur on or about October 1, 2010.

In the interest of assuring seamless and uninterrupted service, all of the assigned customers will continue to receive service from SEA under the same rates, terms and conditions of services as were previously provided by SouthEast. There will be no interruption or disruption of service to customers and the assignment of SouthEast's assets to SEA will be seamless to customers. Future changes in the rates, terms and conditions of service to SouthEast's customers, if any, will be undertaken pursuant to the applicable federal and state notice and tariff requirements as well as the customers' contracts, if any.

IV. PUBLIC INTEREST CONSIDERATIONS

Applicants respectively submit that the proposed Transaction serves the public interest. As a result of the Transaction, SEA will obtain facilities which will expand the reach of the Company's network, and customers which will increase the Company's market density thereby making the Company an even more robust competitor in all of its markets. Further, SEA's operations are overseen by the Company's well-qualified management team with substantial telecommunications experience and technical expertise. In addition, the proposed Transaction is structured to assure an orderly transition of customers from SouthEast to SEA. In accordance with the terms of their service contracts and the rules and procedures of the Commission and states, customers will be properly notified of the proposed transaction and the change in their telecommunications provider from SouthEast to SEA. SEA will separately be filing a certification that it will comply with the Commission's procedures set forth in Section 64.1120(e) of the Commission's Rules regarding the acquisition of customers, along with the sample customer notification letters.

V. INFORMATION REQUIRED BY SECTION 63.24(e)

Pursuant to Section 63.24(e)(3) 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:

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

<u>Assignee</u>

SE Acquisitions, LLC 1901 Eastpoint Parkway Louisville, KY 40223-4145 502-253-1508

Assignor:

SouthEast Telephone, Inc. 106 Scott Ave. Pikeville, KY 41501 606-432-3000

FRN: 0020140117¹

FRN: 0020085775

(b) Jurisdiction of Organizations:

Assignee: SEA is a limited liability company formed under the laws of the

Commonwealth of Kentucky.

Assignor: SouthEast is a corporation formed under the laws of the Common-

wealth of Kentucky.

This is the FRN for Southeast as debtor-in-possession, which FRN is being used solely for the purposes of the required notices of its bankruptcy filed on August 20, 2010 and this Application. For all other purposes, Southeast continues to use 0003758752 as its FRN.

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

For Assignee:

Jean L. Kiddoo
Brett P. Ferenchak
Bingham McCutchen LLP
2020 K Street, N.W.
Washington, DC 20006
202-373-6697 (Tel)
202-373-6001 (Fax)
jean.kiddoo@bingham.com
brett.ferenchak@bingham.com

With copies to:

John J. Greive General Counsel Lightyear Network Solutions, Inc. 1901 Eastpoint Parkway Louisville, KY 40223 502-244-6666 Ext. 1248 (Tel) 502-515-4138 (Fax) John.Greive@Lightyear.net

For Assignor:

Carla Reichlederfer, President SouthEast Telephone, Inc. 106 Scott Ave. Pikeville, KY 41501 1001 606-432-3000 (Tel) 606-433-4402 (Fax) carla.reichelderfer@setel.com

(d) Section 214 Authorizations

Assignee:

SEA is authorized to provide interstate telecommunications services pursuant to blanket domestic Section 214 authority. 47 C.F.R. § 63.01. SEA does not currently hold an international Section 214 authorization. Assignor's international Section 214 authorization will be assigned to SEA as part of the Transaction.

Assignor:

SouthEast is authorized to provide interstate telecommunications services pursuant to blanket domestic Section 214 authority. 47 C.F.R. § 63.01. SouthEast holds international Section 214 authority to provide global resale service granted in IB File No. ITC-214-19960925-00466(Old File No. ITC-96-531) (November 8, 1996).

(h) (Answer to Questions 11 & 12) The following 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.

Ownership of Assignee:

(1) The following entity has a 10% or greater direct interest in SE Acquisitions, LLC:

Name:

Lightyear Network Solutions, Inc. ("LYNS")

Address:

1901 Eastpoint Parkway

Louisville, KY 40223

Ownership Interest:

100% (directly in SEA)

Citizenship:

U.S

Principal Business:

Holding Company

(2) The following entity has a 10% or greater direct interest in Lightyear Network Solutions, Inc.:

Name:

LY Holdings, LLC ("LYH")

Address:

1901 Eastpoint Parkway

Louisville, KY 40223

Ownership Interest:

Approx. 66% (directly in LNS and indirectly in SEA through

LYNS)

Citizenship:

U.S

Principal Business:

Holding Company

(3) The following entities has a 10% or greater direct or indirect interest in **LY Holdings**, **LLC**:

Name:

LANJK, LLC

Address:

1901 Eastpoint Parkway

Louisville, KY 40223

Ownership Interest:

50% (directly in LYH and 34.5% indirectly in SEA through LYNS

and LYH)

Citizenship:

U.S

Principal Business:

Telecommunications

LANJK, LLC is wholly owned by Judith Henderson and managed by J. Sherman Henderson, III, both U.S. citizens who can be contacted at the same address.

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.

Name:

SullivanLY, LLC

Address:

3717 W. North "B" Street

Tampa, FL 33609

Ownership Interest:

30% (directly in LYH and 20.7% indirectly in SEA through LNS

and LYH)

Citizenship:

U.S

Principal Business:

Investment

SullivanLY, LLC is wholly owned and managed by Chris Sullivan, a U.S. citizen who can be contacted at the same address.

No other entity holds a 10% or greater direct or indirect interest in SEA. The Parties do not have any interlocking directorates with a foreign carrier.

Ownership of Assignor:

(1) The following entities hold a ten percent (10%) or greater direct or indirect interest in **SouthEast Telephone**, **Inc.**:

Name:

CAVU Holding, Inc. ("CAVU")

Address:

PO Box 1001

Pikeville, KY 41502

Ownership Interest:

34.1%

Citizenship:

U.S.

Principal Business:

Holding Company

(2) The following persons have a 10% or greater direct or indirect interest in **CAVU Holding, LLC**:

Name:

Darrell Maynard

Address:

106 Power Drive

Pikeville, KY 41501

Ownership Interest:

50% (directly in CAVU)

Citizenship:

U.S

Principal Business:

Individual

Name:

Alex Dade

Address:

584 Bradley Road

Bay Village, OH 44140

Ownership Interest:

50% (directly in CAVU)

Citizenship:

U.S

Principal Business:

Individual

No other entity owns or controls more than 10% directly or indirectly of Applicants and Applicants do not have any interlocking directorates with a foreign carrier.

For the Commission's convenience, attached as <u>Exhibit A</u> are current corporate ownership charts for Applicants.

- (i) (<u>Answer to Question 14</u>) Applicants certify that they are not foreign carriers, nor are they affiliated with foreign carriers, nor will they become affiliated with foreign carriers as a result of this transaction.
- (j) (<u>Answer to Question 15</u>) Applicants certify that they do not seek to provide international telecommunications services to any destination country where:
 - (1) An Applicant is a foreign carrier in that country; or
 - (2) An Applicant controls a foreign carrier in that country; or
 - (3) Any entity that owns more than 25 percent of an Applicant, or that controls an Applicant, 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 an Applicant 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.
- (n) 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 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 is, or is 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), applies.

V. <u>INFORMATION REQUIRED BY SECTION 63.04</u>

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):

- (a)(6) A description of the proposed Transaction is set forth in Section III above.
- (a)(7) (i) SouthEast provides local exchange and long distance telecommunications services, as well as Internet and paging products in Kentucky.
- (ii) SEA does not currently provide telecommunications services in any state, but will begin providing telecommunications services in Kentucky upon completion of the Transaction.
- ever, as stated above, LYNS wholly owns Lightyear, which is authorized to provide telecommunications services in all states except for Alaska. In those states, Lightyear is authorized to provide both competitive local and long distance telecommunications services in all of them except for Arizona, Connecticut, Delaware, South Dakota, Virginia and Wyoming where only long distance telecommunication services are offered. All of the services provided by Lightyear are competitive in nature and neither Lightyear nor any affiliated company holds a dominant position in any market.

- (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, with respect to domestic authority, this Application is eligible for streamlined processing pursuant to Section 63.03(b)(2)(i) because, immediately following the transaction, Assignee (and its Affiliates) will have a market share in the interstate, interexchange market of less than 10 percent, and the Assignee (and its Affiliates) will provide competitive telephone exchange services or exchange access services (if at all) exclusively in geographic areas served by a dominant local exchange carrier that is not a party to the transaction, and none of the Applicants (or their Affiliates) are dominant with respect to any service.
- (a)(9) SouthEast does not hold any other authorizations or licenses from the Commission. Therefore, no other applications are being filed with the Commission with respect to this transaction.
- (a)(10) Since September 28, 2009, SouthEast has been operating under the protection of the Bankruptcy Court. The Bankruptcy Court issued a Sale Order approving the Transaction on August 16, 2010, and it is important that Commission approval be obtained promptly to assure that the sale can be completed as promptly as possible. The Sale Order anticipates that closing will occur on or about October 1, 2010. Accordingly, Applicants request that the Commission promptly commence its examination of the transaction and issue its public notice so that it can be in a position to approve the transaction as soon as possible.
 - (a)(11) Not applicable.
- (a)(12) A description of the Public Interest Considerations 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 for the assignment of substantially all of the assets, including customer accounts, of SouthEast Telephone, Inc. to SE Acquisitions, LLC.

Respectfully submitted,

Jean L. Kiddoo

Brett P. Ferenchak

BINGHAM MCCUTCHEN LLP

2020 K Street, N.W.

Washington, DC 20006

202-373-6000 (Tel)

202-373-6001 (Fax)

jean.kiddoo@bingham.com

brett.ferenchak@bingham.com

Counsel for SE Acquisitions, LLC

Carla Reichlederfer, President

SouthEast Telephone, Inc.

106 Scott Ave.

Pikeville, KY 41501 1001

606-432-3000 (Tel)

606-433-4402 (Fax)

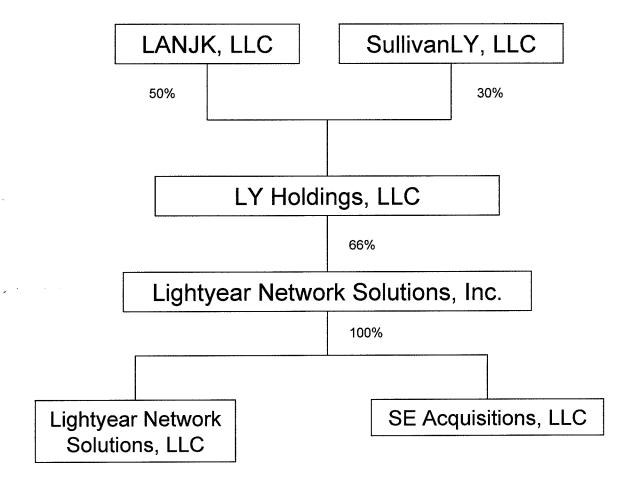
carla.reichelderfer@setel.com

Dated: August 23, 2010

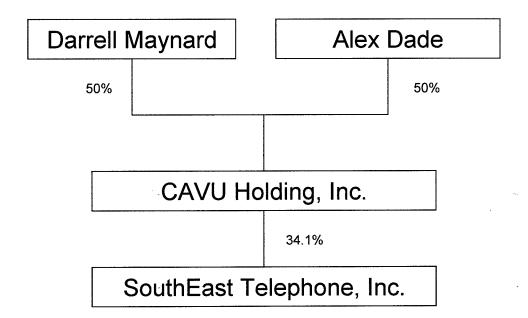
EXHIBIT A

Corporate Ownership Charts

SE Acquisitions, LLC Corporate Ownership Chart



SouthEast Telephone, Inc. Corporate Ownership Chart



Verifications

VERIFICATION

I, Carla Reichlederfer, state that I am the President of SouthEast Telephone, Inc. (together, the "Company"); that I am authorized to make this Verification on behalf of the Company; that the foregoing filing was prepared under my direction and supervision; and that the contents with respect to the Company are true and correct to the best of my knowledge, information, and belief.

I declare under penalty of perjury that the foregoing is true and correct. Executed this day of August, 2010.

Carla Reichlederfer

Carla Reichlederfer

President

SouthEast Telephone, Inc.

VERIFICATION

I, John J. Greive, state that I am the General Counsel of SE Acquisitions, LLC and Lightyear Network Solutions, Inc. (together, the "Company"); that I am authorized to make this Verification on behalf of the Company; that the foregoing filing was prepared under my direction and supervision; and that the contents with respect to the Company are true and correct to the best of my knowledge, information, and belief.

I declare under penalty of perjury that the foregoing is true and correct. Executed this 20th day of August, 2010.

John J. Greive

General Counsel SE Acquisitions, LLC

Lightyear Network Solutions, Inc.