

**ATTACHMENT 1  
INTERNATIONAL SECTION 214  
ASSIGNMENT APPLICATION**

Pursuant to Section 214 of the Communications Act of 1934, as amended,<sup>1</sup> and Section 63.24 of the Federal Communications Commission's ("Commission" or "FCC") rules,<sup>2</sup> Richmond Connections, Inc. d/b/a Richmond Network ("Richmond Network" or "Assignor") and X5 OpCo LLC ("X5 OpCo" or "Assignee", and, together with Richmond Network, "Applicants") hereby request Commission consent to assignment of the international Section 214 authorization held by Richmond Network to X5 OpCo. Richmond Network is a wholly owned subsidiary of Richmond Telephone Company, which, in turn, is a wholly owned subsidiary of CornerStone Telephone Company, LLC ("CornerStone Telephone"). The international Section 214 authorization of Richmond Network is being assigned to X5 OpCo as part of X5 OpCo's acquisition of nearly all of the assets of CornerStone Telephone and its subsidiaries.<sup>3</sup>

**ANSWER TO QUESTION 10**

**63.18(c) and (d) Information for CornerStone Telephone – Assignor**

- Contact Information for Richmond Network

Company Contact:

Richard W. Drake, Jr.  
CornerStone Telephone Company, LLC  
2 Third Street  
Suite 303  
Troy, NY 12180  
Telephone: 518.272.1018  
Email: rdrake@cstel.com

Legal Counsel:

Sylvia Lesse  
Communications Advisory Counsel, LLC  
5151 Wisconsin Avenue, NW  
Suite 311  
Washington DC 20016  
Telephone: 202.333.5273  
Email: sylvia@independent-tel.com

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<sup>1</sup> 47 U.S.C. § 214.

<sup>2</sup> 47 C.F.R. §§ 63.04 and 63.24.

<sup>3</sup> Applications are also being filed to assign the international Section 214 authorization held by CornerStone Telephone and the domestic Section 214 authority of CornerStone Telephone and its subsidiaries. The domestic Section 214 application also seeks authority to assign the assets of CornerStone Telephone subsidiary, Richmond Telephone Company, to X5 RTC LLC ("X5 RTC"), a sister company of X5 OpCo.

- Richmond Networkx is organized under the laws of Massachusetts.
- Richmond Networkx holds Section 214 authority to provide international and domestic telecommunications services. *See* File No. ITC-214-19991019-00660 and 47 C.F.R. § 63.01.

**63.18(c) and (d) Information for X5 OpCo LLC – Assignee**

- Contact Information for X5 OpCo

Company Contact

Barbara Meyer  
Controller  
X5 OpCo LLC  
1008 Western Ave.  
Suite 400  
Seattle, WA 98104  
Tel: 206.973.5865  
E-mail: [regulatory@x5solutions.com](mailto:regulatory@x5solutions.com)

Legal Counsel

Colleen King  
Wiley Rein LLP  
1776 K Street, NW  
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- X5 OpCo is organized under the laws of Delaware.
- X5 OpCo holds Section 214 authority to provide international and domestic telecommunications services. *See* File No. ITC-214-20150605-00136 and 47 C.F.R. § 63.01. *See also* Notice of Domestic Section 214 Authorizations Granted, Public Notice, WC Docket No. 14-268, DA 15-334 (Mar. 16, 2015).

## ANSWER TO QUESTION 11

### Assignor Ownership (Richmond Networx)

Richmond Networx is wholly owned by Richmond Telephone Company, a Massachusetts corporation. Richmond Telephone Company is wholly owned by CornerStone Telephone, a New York limited liability company. The following individuals have a ten percent or greater interest in CornerStone Telephone:

Daniel Yamin 2 Third Street Suite 303 Troy NY 12180	16.40%	US citizen
Donald Walsh 2 Third Street Suite 303 Troy NY 12180	16.40%	US citizen
Stanley D. Russell 2 Third Street Suite 303 Troy NY 12180	16.40%	US citizen
Jack A. Overton, Jr. 2 Third Street Suite 303 Troy NY 12180	12.50%	US citizen
Wendy Doerr 2 Third Street Suite 303 Troy NY 12180	12.50%	US citizen

### Assignee Ownership (X5 OpCo)<sup>4</sup>

The following entities will hold a direct or indirect ten percent or greater equity ownership interest in X5 OpCo:<sup>5</sup>

<sup>4</sup> A chart of the entities that hold a ten percent or greater interest in X5 OpCo and X5 RTC is attached. Although X5 RTC is not included in the instant application for assignment of international Section 214 authority, the chart includes both X5 OpCo and X5 RTC to be consistent with the domestic Section 214 application.

<sup>5</sup> As X5 OpCo continues to finalize financing, the percentage ownership by these entities is subject to fluctuations. X5 OpCo will provide updates if there are any material changes to the ownership of X5 OpCo.

**Equity Ownership of X5 OpCo:**

X5 Holdings LLC  
c/o NewSpring Holdings LLC  
555 E. Lancaster Ave, Suite 444  
Radnor, PA 19087  
Delaware Limited Liability Company  
Equity Interest: 100% direct interest in X5 OpCo

**Equity Ownership of X5 Holdings LLC:**

X5 Partners LLC  
c/o NewSpring Holdings LLC  
555 E. Lancaster Ave, Suite 444  
Radnor, PA 19087  
Delaware Limited Liability Company  
Equity Interest: 70.2% direct interest in X5 Holdings LLC; 70.2% indirect interest in X5 OpCo

**Equity Ownership of X5 Partners LLC**

NewSpring Holdings LLC  
555 E. Lancaster Ave, Suite 444  
Radnor, PA 19087  
Delaware Limited Liability Company  
Equity Interest: 68.0% direct interest in X5 Partners LLC; 47.7% indirect interest in X5 OpCo

NewSpring Holdings Parallel LLC  
555 E. Lancaster Ave, Suite 444  
Radnor, PA 19087  
Delaware Limited Liability Company  
Equity Interest: 32.0% direct interest in X5 Partners LLC; 22.4% indirect interest in X5 OpCo

**Equity Ownership of NewSpring Holdings LLC:**

Ohana Holdings, LLC  
720 University Avenue, Suite 200  
Los Gatos, CA 95032  
Delaware Limited Liability Company  
Equity Interest: 40.3% direct interest in NewSpring Holdings LLC; 19.3% indirect interest in X5 OpCo

The Pierre M. Omidyar Trust  
Pierre M. Omidyar, Trustee and Beneficiary (US Citizen)  
Michael G. Mohr, Trustee (US Citizen)  
720 University Avenue, Suite 200

Los Gatos, CA 95032

Equity Interest: 100% direct interest in Ohana Holdings, LLC; 19.3% indirect interest in X5 OpCo

**Equity Ownership of NewSpring Holdings Parallel LLC:**

Carbon Investments LLC

P.O. Box 5004

Wichita, KS 67201

Delaware Limited Liability Company

Equity Interest: 98.0% direct interest in NewSpring Holdings Parallel LLC; 22.0% indirect interest in X5 OpCo

Charles G. Koch 1997 Trust

Charles G. Koch, Trustee and Beneficiary (U.S. Citizen)

P.O. Box 5004

Wichita, KS 67201

Equity Interest: 75.0% direct interest in Carbon Investments LLC; 16.5% indirect interest in X5 OpCo

Based on the foregoing, no other individual or entity has a direct or indirect 10% or greater equity interest in X5 OpCo.

X5 OpCo is ultimately controlled by NewSpring Holdings Management Company LLC (“NSHMC”). NSHMC is a Non-Member Manager of X5 Partners LLC and a Member Manager of NewSpring Holdings LLC and NewSpring Holdings Parallel LLC. NSHMC is a Delaware limited liability company with its address at 555 E. Lancaster Avenue, Suite 444, Radnor, PA 19087. NSHMC is managed by Walter P. Maner and James Ashton. Both of these individuals are U.S. citizens. Messrs. Maner and Ashton have an address at 555 E. Lancaster Avenue, Suite 444, Radnor, PA 19087.

**ANSWER TO QUESTION 13**

***Description of the Applicants***

Richmond Networx is a Massachusetts corporation. Richmond Networx provides broadband services, traditional voice, as well as VOIP services, including SIP trunking and hosted PBX services on both a retail and wholesale basis in Massachusetts. Where both voice and broadband services are available, they are typically bundled. Richmond Networx provides services primarily to non-residential customers.

X5 OpCo is a limited liability company formed under the laws of the State of Delaware in 2014. X5 OpCo is a wholly owned subsidiary of X5 Holdings LLC (“X5 Holdings”), which is controlled by NewSpring Holdings Management Company LLC (“NewSpring”). NewSpring is a limited liability company organized under the laws of the State of Delaware. NewSpring is affiliated with NewSpring Holdings LLC, a private equity fund that seeks to partner with

successful business owners and management teams to grow profitable businesses. The FCC recently granted authority to X5 OpCo to provide domestic telecommunications services to commercial subscribers, wholesale carrier customers, and interconnecting carriers as part of the sale of assets to X5 OpCo by X5 Solutions, Inc. and X5 PDX, LLC.<sup>6</sup>

### ***Description of Transaction***

CornerStone Telephone seeks to sell, and X5 OpCo seeks to acquire, substantially all of the assets and business of CornerStone Telephone and its subsidiaries, including Richmond Networx, as an ongoing operation. Under the terms of the proposed acquisition, CornerStone Telephone will sell the entirety of its interest in operational assets, customer and supplier contracts, and all of CornerStone Telephone's personnel will be transferred to X5 OpCo.<sup>7</sup> Following the grant of the proposed transaction, X5 OpCo will operate the assets and business of CornerStone Telephone and its subsidiaries and will continue to provide domestic telecommunications services to the customers of CornerStone Telephone and its subsidiaries.<sup>8</sup> There will be no changes in rates, terms or conditions as a result of this transaction. The transaction will be entirely transparent to all customers of CornerStone Telephone and its subsidiaries.

### ***Public Interest Statement***

The proposed assignment of CornerStone Telephone's assets to X5 OpCo serves the public interest and will cause no offsetting public interest harms. Therefore, the Commission should expeditiously approve the proposed assignment.

The transaction will provide additional capitalization needed to expand services and operations, and enhance the company's ability to provide competitive telecommunications services to the public. Further, broad management experience will enable X5 OpCo to explore new innovative service opportunities and provide added value to customers. The proposed assignment does not raise any competitive concerns. The only impact of the proposed transaction is that CornerStone Telephone's business will obtain access to increased resources that will result in a stronger, more capable and robust company, capable of pursuing additional opportunities.

The transaction will be entirely transparent to subscribers and customers. The transaction will not result in any immediate change in service rates, terms, and conditions, and will not result in the discontinuance, reduction, loss, or impairment of service to subscribers or customers.

### **ANSWER TO QUESTION 20**

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<sup>6</sup> See *Notice of Domestic Section 214 Authorizations Granted*, Public Notice, WC Docket No. 14-268, DA 15-334 (Mar. 16, 2015).

<sup>7</sup> As described above, the assets of Richmond Telephone Company, a CornerStone Telephone subsidiary, will be assigned to X5 RTC rather than X5 OpCo. See *supra* note 3.

<sup>8</sup> *Id.*

This application for assignment of international Section 214 authorization qualifies for streamlined processing pursuant to Section 63.12(c) of the Commission's rules.<sup>9</sup> X5 OpCo is not a foreign carrier and is not affiliated with any foreign carriers. The parties will not consummate the proposed transaction until after all necessary Commission approvals are obtained.

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<sup>9</sup> 47 C.F.R. § 63.12(c).

# Ownership of X5 OpCo LLC and X5 RTC LLC

