

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

In the Matter of)	
)	
Call One Inc., <i>Assignor</i>)	WC Docket No. 21-_____
)	
and Peerless Network, Inc., <i>Assignee</i>)	
)	
For Consent to Assign Assets and Customers)	
Subject to Domestic and International)	File No. ITC-ASG-2021 _____ - _____
Section 214 Authority)	

JOINT APPLICATION

Pursuant to Section 214 of the Communications Act of 1934, as amended, ("the Act"), 47 U.S.C. § 214, and Sections 63.04 and 63.24 of the Commission's rules, 47 C.F.R. §§ 63.04 and 63.24, Call One Inc. ("Assignor" or "Call One") and Peerless Network, Inc. ("Assignee" or "Peerless") hereby request Commission consent to the assignment to Peerless of domestic and international Section 214 authority held by Call One in connection with the assignment of assets and customers from Call One to Peerless.¹ This Joint Application is being filed simultaneously with the Wireline Competition Bureau and the International Bureau.

I. DESCRIPTION OF THE APPLICANTS

A. Assignor

Call One is a competitive local exchange carrier ("CLEC") in 11 states that provides telecommunications services to business customers using leased and resold traditional TDM facilities, as well as hosted Voice over Internet Protocol ("VoIP") to exchange voice traffic of the

¹ Assignor and Assignee may be collectively referred to as the "Applicants" herein.

public switched network. In addition, Call One provides facilities-based interexchange telecommunications services. Call One provides SIP trunking for unified communications, and offers unified communications, call center, SD-WAN and other, related internet-based services. Call One does not provide service to residential customers. Call One was organized under the laws of Illinois in 1992 and is based in Chicago, Illinois with points of presence in four states.

B. Assignee

Peerless, together with its subsidiaries, operates as a competitive local exchange carrier (“CLEC”) in 49 states and the District of Columbia that provides interconnection services for carriers and noncarriers alike and for all types of traffic via innovative end office, tandem, and advanced routing services.² Peerless provides originating and terminating calling services for telecommunication companies, service providers, and enterprises in the United States. It offers local transit, switched access, long distance termination, direct inward dial enabled text messaging, Internet protocol control, and hosted least cost routing services. The company also provides SIP trunking services for unified communications. The company additionally provides Voice over Internet Protocol (“VoIP”) services. Peerless does not provide service to residential customers. Peerless was incorporated in 2005 and is based in Chicago, Illinois with points of presence throughout the United States. It has data centers in Atlanta and Chicago.

II. DESCRIPTION OF THE TRANSACTION AND PUBLIC INTEREST SHOWING

On September 6, 2021, Call One and Peerless Network Holdings, Inc. (“Peerless Holdings”), the parent of Assignee, executed an agreement for Peerless Holdings to purchase the

² No affiliate of Peerless currently holds a 10% or greater interest in any incumbent local exchange carrier or any other entity that offers domestic telecommunications services in the United States.

assets of Call One, including its customers. As required by Section 63.24(b) of the Commission's rules,³ in order to permit the assignment of customers, the Applicants hereby seek the Commission's consent to assign Call One's domestic and international Section 214 authority to Assignee.⁴

The proposed transaction serves the public interest and is fully consistent with the Commission's policies. The proposed transaction will not violate any provision of the Act, any other applicable statute, or any Commission rule, nor will it substantially frustrate or impair the Commission's implementation or enforcement of the Act or interfere with the objectives of the Act or other statutes. The transaction will also have no adverse effect on customers or competition.

The proposed transaction serves the public interest as it would enable Peerless, an experienced provider of telecommunications services, to expand and diversify its services, achieve improved economies of scale, and strengthen its ability to compete. In particular, Peerless will be able to realize economies from offering more services to more customers over its own facilities. The transaction will thus enable Peerless to continue to be a strong participant in the highly competitive communications marketplace, to the benefit of U.S. businesses and those businesses' own customers.

³ 47 C.F.R. § 63.24(b) note ("The sale of a customer base, or a portion of a customer base, by a carrier to another carrier, is a sale of assets and shall be treated as an assignment, which requires prior Commission approval under this section.").

⁴ Assignee requests that the Commission consolidate the assigned international Section 214 authority with its existing authorization file number (ITC-214-20080304-00146) and cancel File No. ITC-214-20080304-00146 so Peerless has only its one, existing Section 214 authorization going forward.

The proposed transaction will be seamless to Call One's customers.⁵ These customers will continue to have access to their existing services at the same rates, terms, and conditions and without any immediate changes. Because Peerless can offer a broader array of services using its own network (*e.g.*, DIDs, Toll Free, SD-WAN, SIP trunking, UCaaS), customization of such services and troubleshooting of those services will be much improved. Also, by virtue of offering services over its own facilities, Peerless' cost structure is much more competitive than Call One's. Over time, these customers should receive improved service and benefit from the economies of scale made possible by the transaction.

The proposed transaction also will not present any potential harm to competition for telecommunications services in the United States. The marketplace in which Call One and Peerless take part is highly competitive, with numerous participants. Moreover, neither Call One nor Peerless is classified as dominant in the market. As such, the transaction will plainly not result in any meaningful reduction in competition or diminution in service. On the contrary, the transaction will position Peerless to be a more effective competitor, thus maintaining and enhancing competition and customer choice in the marketplace going forward.

For the foregoing reasons, the proposed transaction will not present any potential harm to the public nor to competition for telecommunications services in the United States.

In support of this Joint Application, the Applicants respectfully submit the following information pursuant to Section 63.24(e):

A. Name, Address, Telephone Number, and Jurisdiction and Formation of Applications, 47 C.F.R. §§ 63.18(a)-(b)

Assignor: Call One Inc., an Illinois corporation whose primary address is:

⁵ Peerless certifies that it will comply with the requirement to provide advance subscriber notice in accordance with 47 C.F.R. § 64.1120(e)(3).

225 W. Wacker Dr., 8th Floor
Chicago, IL 60606
(312) 681-8300

Assignee: Peerless Network, Inc., a Delaware corporation whose
primary address is:
222 S. Riverside Plaza, Suite 1900
Chicago, IL 60606
(312) 506-0920

B. Contact Information for Applicants, 47 C.F.R. § 63.18(c)

Assignor Contact Information:

Helene Donahue
President and CFO
Call One Inc.
225 W. Wacker Dr., 8th Floor
Chicago, IL 60606
(312) 766-9771
hdonahue@callone.com

With a copy to:

Bruce Menkes
Mandell Menkes, LLC
One North Franklin St. Suite 3600
Chicago, IL 60606
312-251-1000
bmenkes@mandellmenkes.com

Assignee Contact Information:

Julie Oost
Vice President, Regulatory Affairs
Peerless Network, Inc.
222 S. Riverside Plaza, Suite 1900
Chicago, IL 60606
(312) 878-4137
regulatory@peerlessnetwork.com

With a copy to:

Nancy J. Victory
DLA Piper LLP (US)
500 8th Street, NW
Washington, DC 20004

(202) 799-4216
Nancy.victory@dlapiper.com

C. Section 214 Authority Held by Each Applicant, 47 C.F.R. § 63.18(d)

Assignor International Section 214 Authority: Assignor holds international Section 214 authorization File No. ITC-214-19950601-00035.⁶

Assignee International Section 214 Authority: Assignee holds international Section 214 authorization File No. ITC-214-20080304-00146.

D. Name, Address, Citizenship and Principal Business of Disclosable Interest Holders, 47 C.F.R. § 63.18(h) – Answer to Question 11

The following entities hold indirectly a ten percent or greater equity and/or voting interest, or a controlling interest, in the Assignee:

Name: Peerless Network Holdings, Inc.
Address: 222 S. Riverside Plaza, Suite 1900
Chicago, IL 60606
Citizenship: USA
Type of Organization: Corporation
Principal Business: Holding company
Percentage Held: 100% direct interest in Assignee

Name: Adams Street 2007 Direct Fund, L.P.
Address: c/o Adams Street Partners, LLC
One North Wacker Drive, Suite 2700
Chicago, IL 60606
Citizenship: USA
Type of Organization: Limited partnership
Principal Business: Investment fund
Percentage Held: 14.249% direct interest in Peerless Network Holdings, Inc.;
14.249% indirect interest in Assignee

Name: Adams Street 2008 Direct Fund, L.P.
Address: c/o Adams Street Partners, LLC
One North Wacker Drive, Suite 2700
Chicago, IL 60606

⁶ File No. ITC-214-19950601-00035 is listed in IBFS as held by Call One Communications, Inc. However, that appears to be an error as such an entity does not exist and, to the best of the Call One signatory's recollection, never existed. The correct authorization holder is Call One Inc.

Citizenship: USA
Type of Organization: Limited partnership
Principal Business: Investment fund
Percentage Held: 16.061% direct interest in Peerless Network Holdings, Inc.;
16.061% indirect interest in Assignee

Name: Adams Street 2009 Direct Fund, L.P.
Address: c/o Adams Street Partners, LLC
One North Wacker Drive, Suite 2700
Chicago, IL 60606

Citizenship: USA
Type of Organization: Limited partnership
Principal Business: Investment fund
Percentage Held: 14.072% direct interest in Peerless Network Holdings, Inc.;
14.072% indirect interest in Assignee

Name: John Barnicle
Address: 32662 Jeffery Drive
Dowageic, MI 49047

Citizenship: USA
Type of Organization: Individual
Principal Business: President and Chief Executive Officer of Assignee
Percentage Held: 15.749% direct interest in Peerless Network Holdings, Inc.;
15.749% indirect interest in Assignee

Name: ASP 2007 Direct Management, LLC
Address: c/o Adams Street Partners, LLC
One North Wacker Drive, Suite 2700
Chicago, IL 60606

Citizenship: USA
Type of Organization: Limited liability company
Principal Business: Investment management
Percentage Held: 1% general partner of Adams Street 2007 Direct Fund,
L.P.; 14.249% indirect interest in Assignee

Name: ASP 2008 Direct Management, LLC
Address: c/o Adams Street Partners, LLC
One North Wacker Drive, Suite 2700
Chicago, IL 60606

Citizenship: USA
Type of Organization: Limited liability company
Principal Business: Investment management
Percentage Held: 1% general partner of Adams Street 2008 Direct Fund,
L.P.; 16.061% indirect interest in Assignee

Name: ASP 2009 Direct Management, LLC

Address: c/o Adams Street Partners, LLC
One North Wacker Drive, Suite 2700
Chicago, IL 60606
Citizenship: USA
Type of Organization: Limited liability company
Principal Business: Investment management
Percentage Held: 1% general partner of Adams Street 2009 Direct Fund,
L.P.; 14.072% indirect interest in Assignee

Name: Adams Street Partners, LLC
Address: One North Wacker Drive, Suite 2700
Chicago, IL 60606
Citizenship: USA
Type of Organization: Limited liability company
Principal Business: Investment management
Percentage Held: Sole managing member of ASP 2007 Direct Management,
LLC, ASP 2008 Direct Management, LLC, and ASP 2009
Direct Management, LLC; 44.382% aggregate indirect
interest in Assignee

Name: Adams Street Associates, L.P.
Address: One North Wacker Drive, Suite 2700
Chicago, IL 60606
Citizenship: USA
Type of Organization: Limited partnership
Principal Business: Investment management
Percentage Held: 99.5% managing member of Adams Street Partners, LLC;
aggregate indirect interest in Assignee

Name: Adams Street Associates, LLC
Address: One North Wacker Drive, Suite 2700
Chicago, IL 60606
Citizenship: USA
Type of Organization: Limited liability company
Principal Business: Investment management
Percentage Held: 0.5% general partner of Adams Street Associates, L.P. and
0.5% member of Adams Street Partners, LLC; 44.382%
indirect interest in Assignee

Name: Timothy R.M. Bryant
Address: 400 West Barry Avenue
Chicago, IL 60657
Citizenship: USA
Type of Organization: Individual
Principal Business: Former Executive Vice President and General Counsel of
Adams Street Partners, LLC

Percentage Held: 33.33% member; 14.794% indirect interest in Assignee

Name: Jeffrey T. Diehl
Address: 3485 Tuscany Drive
Driftwood, TX 78619

Citizenship: USA

Type of Organization: Individual

Principal Business: Managing Partner of Adams Street Partners, LLC

Percentage Held: 33.33% member; 14.794% indirect interest in Assignee

Name: Quintin I. Kevin
Address: 182 North Maple Avenue
Elmhurst, IL 60126

Citizenship: USA

Type of Organization: Individual

Principal Business: Chief Financial Officer of Adams Street Partners, LLC

Percentage Held: 33.33% member; 14.794% indirect interest in Assignee

No other entity holds a 10% or greater direct or indirect interest in the Assignee. Charts depicting the 10% or greater direct or indirect interest holders in the Assignor and Assignee are attached as Exhibit B.

E. Interlocking Directorates with Foreign Carriers, 47 C.F.R. § 63.18(h) – Answer to Question 12

The Assignee has no interlocking directorates with a foreign carrier.

F. Narrative Description of Transaction and Public Interest Statement – Answer to Question 13

A description of the transaction and public interest statement are provided in Section II, *supra*.

G. Affiliations with Foreign Carriers, 47 C.F.R. § 63.18(i) – Answer to Question 14

Assignee has no affiliations with any foreign carrier.

H. Destination Countries and Foreign Carrier Affiliates, 47 C.F.R. § 63.18(j) – Answer to Question 15

Assignee does not seek to provide international telecommunications services to any destination country for which any of the following is true:

- (1) Assignee is a foreign carrier in that country; or
- (2) Assignee controls a foreign carrier in that country; or
- (3) Any entity that owns more than 25 percent of Assignee, or that controls Assignee, controls a foreign carrier in that country.
- (4) Two or more foreign carriers (or parties that control foreign carriers) own, in the aggregate, more than 25 percent of Assignee and are parties to, or the beneficiaries of, a contractual relation (e.g., a joint venture or market alliance) affecting the provision or marketing of international basic telecommunications services in the United States.

I. WTO Status of Destination Countries, 47 C.F.R. § 63.18(k) – Answer to Question 18

N/A.

J. Classification of Foreign Carrier Affiliates as Dominant or Non-Dominant, 47 C.F.R. §§ 63.18(m), 63.10 – Answer to Question 16

N/A.

K. Certification of Agreement Not to Accept Special Concessions, 47 C.F.R. § 63.18(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 Assignee will not enter into such agreements in the future.

L. Certification Pursuant to Anti-Drug Abuse Act of 1988, 47 C.F.R. § 63.18(o)

Assignee certifies pursuant to §§ 1.2001 through 1.2003 of this chapter that no party to the application is subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988. *See* 21 U.S.C. § 853a.

M. Streamlined Processing, 47 C.F.R. § 63.18(p)

This application qualifies for streamlined processing under 47 CFR § 63.12 because the Assignee is neither (1) affiliated with a foreign carrier, nor (2) affiliated with a dominant U.S.

carrier whose international switched or private line services the Assignee seeks authority to resell (either directly or indirectly through the resale of another reseller's services).

III. ADDITIONAL INFORMATION REQUIRED FOR FILING AN APPLICATION FOR ASSIGNMENT OF DOMESTIC SECTION 214 AUTHORITY

In support of this Joint Application, the Applicants respectfully submit the following information pursuant to Section 63.04(b) of the Commission's rules:

A. Description of the Transaction, 47 C.F.R. § 63.04(a)(6)

A description of the transaction is provided in Section II, *supra*.

B. Description of the geographic areas in which the Transferor and Transferee (and their affiliates) offer domestic telecommunications service, and what service are provided in each area, 47 C.F.R. § 63.04(a)(7)

Assignor is a CLEC in 11 states (California, Florida, Illinois, Indiana, Kansas, Michigan, Missouri, Ohio, Texas, Washington, and Wisconsin) that provides telecommunications services to business customers using leased and resold traditional TDM facilities. Call One also offers Voice over Internet Protocol ("VoIP") and facilities-based interexchange telecommunications services in a number of states. Call One provides SIP trunking for unified communications, and offers unified communications, call center, SD-WAN and other, related internet-based services. Call One does not provide service to residential customers.

Assignee, together with its subsidiaries, is a CLEC in 49 states (all 50 states except for Alaska) and the District of Columbia that provides interconnection services for carriers and noncarriers alike and for all types of traffic via innovative end office, tandem, and advanced routing services. Peerless provides originating and terminating calling services for telecommunication companies, service providers, and enterprises in the United States. It offers local transit, switched access, long distance termination, direct inward dial enabled text messaging, Internet protocol control, and hosted least cost routing services. The company also

provides SIP trunking services for unified communications. The company additionally provides VoIP services. Peerless does not provide service to residential customers.

C. Statement as to how the Joint Application fits into one or more of the presumptive streamlined categories in Section 63.03 of the Commission's Rules or why it is otherwise appropriate for streamlined treatment, 47 C.F.R. § 63.04(a)(8)

The instant application fits into the presumptive streamlined category set forth in Section 63.03(b)(2)(i) of the Commission's rules, 47 C.F.R. § 63.03(b)(2)(i). Following the transaction, Peerless would have a market share in the interstate, interexchange market of less than 10 percent, and would 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. Further, neither of the Applicants is dominant with respect to any service. The application accordingly qualifies for streamlined treatment under Section 63.03(b)(2)(i) of the Commission's rules.

D. Identification of all other Commission applications related to the same transaction, 47 C.F.R. § 63.04(a)(9)

There are no separate applications related to this transaction being filed with the Commission.

E. Statement of whether the Applicants are requesting special consideration because either party to the transaction is facing imminent business failure, 47 C.F.R. § 63.04 (a)(10)

The Applicants are not requesting special consideration based on any imminent business failure.

F. Identification of any separately filed waiver requests being sought in conjunction with the transaction, 47 C.F.R. § 63.04 (a)(11)

No separately filed waiver requests are being sought in conjunction with the transaction.

G. Statement showing how grant of the Joint Application will serve the public interest, convenience and necessity, including any additional information

that may be necessary to show the effect of the proposed transaction on competition in domestic markets, 47 C.F.R. § 63.04 (a)(12)

A public interest showing is provided in Section II, *supra*.

IV. CONCLUSION

For the foregoing reasons, the Applicants respectfully submit that the public interest, convenience, and necessity would be furthered by a grant of this Application.

Respectfully submitted,

/s/ Helene Donahue

Helene Donahue
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For Call One Inc.

/s/ John Barnicle

John Barnicle
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For Peerless Network, Inc.

September 7, 2021

EXHIBIT A

INTERNATIONAL SECTION 214 AUTHORIZATIONS BEING ASSIGNED

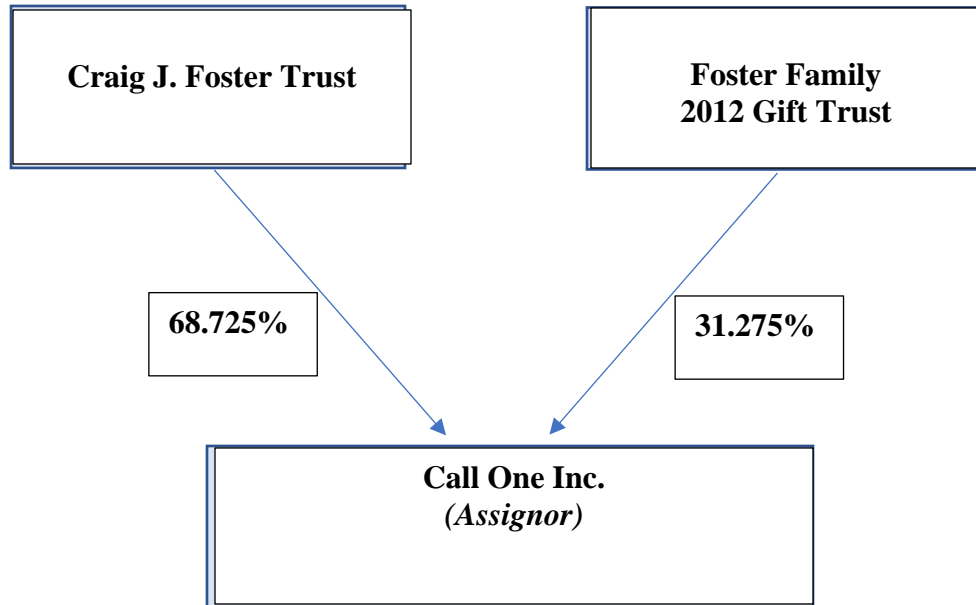
Call One Inc., holds the following international section 214 authorization, which will be assigned as a result of this transaction:

- ITC-214-19950601-00035 – Authority to operate as a global or limited global facilities-based and resale carrier.¹

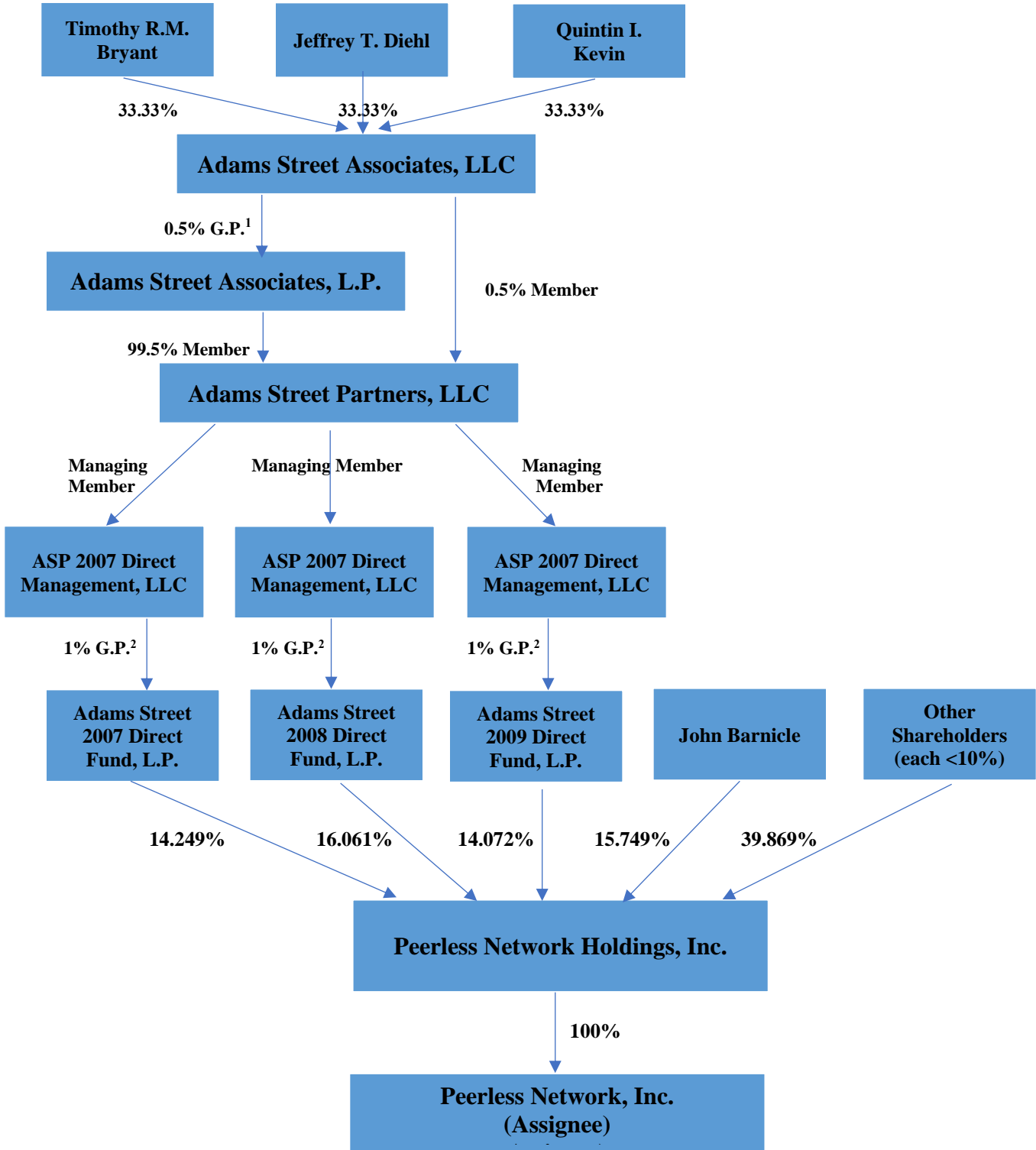
Assignee requests that this authorization be consolidated under Peerless' existing international Section 214 file number (ITC-214-20080304-00146) and that the file number above be cancelled.

¹ File No. ITC-214-19950601-00035 is listed in IBFS as held by Call One Communications, Inc. However, that appears to be an error as such an entity does not exist and, to the best of the Call One signatory's recollection, never existed. The correct authorization holder is Call One Inc.

EXHIBIT B
OWNERSHIP OF ASSIGNOR



OWNERSHIP OF ASSIGNEE



¹ Adams Street Associates, LLC is the sole general partner of Adams Street Associates, L.P. No limited partner holds an equity interest of 20% or more.

² The identified entities are the sole general partner in each Fund. No limited partner in any Fund holds an equity interest of 20% or more.