Response to Item 10:

An application was filed with the International Bureau for Section 214 authority for a transfer of control of Epana Networks, Inc. ("Epana") that occurred June 18, 2010.[1] Special Temporary Authority ("STA") was granted August 26, 2010 and extended October 25, 2010 for a period that expires December 24, 2010. A 60-day extension of STA is now requested to allow additional time for "Team Telecom" to complete its review of information provided by the applicants and provide input to the Commission concerning the subject transaction. Joanne P. Ongman, Attorney, Foreign Investment Review Staff, National Security Division, U.S. Department of Justice, has indicated no objection to extension of STA for a 60 day period.

Extension of STA will serve the public interest, convenience and necessity because it will permit the continued provision of service by Epana without interruption to customers while the Commission considers the application for approval of the transfer of control.

Epana acknowledges that extension of STA will not prejudice any action the Commission may take on the underlying application for Commission consent to the transfer of control of Epana. Epana further acknowledges that STA may be revoked by the Commission upon its own motion without a hearing.

Grant of extended STA will allow Epana to continue uninterrupted service to the public while its application for permanent Section 214 authorization of the transfer of control is processed by the Commission.

As a result of the merger, Epana became an indirect, wholly owned subsidiary of Progress International, LLC ("Progress"). Because Progress already is authorized by the Commission to provide resold telecommunications services to international points, it is submitted that the public interest has not been and will not be adversely affected by the transfer of control of Epana to Progress.

Both before and after the transfer of control, Epana was and remains the carrier of record to customers. Grant of the requested extension of STA will serve the public interest, convenience and necessity because it will permit the continued provision of service by Epana without interruption to customers while the Commission considers the application for approval of the transfer of control. Customers rely upon Epana for telecommunications service and would be adversely impacted if there was a disruption of service while the application for permanent authorization is processed. As indicated by the application for permanent authorization, the underlying transaction has provided financial stability and efficiencies that better ensure the ongoing provision of high quality telecommunications to the public by Epana on a competitive basis. The transfer of control of Epana does not present any eligibility or anticompetitive concerns under applicable Commission rules and policies.

Responses to Items 12 and 13:

Epana hereby restates information and certifications in the original STA request, as required by Section 63.18(i) through (m) of the Commission's rules:

- Section 63.18(i): Upon its transfer of control to Progress, Epana for the first time became affiliated with a foreign carrier. As previously approved by the Commission in File No. ITC-T/C-20011221-00651, Progress is "affiliated" with a foreign carrier in Mexico, Marcatel Com, S.A. de C.V. ("Marcatel"), which is a Mexican long distance and international carrier. Both Progress and Marcatel are under common control by virtue of

[1] See application for transfer of control authorization, File No. ITC-T/C-20100723-00305.

the indirect controlling ownership of both companies by IXC International, LLC and its sole owner, Telecom Overseas C.V.[2]

- Section 63.18(j): None of the statements at paragraphs (1), (2), or (4) of 63.18(j) is applicable to the circumstances at hand. Paragraph (3) is true in that Telecom Overseas C.V. has an indirect and controlling ownership interest in Epana of more than 25% and also controls a foreign carrier, Marcatel, that provides long distance and international service in Mexico where Epana and Progress provide service as a destination country.
- Section 63.18(k): Mexico is named in response to paragraph (j) as a destination country. Marcatel is a competitive long distance and international carrier in Mexico, with less than a two percent market share. As noted in the Commission's Order granting Progress its Section 214 authorization: "Marcatel has a limited market share, no market power, and a lack of control over bottleneck services or facilities." (*See* the Commission's Order granting Section 214 authorization to Progress in File No. ITC-97-048.) This remains true today. Marcatel is not on the FCC's "List of Foreign Telecommunications Carriers that are Presumed to Possess Market Power in Foreign Telecommunications Markets."
- Section 63.18(l): For the reasons stated in response to Section 63.18(k), Marcatel has no market power in Mexico to affect competition adversely in the U.S. market, and Epana, as an indirect subsidiary of Progress satisfies the requirements of Section 63.10(a)(3) to be a presumptively a non-dominant carrier.
- Section 63.18(m): Epana was previously classified as non-dominant. For the reasons stated in response to Sections 63.18(k) and (l), Epana continues, after the transfer of control to Progress, to be entitled to non-dominant status according to Section 63.10 on all international routes, including affiliated routes.

[2] Ownership interests in Telecom Overseas C.V. are shown in Attachment 2 of this application.

Response to Item 16:

With reference to Section 63.18(d) of the Commission's rules, Epana holds the following international Section 214 authorization which is the subject of this STA request: File No. ITC-214-20031020-00495, for Global or Limited Global Facilities-Based Service and Global or Limited Resale Service to international points. The transferee of control, Progress, currently has resale authority to provide international telecommunication services pursuant to the Commission's "Order, Authorization and Certificate" in File No. ITC-97-048, released on July 9, 1997. In addition, three transfers of control of Progress were approved under the File Numbers ITC-T/C-19990513 (July 2, 1999), ITC-T/C-19990804-00533 (October 26, 1999) and ITC-T/C-20011221-00651 (January 25, 2002).

In response to Section 63.18(e)(3) of the Commission's rules, Epana hereby certifies that it will comply with the terms and conditions contained in Sections 63.21, 63.22 and/or 63.23 as appropriate.

In response to Section 63.18(g) of the Commission's rules, the authorization of facilities is categorically excluded as defined by Section 1.1306 of the Commission's rules.