

Application for Special Temporary Authority

Truphone Limited (“Truphone”), formerly known as Software Cellular Network Ltd., is the parent company of Software Cellular Network (North America) Ltd. (“SCN-NA”). SCN-NA holds international Section 214 authorization File No. ITC-214-20081112-00494 to provide global or limited global facilities-based service and global or limited global resale service. This application respectfully requests special temporary authority (“STA”) to permit the continued operations associated with the SCN-NA Section 214 authorization to allow for the filing and processing of a separate transfer of control application seeking FCC consent to the foreign investment transaction described below.

The executive management of Truphone concluded that the company should secure additional funding. Truphone therefore undertook an emergency rights issue to raise additional capital. The rights issue concluded on November 2, 2011. Upon conclusion of the rights issue, Vollin Holdings Limited (“Vollin Holdings”), a British Virgin Islands (“BVI”) Business company, holds an ownership interest of 58.81 percent in Truphone. Thus, control of parent company Truphone, and Section 214 authorization holder SCN-NA, has passed to Vollin Holdings upon conclusion of the rights issue.

The parties recognize the requirement to obtain prior FCC approval before a new investor acquires a majority interest in Truphone, and, indirectly, in SCN-NA. However, as noted above, Truphone undertook this emergency funding transaction in response to executive management’s conclusion that the company should raise additional capital. Further, Truphone had expected other shareholders to obtain additional shares on a pro rata basis such that no shareholder would hold an ownership interest in Truphone exceeding 50 percent. Upon determining that Vollin Holdings would obtain a more than 25 percent interest in Truphone after conclusion of the emergency funding round, Truphone, through counsel, petitioned the International Bureau to modify the 2010 Declaratory Ruling (ISP-PDR-20091001-00009) to allow Truphone to accept foreign investment in excess of the 25 percent benchmark established in the 2010 Declaratory Ruling. *See* Petition to Modify Declaratory Ruling ISP-PDR-20091001-00009 (filed Oct. 20, 2011).<sup>1</sup> Because the rights issue resulted in Vollin Holdings’ acquiring more than a 50 percent ownership interest in Truphone, the parties separately are filing the required transfer of control application. However, the parties respectfully request this STA for sixty days to permit continued operations associated with this Section 214 authorization during the pendency and processing of the transfer of control application.

The parties respectfully submit that the underlying foreign investment transaction set forth in this application serves the public interest, convenience and necessity. In its recently-issued Notice of Proposed Rulemaking, the FCC recognized that foreign investment is an important source of equity financing for U.S. telecommunications companies. *See Review of Foreign Ownership Policies of Common Carrier and Aeronautical Radio Licenses Under*

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<sup>1</sup> The petition to modify the Declaratory Ruling stated that the rights issue was expected to conclude on October 25, 2011. However, the rights issue concluded on November 2, 2011.

*Section 310(b)(4) of the Communications Act, as Amended*, MB Docket No. 11-133, FCC 11-121 (rel. Aug. 9, 2011), at ¶2. The Vollin Holdings investment will provide an important new source of capital to support SCN-NA's operations in the U.S. By supporting SCN-NA's operations, the Vollin Holdings investment ultimately will benefit U.S. consumers.

Finally, the parties acknowledge that any STA granted in response to this application will not prejudice any action the FCC may take on the underlying transfer of control application and can be revoked at any time.