

**INTERNATIONAL SECTION 214 AUTHORIZATIONS
FOR ASSIGNMENT OR
TRANSFER OF CONTROL
FCC FORM 214TC
FOR OFFICIAL USE ONLY**

APPLICANT INFORMATION

Enter a description of this application to identify it on the main menu:
Application for Transfer of Control of Transtelco, Inc.(1-2015)

1. Legal Name of Applicant

Name:	Transtelco, Inc.	Phone Number:	915-534-8102
DBA Name:		Fax Number:	915-534-9001
Street:	500 West Overland Ave Suite 310	E-Mail:	jaj@transtelco.net
City:	El Paso	State:	TX
Country:	USA	Zipcode:	79901 -
Attention:	Julio Acevedo		

2. Name of Contact Representative

Name:	David S. Keir	Phone Number:	202-429-8970
Company:	Lerman Senter PLLC	Fax Number:	
Street:	2000 K Street, NW	E-Mail:	dkeir@lermansenter.com
City:	Washington	State:	DC
Country:	USA	Zipcode:	20006-
Attention:		Relationship:	Legal Counsel

CLASSIFICATION OF FILING

3. Choose the button next to the classification that best describes this filing. Choose only one.

a. Assignment of Section 214 Authority

An Assignment of an authorization is a transaction in which the authorization, or a portion of it, is assigned from one entity to another. Following an assignment, the authorization will usually be held by an entity other than the one to which it was originally granted. (See Section 63.24(b).)

b. Transfer of Control of Section 214 Authority

A Transfer of Control is a transaction in which the authorization remains held by the same entity, but there is a change in the entity or entities that control the authorization holder. (See Section 63.24(c).)

c. Notification of Pro Forma Assignment of Section 214 Authority (**No fee required**)

d. Notification of Pro Forma Transfer of Control of Section 214 Authority (**No fee required**)

Date of Consummation: 12/26/2012 **Must be completed if you select c or d.**

4. File Number(s) of Section 214 Authority(ies) for Which You Seek Consent to Assign or Transfer Control.

Note: If the Section 214 Authorization Holder whose authority is being assigned or transferred does not have an "ITC" File No. under which it is operating, contact the Help Desk for assistance before proceeding further with this application. You cannot enter an "ITC-ASG" or "ITC-T/C" File No. in response to this question. Your response must specify one or more "ITC" File Nos. Relevant "ITC-ASG" or "ITC-T/C" File Nos. should be listed only in Attachment 1 in response to Question

10.

File Number:ITC2142007022800088	File Number:	File Number:	File Number:	File Number:	File Number:	File Number:	File Number:
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5. Name of Section 214 Authorization Holder

Name: Transtelco, Inc. Phone Number: 915-753-8102
DBA Name: Fax Number: 915-534-9001
Street: 500 West Overland Ave E-Mail: jaj@transtelco.net
Suite 310
City: El Paso State: TX
Country: USA Zipcode: 79901 -
Attention: Mr. Julio Acevedo

6. Name of Assignor / Transferor

Name: Transtelco, Inc. Phone Number: 915-753-8102
DBA Name: Transtelco, Inc. Fax Number: 915-534-9001
Street: 500 West Overland Ave E-Mail: jaj@transtelco.net
Suite 310
City: El Paso State: TX
Country: USA Zipcode: 79901 -
Attention: Mr. Julio Acevedo

7. Name of Assignee / Transferee

Name: Transtelco Holding, Inc. Phone Number: 915-753-8102
DBA Name: Fax Number: 915-534-9001
Street: 500 West Overland Avenue E-Mail: jaj@transtelco.net
Suite 310
City: El Paso State: TX
Country: USA Zipcode: 79901 -
Attention: Julio Acevedo

8a. Is a fee submitted with this application?

If Yes, complete and attach FCC Form 159.

If No, indicate reason for fee exemption (see 47 C.F.R. Section 1.1114).

- Governmental Entity Noncommercial educational licensee Notification of Pro Forma (No fee required.)
 Other(please explain):

8b. You must file a separate application for each legal entity that holds one or more Section 214 authorizations to be assigned or transferred.

Fee Classification CUT - Section 214 Authority

9. Description (Summarize the nature of the application.)

Application for Transfer of Control of Transtelco, Inc.

10. In Attachment 1, please respond to paragraphs (c) and (d) of Section 63.18 with respect to the assignor/transferor and the

assignee/transferee. Label your response "Answer to Question 10".

11. Does any entity, directly or indirectly, own at least ten (10) percent of the equity of the assignee/transferee as determined by successive multiplication in the manner specified in the note to Section 63.18(h) of the rules? Yes No

If you answered "Yes" to this question, provide in Attachment 1, the name, address, citizenship, and principal businesses of each person or entity that directly or indirectly owns at least ten (10) percent of the equity of the assignee/transferee, and the percentage of equity owned by each of those persons or entities (to the nearest one percent). Label your response "Answer to Question 11."

12. Does the assignee/transferee have any interlocking directorates with a foreign carrier? Yes No

If you answered "Yes" to this question, identify each interlocking officer/director in Attachment 1. (See Section 63.09(g).) Provide the name and position/title of the individual or entity, the name of the foreign carrier, and the country in which the foreign carrier is authorized to operate. Label your response: "Answer to Question 12."

13. Provide in Attachment 1 a narrative of the means by which the proposed assignment or transfer of control will take place. In circumstances of a substantial assignment or transfer of control pursuant to Section 63.24(e), where the assignor seeks authority to assign only a portion of its U.S. international assets and/or customer base, please specify whether the assignor requests authority to continue to operate under any or all of its international Section 214 File Nos. after consummation; and, if so, please specify in Attachment 1 each File No. it seeks to retain in its own name. Label your response "Answer to Question 13."

Note: The assignor may retain any or all of its international Section 214 File Nos. In that case, the assignor will continue to hold the international section 214 authorizations that it specifies in response to this question. The ITC-ASG File No. that the Commission assigns to this application will, when granted, constitute Commission authorization of the proposed assignment of assets and /or customers from the assignor to the assignee. Unless Commission grant of the assignment application specifies otherwise, the assignee may provide the same services on the same routes as permitted under the assignor's Section 214 authorization(s), and the assignee may provide such service to any customers it may obtain in the ordinary course of business.

If this filing is not a notification of a *pro forma* assignment or *pro forma* transfer of control, please respond to Questions 14-20 below. (See Section 63.24(d).) Otherwise, you may proceed to Question 21 below.

14. Check "Yes" below if the assignee is a foreign carrier or if, upon consummation of the proposed assignment or transfer of control, the Section 214 holder would be affiliated with a foreign carrier. (See Section 63.18 (i).) The terms "foreign carrier" and "affiliated" are defined in Section 63.09 (d) & (e) of the rules respectively. Yes No

If you answered "Yes" to this question, please specify in Attachment 1 each foreign country in which the assignee is a foreign carrier or in which the Section 214 holder, upon consummation, would be affiliated with a foreign carrier. Label your response, "Answer to Question 14."

15. If this application is granted and the proposed assignment or transfer is consummated, would the Section 214 holder be authorized to provide service to any destination country for which any of the following statements is true? Yes No

- (1) The Section 214 holder is a foreign carrier in that country; or
- (2) The Section 214 holder controls a foreign carrier in that country; or
- (3) Any entity that owns more than 25 percent of the Section 214 holder, or that controls the Section 214 holder, 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 the Section 214 holder 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.

If you answered "Yes" to this question, please specify in Attachment 1 each foreign carrier and country for which any of the above statements would be true. Label your response, "Answer to Question 15."

16. If you answered "Yes" to question 14, do you request classification of the Section 214 holder as a "non-dominant" carrier, upon consummation of the proposed transaction, between the United Yes No States and *any or all* countries listed in response to Question 14? See Section 63.10 of the rules.

If you answered "Yes" to this question, you must provide information in Attachment 1 to demonstrate that the Section 214 holder would qualify for non-dominant classification under Section 63.10 of the rules on each U.S.-destination country route where it would be a foreign carrier, or would be affiliated with a foreign carrier and for which you request non-dominant classification. Label your response, "Answer to Question 16."

17. If you answered "Yes" to question 14 and you have not provided information in response to Question 16 to demonstrate that the Section 214 holder would qualify for non-dominant classification under Section 63.10 of the rules on each U.S.-destination route where it would be a foreign carrier, or be affiliated with a foreign carrier, check "Yes" below to certify that the assignee/transferee agrees to comply with the dominant carrier safeguards in Section 63.10 (c) & (e) of the rules in the provision of international service between the United States and any foreign country(ies) for which you have not provided the required information.

Yes, I certify that I agree to comply with the dominant carrier safeguards in Section 63.10 (c) & (e) of the rules in my provision of international service between the United States and the following foreign country(ies):

No, Does not apply.

18. If you answered "Yes" to question 15, and if you have not provided information in response to question 16 to demonstrate that the Section 214 holder would qualify for non-dominant classification under Section 63.10 of the rules in its provision of service to each of the countries identified in response to question 15, the Section 214 holder may not be eligible to provide international telecommunications service between the U.S. and each such country following consummation of the assignment or transfer. In order to determine whether the public interest would be served by authorizing service on these U.S.-destination country routes, the assignee/transferee must provide information, in Attachment 1, to satisfy one of the showings specified in Section 63.18(k) of the rules. Label your response, "Answer to Question 18."

19. *If the assignee, or the Section 214 holder that is the subject of this transfer of control application, is a provider of Commercial Mobile Radio Services, you need not answer this question.*

If any of the Section 214 authorization(s) that would be assigned or transferred, authorize the Section 214 holder to resell the international switched services of an unaffiliated U.S. carrier for the purpose of providing international telecommunications services to a country listed in response to question 14, and unless you have provided information in response to question 16 to demonstrate that the Section 214 holder would qualify for non-dominant classification under Section 63.10(a)(3) of the rules for each country, check "Yes" below to certify that the assignee/transferee will file the quarterly traffic reports required by Section 43.61(c) of the rules; and/or state in Attachment 1 that the foreign carrier(s) for which the applicant has not made a showing under Section 63.10(c)(3) do(es) not collect settlement payments from U.S. international carriers. (See Section 63.18(l).)

Yes, I certify that I agree to comply with the quarterly traffic reporting requirements set forth in section 43.61(c) of the rules.

20. If the applicant desires streamlined processing pursuant to Section 63.12 of the rules, provide in Attachment 1 a statement of how the application qualifies for streamlined processing. (See Section 63.18(p).) Note that, if the application is being filed in connection with a sale of assets or reorganization of a carrier or its parent pursuant to the U.S. bankruptcy laws, the application may not be eligible for streamlined processing until final bankruptcy court approval of the proposed sale or reorganization.

Applicant certifies that its responses to questions 21 through 25 are true:

21. The assignee/transferee certifies that it has not agreed to accept special concessions directly or indirectly from a foreign carrier with respect to any U.S. international route where the foreign carrier possesses sufficient market power on the foreign end of the route to affect competition adversely in the U.S. market and will not enter into any such agreements in the future. Yes No

22. By signing this application, the undersigned certify either (1) that the authorization(s) will not be assigned or that control of the authorization(s) will not be transferred until the consent of

the Federal Communications Commission has been given, or (2) that prior Commission consent is not required because the transaction is subject to the notification procedures for <i>pro forma</i> transactions under Section 63.24 of the rules. The assignee/transferee also acknowledges that the Commission must be notified by letter within 30 days of a consummation or of a decision not to consummate. (See Section 63.24(e)(4).)	<input type="radio"/> Yes <input checked="" type="radio"/> No
23. If this filing is a notification of a <i>pro forma</i> assignment or transfer of control, the undersigned certify that the assignment or transfer of control was <i>pro forma</i> and that, together with all previous <i>pro forma</i> transactions, does not result in a change in the actual controlling party.	<input type="radio"/> Yes <input type="radio"/> No <input checked="" type="radio"/> Not a Pro Forma
24. The undersigned certify that all statements made in this application and in the exhibits, attachments, or documents incorporated by reference are material, are part of this application, and are true, complete, correct, and made in good faith.	<input checked="" type="radio"/> Yes <input type="radio"/> No
25. The assignee/transferee certifies that neither it nor any other party to the application is subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 862, because of a conviction for possession or distribution of a controlled substance. See Section 1.2002(b) of the rules, 47 CFR § 1.2002(b), for the definition of "party to the application" as used in this certification.	<input checked="" type="radio"/> Yes <input type="radio"/> No

CERTIFICATION

26. Printed Name of Assignor / Transferor Transtelco, Inc.	29. Printed Name of Assignee / Transferee Transtelco Holding, Inc.
27. Title (Office Held by Person Signing) President	30. Title (Office Held by Person Signing) President
28. Signature (Enter the name of the person who will sign the paper version of this form for retention in their files) Miguel Fernandez	31. Signature (Enter the name of the person who will sign the paper version of this form for retention in their files) Miguel Fernandez
WILLFUL FALSE STATEMENTS MADE ON THIS FORM ARE PUNISHABLE BY FINE AND / OR IMPRISONMENT (U.S. Code, Title 18, Section 1001), AND/OR REVOCATION OF ANY STATION AUTHORIZATION (U.S. Code, Title 47, Section 312(a)(1)), AND/OR FORFEITURE (U.S. Code, Title 47, Section 503).	

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THE FOREGOING NOTICE IS REQUIRED BY THE PAPERWORK REDUCTION ACT OF 1995, PUBLIC LAW 104-13, OCTOBER 1, 1995, 44 U.S.C. SECTION 3507.

Explanatory Statement and Request for Waiver

Transtelco, Inc. (“Transtelco”) hereby seeks approval pursuant to Section 63.24 of the Commission’s Rules for transactions that have resulted in two transfers of control of its existing Section 214 authorization, originally granted on March 16, 2007.¹ The two transactions resulting in previously unapproved transfers of control were: (1) a *pro forma* transfer of control on May 1, 2010 through which Transtelco Holding, Inc. (“THI”) became the parent company of Transtelco, and (2) a transfer of control on December 26, 2012 through which the original controlling shareholders of Transtelco were divested of positive control of THI, leaving the company with no single controlling shareholder or control group. No FCC legal counsel was involved in these transactions.

Transtelco regrets that these transactions occurred without notification to or prior approval of the Commission. Failure to submit the required notice and transfer of control application in connection with these ownership changes was an oversight that occurred due to insufficient licensee familiarity with the Commission’s Rules governing changes in the ownership of a Section 214 licensee. However, at all times, Transtelco has remained under the day-to-day operational control of the original controlling shareholders of the company, brothers Miguel and Rodrigo Fernandez. The company is reporting these transactions to the Commission at this time, and seeking approval of its current ownership structure, following a detailed internal review occasioned by the retention of FCC regulatory counsel.

I. STATEMENT OF FACTS

a. Transtelco’s Founding and Business

Transtelco was formed in 2001 as a Texas corporation (originally named Ezero, Inc.) by Miguel Fernandez and Rodrigo Fernandez, both of whom are U.S. citizens. Miguel Fernandez is the Chief Executive Officer of the company, and Rodrigo Fernandez is the Chief Financial Officer, responsible for overseeing Transtelco’s financial management, reporting and controls and administration. Both are graduates of the University of Texas at El Paso and received degrees in business administration. Transtelco is their first telecommunications business venture, which they formed shortly after completing college, and has been operating for more than a dozen years.

¹ Separately, Transtelco is seeking authority from the FCC’s Wireless Telecommunication Bureau to transfer control of two fixed microwave licenses as a result of these same transactions. See ULS File Nos. 0006516914 and 0006527455.

Transtelco is one of a very few providers of telecommunications capacity that operate on both sides of the U.S.-Mexico border. While its affiliated businesses in Mexico include providers of traditional local voice and long distance services, its U.S. operations are focused on providing wholesale capacity and contract-based enterprise services to carriers and individual businesses with the need to transmit voice and data throughout the Southwestern United States and across the U.S. border with Mexico.

Although Transtelco does not operate as a common carrier within U.S. borders, its affiliated companies in Mexico (see subsection (e) below) provide a range of interconnected local and long distance voice services. For this reason, Transtelco obtained in early 2007 a Section 214 authorization for both facilities-based and resale service to termination points within Mexico.

b. Transtelco's Ownership Structure When the Section 214 Authorization Was Granted

On February 28, 2007, Transtelco filed a Section 214 application with the Commission seeking authority to operate as a facilities-based and a resale carrier (FCC File No. ITC-214-20070228-00088). As noted above, as of that date and at all times thereafter, Miguel Fernandez was CEO and Rodrigo Fernandez was CFO of the company. The two brothers together held the majority of the stock in the Company, with each owning about 32.2% of the shares issued, giving them voting control of Transtelco. As disclosed in the application, Arturo Iglesias, also an officer and director of the Company, held just under 10% of the shares with the remaining interests scattered among multiple smaller stakeholders. The ownership of Transtelco as of that time is depicted in Figure 1, attached.

c. The Formation of THI

Subsequent to the grant of the Section 214 authorization in 2007, the Fernandez brothers consolidated their control of Transtelco by buying out the smaller investors other than Mr. Iglesias. A little more than a year after grant of the Section 214 authorization, the Fernandez brothers combined share of the company had grown to more than 90%.

In order to commence operations in additional areas along the U.S.-Mexico border, Transtelco needed to raise additional capital to expand service and build a long haul network, Transtelco solicited additional investment in the company from Axiscom, SA. de CV

(“Axiscom”)², an investment company formed in Mexico by relatives of Miguel and Rodrigo Fernandez, most of whom are citizens of Mexico. These efforts ultimately led to the formation of THI, a Delaware corporation, as a holding company for Transtelco. Upon the establishment of THI on May 1, 2010, Axiscom, which had previously been a smaller direct investor in Transtelco, took a 40% stake in the new holding company, which in turn maintained a 100% ownership interest in Transtelco. The combined share of the Fernandez brothers fell to approximately 52.3%, but remained controlling, making this transfer *pro forma* in nature. Combined with Mr. Iglesias’ smaller share, the original management group continued to hold 60% of the Company. The ownership of Transtelco as of the formation of THI is depicted in Figure 2, attached. THI does not hold any other Section 214 authorizations, nor does it hold interests in other companies that hold Section 214 authorizations.

d. Additional Investment in THI

As Transtelco continued to seek additional capital to fund business expansion in late 2012, the Company sold additional shares in THI to a second holding company based in Mexico, Finestra, SA de CV³, on December 26, 2012. Finestra was issued stock equivalent to 15% of Transtelco, reducing the combined share of Fernandez, Fernandez and Iglesias to a little less than 46%.⁴ The resulting ownership structure is depicted in Figure 3, attached. Although the original management group continues to operate the company, they no longer have positive control of the company as they did at the time that the Section 214 authorization was obtained.

Figure 3 represents the current ownership of Transtelco. Two additional individuals other than the original control group now have non-controlling shares in the company through their indirect investments in THI. Through his investment in Finestra, Fernando de Jesus Canales Clariond has an attributable interest of approximately 15% in the licensee entity. Sr. Canales is a citizen of Mexico and is a prominent investor and businessman. He has been CEO of Grupo IMSA, SA de CV, a diversified manufacturer of building materials, and has served on the boards of directors of Grupo Aeromexico SAB de CV, Compania Minera Autlan, SAB de CV, and U.S. corporation, Global Seawater, Inc. Aida Floridet del Carmen Destarac Saenz, a

² The address of Axiscom is Campos Eliseos 9050 4T0 Piso, Ciudad Juarez, Chihuahua 32452, Mexico.

³ The address of Finestra is Rio Lerma 120, Col. Miravalle, Monterrey, Nuevo Leon 64660, Mexico.

⁴ There are multiple classes of Transtelco stock, but the class designations relate only to date of issue; each class has the same ownership participation and voting rights.

private investor who also a citizen of Mexico, has an attributable interest in Transtelco of approximately 11.4% through Axiscom.

e. Response to Specific Questions 12, 14, 15 and 16

Transtelco is under common control with two small carriers operating in Mexico: IP Matrix, SA de CV, which provides local voice and data service, and Olatu Networks, SA de CV, which provides long distance service. Each company is a wholly-owned subsidiary of THI. Neither company serves a significant share of the market for international or local access service in Mexico, individually or together, let alone wields sufficient market power in Mexico to affect competition adversely in the U.S. market. As is well established, the only dominant carrier in the Mexican telecommunications market is Telefonos de Mexico (“TelMex”), which controls roughly 80 percent of Mexico's fixed-line services market.⁵ TelMex’s huge market share precludes a finding that any other carrier is dominant in that market.⁶ Miguel and Rodrigo Fernandez, the CEO and COO of Transtelco, are also officers and directors of IP Matrix and Olatu Networks, such that there are interlocking directorates with Transtelco as defined under Section 63.09(g) of the Commission’s Rules.

II. GRANT OF THIS TRANSFER OF CONTROL APPLICATION WILL SERVE THE PUBLIC INTEREST

Section 63.24(f)(2) of the Commission’s Rules provides that “a *pro forma* assignee or a carrier that is subject to a *pro forma* transfer of control must file a notification with the Commission no later than thirty (30) days after the assignment or transfer is completed.” 47 C.F.R. § 63.24(f)(2). In addition, Section 63.24(a) of the Commission’s Rules requires that “an international section 214 authorization may be assigned, or control of such authorization may be transferred by the transfer of control of any entity holding such authorization, to another party, whether voluntarily or involuntarily, directly or indirectly, only upon application to and

⁵ See “Mexico Regulator Fines Telmex for Monopolistic Practices,” Fox News Latino (posted Oct. 1, 2014), available at <http://latino.foxnews.com/latino/news/2014/10/01/mexico-regulator-fines-telmex-for-monopolistic-practices/>; FCC Public Notice, “List of Foreign Telecommunications Carriers that are Presumed to Possess Market Power in Foreign Telecommunications Markets,” 22 FCC Rcd 945, 950 (2007)(listing TelMex as the sole dominant carrier serving Mexico).

⁶ “If the U.S. carrier demonstrates that the foreign affiliate lacks 50 percent market share in the international transport and the local access markets on the foreign end of the route, the U.S. carrier shall presumptively be classified as non-dominant.” 47 C.F.R. § 63.24(f)(2).

prior approval by the Commission.” 47 C.F.R. § 63.24(a). Transtelco acknowledges that it failed to comply with each of these regulations with respect to the two successive transactions described above.

Approval of the current ownership structure outlined in this application is nonetheless squarely in the public interest for several reasons. First, despite changes in passive ownership, Transtelco’s top management team remains unchanged since the original grant of its Section 214 authorization. The company continues to provide telecommunications capacity to a relatively small number of companies with operations on both sides of the U.S.-Mexico border. Other than growth in the number of customers served, there has been no significant change in operations as a result of the changes in ownership.

Second, and closely related to the stable management of the company, no harm to customers has resulted from the ownership changes outlined above. Transtelco has continued to provide the same types of quality services on the same or similar contract-based terms and conditions as it has from its inception. Indeed, any action that would inhibit or interrupt the availability of Transtelco’s services to its customers would itself be harmful to companies that rely on vital communications links that the company provides.

Third, favorable action on the application is consistent with precedent. The Commission has not previously viewed inadvertent deficiencies in obtaining approval for Section 214 transfers or assignments as disqualifying, particularly where valuable service to the public continues to be provided. Instead, the International Bureau has approved such requests, including cases where previously undisclosed foreign ownership amounted to control of the licensee.⁷ In this case, no non-U.S. entity controls Transtelco, but a transfer of control has nonetheless occurred because more than fifty percent of the equity and voting interests in the licensee is now held by new persons whose qualifications have not been passed upon previously by the FCC. Transtelco understands, of course, that as in these prior cases, grant of this

⁷ See *Public Notice*, Report No. TEL-01554, DA 12-543, at 3 (IB, released Apr. 5, 2012) (granting application for assignment to One World Telecom, LLC under FCC File No. ITC-ASG-20110812-00261). See also *Public Notice*, Report No. TEL-01588, DA 12-1842, at 3 (IB, released Nov. 15, 2012) (approving increased foreign investment transferring control of Verscom LLC under FCC File No. ITC-T/C-20120203-00040). See also FCC Public Notice, Authorizations Granted, 22 FCC Rcd 13894 (IB 2007) (granting applications of Satamatics, Inc., Satamatics Worldwide Limited, and Satamatics Global Limited for consent to transfer control of licenses and authorizations, including a Section 214 authorization). In this case, neither foreign investor controls the licensee, but their combined interests total more than fifty percent.

application would be without prejudice to any enforcement action that the Commission might take for non-compliance with the Communications Act or the Commission's Rules.

III. WAIVER OF THE COMMISSION'S RULES TO PERMIT GRANT OF THIS APPLICATION IS APPROPRIATE

Given the public interest balance favoring grant of this application, Transtelco respectfully requests, pursuant to Section 1.3 of the Commission's Rules, that the Commission grant it a waiver of Sections 63.24(a) and 63.24(f)(2) of its rules, which require, respectively, prior approval of material transfers of control and notification within 30 days following a *pro forma* transfer of control. Requests for waiver of the Commission's Rules may be granted in circumstances where strict adherence to the rule would not be in the public interest, and where grant would not undermine the underlying policy objectives of the rule in question.⁸ Both elements are met in this case.

As demonstrated above, Transtelco provides valuable service to the public, and the addition of new passive investors in the company has neither altered the benefits provided by this service nor changed the day-to-day management of the company. Moreover, grant of the requested relief will encourage self-disclosure by licensees that find that their compliance with FCC Rules has fallen short. In this case, upon discovery of the fact that had been ownership changes which should have been disclosed to or approved by the Commission, Transtelco has worked diligently with outside counsel to gather the information necessary to prepare the required transfer of control applications and provide complete detail to the Commission concerning its current ownership. The company is also putting in place internal monitoring controls to ensure full compliance with all FCC licensing requirements in the future.

* * * * *

Accordingly, for all of the reasons set forth above, Transtelco respectfully requests grant of post-consummation approval for the transfers of control outlined above, including waivers of the Commission's Rules necessary to permit this approval.

⁸ See, e.g., *WAIT Radio v. FCC*, 418 F.2d 1153 (D.C. Cir. 1969).

Figure 1: Original Ownership Structure, as Licensed on March 16, 2007

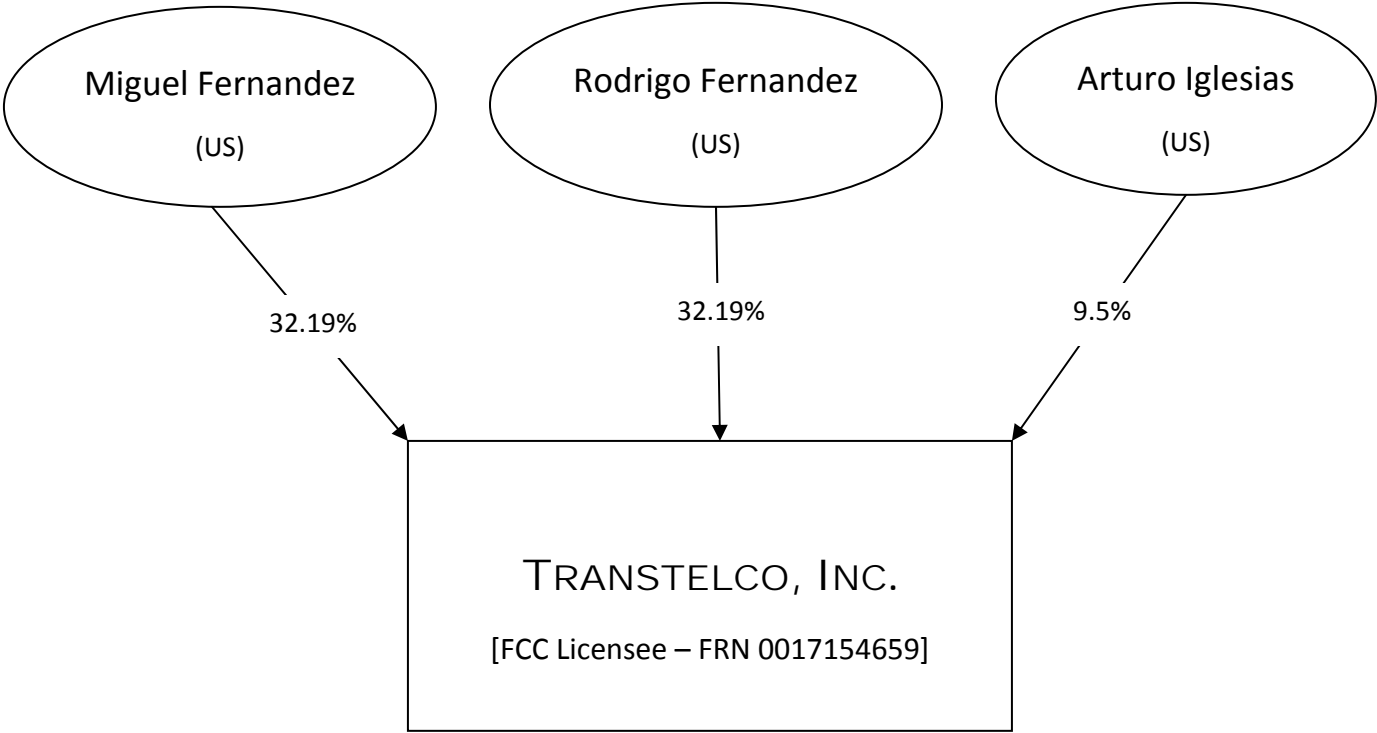


Figure 2: Pro Forma Transfer of Control, May 1, 2010

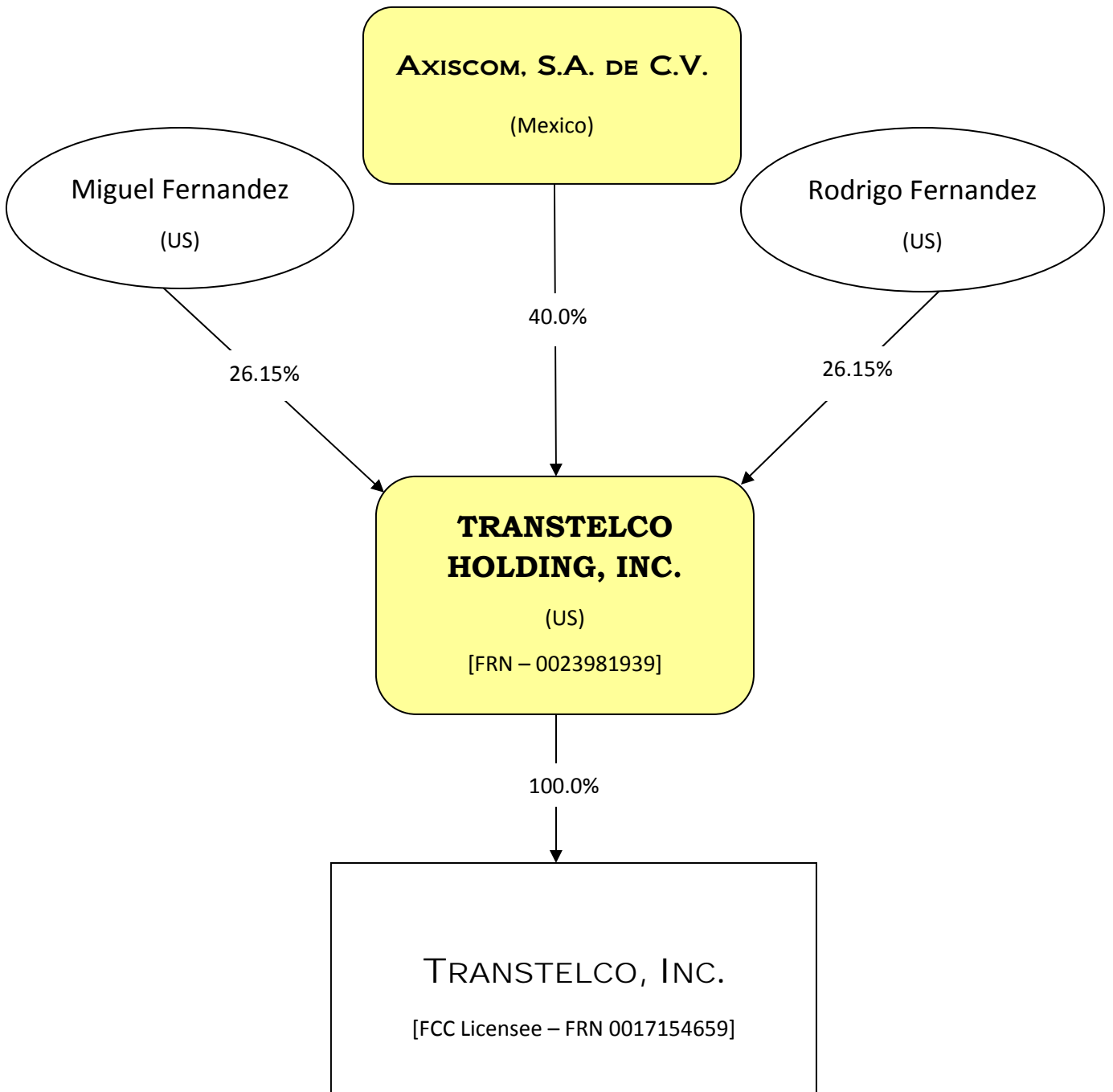


Figure 3: Transfer of Control, December 26, 2012

