

LAW OFFICES OF THOMAS

2300 M STREET, N.W.
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WASHINGTON, D. C. 20037

TELEPHONE (202) 973-2890
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E-MAIL tkcroe@mci2000.com

November 9, 1998

BY HAND

Troy Tanner
Chief, Policy and Facilities Branch
International Bureau
Federal Communications Commission
2000 M Street, N.W.
Room 800
Washington, D.C. 20554

Re: Interoute Telecommunications, Inc.;
Application for Consent to Transfer Control

Dear Mr. Tanner:

In response to Commission staff inquiries, Interoute Telecommunications, Inc. (Interoute) hereby supplements and amends its Application for Consent to Transfer Control (Application), filed September 3, 1998 (but not yet placed on public notice), as follows:

Interoute Ownership

Per your request and pursuant to Section 61.18(h)(2), 47 C.F.R. § 63.18(h)(2) (1997), the following reflects revised, current and complete ownership information with respect to Interoute. Specifically, the following entities hold a ten percent (10%) or greater ownership or management interest in Interoute:

<u>Name/Address</u>	<u>% Held</u>	<u>Citizenship</u>	<u>Principal Business</u>
Interoute Telecommunications plc 7 Portland Place London WIN3AA England	48.4%	U.K.	Holding Company

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Interoute Communications Group, Ltd. ¹	33.1%	Bahamian	Holding Company
Suffrey Square, Suite 205 Bank Lane Nassau, Bahamas			

Interoute Telecommunications plc is 100% owned by Interoute Communications Group, Ltd.²

The following entities hold a ten percent (10%) or greater ownership or management interest in Interoute Communications Group, Ltd.:

<u>Name/Address</u>	<u>% Held</u>	<u>Citizenship</u>	<u>Principal Business</u>
Sandoz Family Foundation 85 Avenue Generale Guisan Lausanne, Switzerland	50.7%	Swiss	Trust

An Executive Committee is entrusted with operational management of the Sandoz Family Foundation. The Executive Committee consists of the following individuals:

<u>Name/Address</u>	<u>Citizenship</u>	<u>Principal Business</u>
Pierre Landolt c/o Sandoz Family Foundation 85 Avenue Generale Guisan Lausanne, Switzerland	Swiss	Chairman, Executive Committee

¹ On November 4, 1998, Belgravia Telecom Corporation, Ltd. sold its 33.1% ownership interest in Interoute to Belgravia II Ltd., a Bahamian company, created specifically for the purpose of effectuating the transaction described in this footnote. Belgravia II Ltd. immediately transferred the shares to Interoute Communications Group, Ltd. No officer or director of Belgravia Telecom Corporation, Ltd. served as a board member or officer of Interoute. As such, Interoute does not believe transfer of control authorization is necessary in connection with this particular transaction. However, to the extent the Commission may deem it necessary, Interoute requests transfer of control authorization for this transaction.

² Integrated Communications Group, Limited changed its name to Interoute Communications Group, Ltd. on July 1, 1998.

Victor Bischoff	Swiss	Member, Executive Committee
c/o Sandoz Family Foundation 85 Avenue Generale Guisan Lausanne, Switzerland		
Oskar Holenweger	Swiss	Member, Executive Committee
c/o Sandoz Family Foundation 85 Avenue Generale Guisan Lausanne, Switzerland		
Olivier Verrey	Swiss	Member, Executive Committee
c/o Sandoz Family Foundation 85 Avenue Generale Guisan Lausanne, Switzerland		

Additional Information

In response to your inquiry, the following clarification under Section 63.18(h)(8), 47 C.F.R. § 63.18(h)(8) (1997), is provided. As explained in the Application, Interoute desires to be regulated as a non-dominant carrier for all of the services included in its 214 Authorization and destination countries, including the U.K., France, Germany, Denmark, Netherlands, Switzerland, Portugal and Spain. Interoute's foreign carrier affiliates do not have the potential to discriminate against unaffiliated U.S. carriers through such means as preferential operating agreements, preferential routing of traffic, exclusive or more favorable transiting agreements, or preferential domestic access and interconnection agreements. None of Interoute's foreign affiliated carriers are monopoly, duopoly or oligopoly providers of services in their respective home countries. Rather, each of Interoute's foreign affiliated carriers are resellers which compete against such carriers. In addition, each of Interoute's foreign affiliated carriers control less than 50% of the market share in each of their respective home countries.³ As such, because Interoute's foreign carrier affiliates clearly do not have the potential to discriminate against unaffiliated U.S. carriers, Interoute should be regulated as a non-dominant carrier.

Interoute also wishes to modify footnote one of its Application to seek authorization, nunc pro tunc, for the pro forma transfer of control which occurred on May 11, 1998. Application at 2, n.1. As the footnote indicates, this transaction entailed a change in corporate name as well as structure (from a limited liability corporation to a C corporation), but underlying ownership

³ See In Re Rules and Policies on Foreign Participation in the U.S. Telecommunications Market, Report and Order and Order on Reconsideration, 12 FCC Rcd. 23891, 23996 (1997)(stating that there is a presumption that U.S. affiliates of foreign carriers with less than 50% market share in the relevant foreign market are non-dominant).

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and control remained the same. Interoute asks that the Commission approve this transfer, to the extent necessary, in the context of its approval of the broader transaction.

Finally, please note that on page four of the Application it is stated that Pre-Pay Long Distance, Inc. (Pre-Pay) will be dissolved. Although Pre-Pay has Section 214 Authorization to provide common carrier international telecommunication services, it has not to date offered any common carrier services under the authorization. Thus, Sections 63.19 and 63.71 of the Commission's Rules, 47 C.F.R. §§ 63.19, 63.71 (1997), are inapplicable to Pre-Pay.

Please file-stamp and return the extra copy of this letter in the addressed, stamped envelope provided for this purpose. Questions regarding this matter should be directed to the undersigned.

Sincerely,


Thomas K. Crowe
Elizabeth Holowinski,
Counsel for Interoute
Telecommunications,
Inc.

cc: Francis Eisenstein, FCC
Richard Young
Pat Dowhie

LAW OFFICES OF THOMAS K. CROWE, P.C.

2300 M STREET, N.W.
SUITE 800
WASHINGTON, D.C. 20037

TELEPHONE (202) 973-2890
FAX (202) 973-2891
E-MAIL tkcrowe@mccl2000.com

September 3, 1998

BY HAND

Federal Communications Commission
International Bureau
Telecommunications Division
P.O. Box 358115
Pittsburgh, PA 15251-5115

REGISTRATION

SEP 03 1998

Re: Interoute Telecommunications, Inc.

Dear Sir/Madam:

Please find enclosed an original and six copies of Interoute Telecommunications, Inc.'s Application for Consent to Transfer Control.

Also enclosed is an FCC Form 159 and a check in the amount of \$745.00 payable to the Federal Communications Commission to cover the requisite filing fee. Please file-stamp and return the extra copy of this filing in the self-addressed, stamped envelope enclosed for this purpose.

Questions regarding this filing should be directed to the undersigned.

Sincerely,



Thomas K. Crowe
Elizabeth Holowinski,
Counsel for Interoute Telecommunications,
Inc.

Enclosures

FEDERAL COMMUNICATION

Check Number: 9947

Check Date: Aug 31, 1998

Check Amount: \$745.00

Discount Taken Amount Paid

FCC-IT083198

745.00

Item to be Paid - Description

9947

ATI TELECOM, INC.

110-72 Corona Ave.
Corona, N.Y. 11368
(718) 271-4300

The Chase Manhattan Bank, N.A.

37-94 103 Street
Corona, New York 11368

1-2/210 115

Memo :

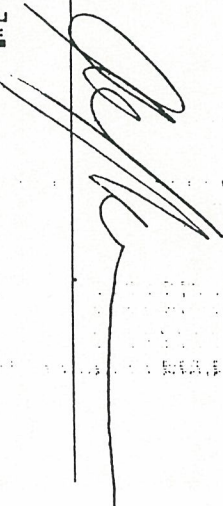
Pay Seven Hundred Forty-Five and 0/100 Dollars

TO THE
ORDER
OF

FEDERAL COMMUNICATION COMMISSI
P.O. BOX 358835
REGULATORY FEES
PITTSBURGH, PA 15251-5835
INTEROUTE

Aug 31, 1998 *****\$745.00*
DATE AMOUNT

⑈009947⑈ ⑆021000021⑆ 115 1 138482⑈



Application will benefit the public interest.

In support of this Application, Applicants submit the following information:

I. THE PARTIES

A. Interoute Telecommunications, Inc.

Interoute is a Delaware corporation whose principal office is located at 1 World Trade Center, Suite 4531, New York, New York, 10048. A provider of telecommunications and consulting services, Interoute has global authority to provide resold and facilities-based international telecommunications services.¹

Interoute has no affiliation, within the meaning of Section 63.18(h)(1)(i) of the Commission's Rules, 47 C.F.R. § 63.18(h)(1)(i) (1997), with a dominant U.S. or foreign facilities-based carrier.

Information concerning Interoute's legal, technical, and financial qualifications to provide service was submitted with Interoute's application for Section 214 authorization and is, therefore, already a matter of record before the Commission.

¹ Overseas Common Carrier Section 214 Applications Actions Taken, Public Notice, ITC 97-720 (Jan. 9, 1998). Interoute Telecommunications, LLC, the original Section 214 licensee, was merged with a new corporation formed on May 8, 1998 by Interoute Telecommunications, LLC's shareholders known as "Interoute Telecommunications, Inc." The purpose of the merger, which occurred on May 11, 1998--and is a component of the transaction for which this application is submitted--was to change the company's status from a limited liability corporation to a C Corporation. Commission authorization for a transfer of control in connection with this particular transaction is not required since no transfer of control occurred as both entities are identically owned. Applicants therefore request that the Commission's determination in this matter reflect that the transferee in the instant transfer of control is "Interoute Telecommunications, Inc." and not the original licensee, "Interoute Telecommunications, LLC."

B. ATTI Telecom, Inc., ATTI Rentals, Inc. and Pre-Pay Long Distance, Inc.

ATTI Telecom, a New York corporation, has global authority to provide resold and facilities-based international telecommunications services.² ATTI Rentals, a New York corporation, is authorized to provide international switched voice services between the United States and international points by the resale of international switched services of existing facilities-based carriers.³ Pre-Pay, a Delaware corporation, has authority to provide resold international switched voice services between the United States and international points.⁴

ATTI Telecom, ATTI Rentals and Pre-Pay are considered non-dominant carriers under the FCC's rules.

ATTI Telecom, ATTI Rentals, and Pre-Pay have no affiliation, within the meaning of Section 63.18(h)(1)(i) of the Commission's Rules, 47 C.F.R. § 63.18(h)(1)(i) (1997), with a dominant U.S. or foreign facilities-based carrier.

Information concerning the ATTI Groups' legal, technical, and financial qualifications to provide service was submitted with the companies' applications for Section 214 authorization and is, therefore, already a matter of record before the Commission.

² Overseas Common Carrier Section 214 Applications Actions Taken, Public Notice, ITC 97-589 (Nov. 20, 1997). ATTI Telecom is also authorized to provide communications between appropriately licensed earth stations and INTELSAT, PanAmSat, TDRS, and Orion satellite systems to and from certain specified points, as well as to communicate with the transborder satellite systems, Anik and Morelos/Solidaridad to Canada and Mexico. In Re ATTI Telecom, Inc. Application for authority to acquire and operate facilities for service to various overseas points, Order, Authorization, and Certificate, ITC 95-390 (Aug. 15, 1995).

³ In Re ATTI Rentals, Inc. Application for authority to operate as an international resale carrier, Order, Authorization and Certificate, ITC 92-107 (April 10, 1992).

⁴ Overseas Common Carrier Section 214 Application Actions Taken, Public Notice, ITC 96-283 (July 11, 1996).

II. DESCRIPTION OF TRANSACTION

On May 13, 1998, Interoute and the ATI Group entered into a definitive Share Purchase Agreement ("Agreement") pursuant to which Interoute acquired the ATI Group by purchasing all of the ATI Groups' outstanding shares from the ATI Group shareholders. Under the terms of the Agreement, shareholders of the ATI Group received a cash payment in addition to a 10% interest in Interoute and Integrated Communications Group Limited, a Bahamian holding company affiliated with Interoute. Essentially, the acquisition of the ATI Group by Interoute resulted in a transfer of control of the ATI Group to Interoute.

Subject to the approval of the Commission, various state authorities and other customary conditions, the transaction was consummated on July 15, 1998, when Interoute acquired 100% of the ATI Group's outstanding shares.

Under the terms of the Agreement, ATI Telecom and ATI Rentals will continue to operate as wholly owned subsidiaries of Interoute. The terms of the Agreement require that Pre-Pay be dissolved. After its dissolution, all of Pre-Pay's customers will be served by ATI Telecom.

Applicants expect that for the foreseeable future ATI Telecom and ATI Rentals will continue operating under their current names and no certificate holder name will change. Moreover, the Applicants will continue to provide high quality, affordable telecommunications services to the public. As such, the Agreement will not in any way disrupt service nor cause inconvenience or confusion to the customers of Interoute or ATI Telecom and ATI Rentals. Applicants request Commission approval, *nunc pro tunc*, for authority to effectuate this transaction, thereby transferring control of the ATI Group to Interoute, effective July 15, 1998.

It has only recently come to the attention of the Applicants that they were required to receive prior Commission approval. Applicants regret this oversight and request grant of this application *nunc pro tunc* to conform the Applicants' operations to Commission requirements.

Applicants respectfully submit that their temporary noncompliance with the Commission's rules is mitigated by the following factors. First, Applicants have voluntarily come forward to correct their ownership status before the Commission. Second, upon learning the need for Commission approval in connection with this transaction, Applicants have acted expeditiously in seeking Commission approval. Third, approval will permit Applicants to continue making efforts to enhance their provision of high quality, cost effective services, and thus is in the public interest.

III. PUBLIC INTEREST

The transfer of control of the ATI Group, through the sale and purchase of its shares, will serve the public interest by permitting the ATI Group and Interoute to compete more effectively in the international switched services market. This transaction creates access, by the ATI Group, to the larger capital base of Interoute, as its new parent company. The ATI Group's operations will more readily increase in size and profitability, due to enhanced economies of scale. In addition, the access to capital resources stemming from the proposed transaction will enhance the ATI Group's potential for growth. Accordingly, the proposed acquisition will benefit consumers through improved services and lower rates, thereby promoting competition in the international telecommunications market.

The Commission recognizes that the international market for switched voice services is becoming increasingly competitive in nature and that such competition benefits consumers.⁵ Given the Commission's desire to foster competition in the international switched voice market, grant of the proposed transaction is in the public interest.

IV. SPECIFIC PART 63 INFORMATION

As required by Section 63.18 of the Commission's Rules, Applicants submit the following information:

- (a) Name and address of applicants:

Transferee:

Interoute Telecommunications, Inc.
1 World Trade Center
Suite 4531
New York, New York 10048
(212) 488-1113

Transferors:

ATI Telecom, Inc.
110-72 Corona Avenue
Queens, New York 11368
(718) 271-4300

ATI Rentals, Inc.
110-72 Corona Avenue
Queens, New York 11368
(718) 271-4300

⁵ See In Re Rules and Policies on Foreign Participation in the U.S. Telecommunications Market; Market Entry and Regulation of Foreign-Affiliated Entities, Report and Order and Order on Reconsideration in IB Docket Nos. 97-142 and 95-22, FCC 97-398, ¶ 1 (Nov. 26, 1997).

Pre-Pay Long Distance, Inc.
110-72 Corona Avenue
Queens, New York 11368
(718) 271-4300

- (b) Interroute is a corporation organized under the laws of the State of Delaware. ATI Telecom is a corporation organized under the laws of the State of New York. ATI Rentals is a corporation organized under the laws of the State of New York. Pre-Pay is a corporation organized under the laws of the State of Delaware.

- (c) Correspondence concerning this application should be sent to:

Thomas K. Crowe
Elizabeth Holowinski
Law Offices of Thomas K. Crowe, P.C.
2300 M Street, N.W., Suite 800
Washington, D.C. 20037
(202) 973-2890

with a copy to:

Nick Razez
Chief Executive Officer
Interroute Telecommunications, Inc.
1 World Trade Center
Suite 4531
New York, New York 10048
(212) 488-1113

and

Patricia Dowhie
Secretary
ATI Telecom, Inc.
110-72 Corona Avenue
Queens, NY 11368
(718) 271-4300

- (d) As discussed above, Interoute previously received authority from the Commission to provide global facilities-based and resale services.⁶ ATI Telecom received authority under Section 214 of the Communications Act to provide global facilities-based and resale services.⁷ ATI Rentals and Pre-Pay have 214 authorizations to provide resold international switched services.⁸
- (e) Pursuant to this Application, Interoute requests transfer of control authority to acquire ATI Telecom, ATI Rentals, and Pre-Pay.
- (f) Not applicable.
- (g) Not applicable.
- (h) (1) Interoute has affiliations with foreign carriers in the U.K., France, Germany, Denmark, Netherlands, Switzerland, Portugal and Spain. A list of the names and addresses of Interoute's foreign affiliates is attached as Exhibit A. ATI Telecom, ATI Rentals, and Pre-Pay are not affiliated, as defined by Section 63.18(h)(1)(i) of the Commission's Rules, 47 C.F.R. § 63.18(h)(1)(i) (1997), with any foreign carriers.

- (h) (2) The following entities hold a ten percent (10%) or greater ownership or management interest in Interoute:

<u>Name/Address</u>	<u>% Held</u>	<u>Citizenship</u>	<u>Principal Business</u>
Interoute Telecommunications PLC 61-63 Berners Street London W1T3AE England tel: +44 171 580 1383	54.4%	U.K.	Holding Company

⁶ See *supra* at n. 1.

⁷ See *supra* at n. 2.

⁸ See *supra* at n. 3 and n. 4.

Belgravia Telecom Corporation 37.2% Bahamian Holding Company
 Limited
 c/o Mossack Fonseca & Co. [Bahamas] Ltd.
 Saffrey Sq., Suite 205
 Banklane
 P. O. Box N-8188
 Nassau, Bahamas
 Attn: Antoinette Stubbs
 tel: (242) 322 7601

Both Interoute Telecommunications PLC and Belgravia Telecom Corporation are 100% owned by Integrated Communications Group Limited, a Bahamian company.

The following entities hold a ten percent (10%) or greater ownership or management interest in ATI Telecom:

<u>Name/Address</u>	<u>% Held</u>	<u>Citizenship</u>	<u>Principal Business</u>
Patricia Dowhie 166-14th Avenue Beechurst, NY 11357	20%	U.S.A.	Individual
Chris Dowhie 166-14th Avenue Beechurst, NY 11357	80%	U.S.A.	Individual

The following entities hold a ten percent (10%) or greater ownership or management interest in ATI Rentals:

<u>Name/Address</u>	<u>% Held</u>	<u>Citizenship</u>	<u>Principal Business</u>
Chris Dowhie 166-14th Avenue Beechurst, NY 11357	100%	U.S.A.	Individual

The following entities hold a ten percent (10%) or greater ownership or management interest in Pre-Pay:

<u>Name/Address</u>	<u>% Held</u>	<u>Citizenship</u>	<u>Principal Business</u>
Patricia Dowhie 166-14th Avenue Beechurst, NY 11357	75%	U.S.A.	Individual
Martin Ciesinski 22 Cousins Street Fort Salonga, NY 11768	25%	U.S.A.	Individual

A list of the Applicants' interlocking directorates is attached as Exhibit B.

- (h) (3) Not applicable.
- (h) (4) Interoute's affiliated carriers in the U.K., France, Germany, Denmark, Netherlands, Switzerland, Portugal and Spain own and control telecommunications facilities in each of these countries.
- (h) (5) Applicants acknowledge that they are responsible for the continuing accuracy of the certifications required herein, and that they will notify the Commission of any change in substance as required by the Commission's rules.
- (h) (6)-(7) Interoute's affiliated carriers in the U.K., France, Germany, Denmark, Netherlands, Switzerland, Portugal and Spain do not have the ability to discriminate against unaffiliated U.S. international carriers through control of bottleneck services or facilities in any of these countries or in any other destination country to which Applicants will provide service. Additionally, the Commission has found the U.K., France, Germany, Denmark, and the Netherlands to be equivalent countries.⁹

⁹ See Overseas Common Carrier Section 214 Application Actions Taken, Public Notice, DA 98-1233 at General Condition 8 (June 25, 1998).

(h) (8) Interoute desires to be regulated as a non-dominant carrier for all of the services included in its 214 Authorization and destination countries including the U.K., France, Germany, Denmark, Netherlands, Switzerland, Portugal and Spain. Interoute's affiliated carriers do not have the potential to discriminate against unaffiliated U.S. carriers through such means as preferential operating agreements, preferential routing of traffic, exclusive or more favorable transiting agreements, or preferential domestic access and interconnection arrangements.

(i) As required by Section 63.18(i) of the Commission's Rules, 47 C.F.R. § 63.18(i) (1997), Applicants certify that they have not agreed to accept nor shall they accept in the future any special concessions, as defined by the Commission's Rules, directly or indirectly from any foreign carrier or administration with respect to traffic or revenue flows between the U.S. and any foreign country for which Applicants may be authorized to serve.

(j) Applicants are not subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988. Applicants' certifications pursuant to Section 1.2002 of the Commission's Rules, 47 C.F.R. § 1.2002 (1997), (implementing the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 3301 (1997)) are attached.

V. CONCLUSION

For the reasons stated herein, Interoute and the ATTI Group respectfully submit that the public interest, convenience and necessity would be furthered by grant of this application.

Respectfully submitted,

INTERROUTE TELECOMMUNICATIONS,
INC.; ATI TELECOM, INC.; ATI
RENTALS, INC.; AND PRE-PAY LONG
DISTANCE, INC.

By:



Thomas K. Crowe
Elizabeth Holowinski
LAW OFFICES OF THOMAS K. CROWE,
P.C.
2300 M Street, N.W.
Suite 800
Washington, D.C. 20037
(202) 973-2890

COUNSEL FOR INTERROUTE
TELECOMMUNICATIONS, INC.; ATI
TELECOM, INC.; ATI RENTALS, INC.;
AND PRE-PAY LONG DISTANCE, INC.

September 3, 1998

CERTIFICATIONS OF APPLICANT

On behalf of Interoute Telecommunications, Inc., and in accordance with Sections 1.2001-1.2003 of the Commission's Rules, 47 C.F.R. §§ 1.2001-1.2003 (1997), I hereby certify that neither Interoute Telecommunications, Inc., its officers and directors, or any party with a five percent or greater interest in Interoute Telecommunications, Inc., is subject to a denial of the Federal benefits requested herein pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988. See 21 U.S.C. § 853(a) (1997). I also hereby certify that the statements in the foregoing application are true, complete, and correct to the best of my knowledge and are made in good faith.

Interoute Telecommunications, Inc. has not agreed to accept any concessions directly or indirectly from any foreign carrier or administration with respect to traffic or revenue flow between the United States and various international points under the authority granted under Section 214 of the Communications Act of 1934, as amended, and the Commission's Rules, and has not agreed to enter into such agreements in the future.

Pursuant to Section 63.18(h) of the Commission's Rules, 47 C.F.R. § 63.18(h) (1997), I certify that Interoute Telecommunications, Inc. has an affiliation with foreign carriers in the U.K., France, Germany, Denmark, Netherlands, Portugal, Spain and Switzerland. Although these affiliates own and control telecommunications facilities, they do not have the ability to discriminate against unaffiliated U.S. international carriers through control of bottleneck services or facilities in any of the aforementioned countries or in any of the other designation countries covered by this application. These affiliates do not have the potential to discriminate against unaffiliated U.S. international carriers through such means as preferential operating agreements, preferential routing of traffic, exclusive or more favorable transiting agreements, or preferential domestic access and interconnection arrangements. I further certify that Interoute Telecommunications, Inc. does not have an affiliation with any U.S. carrier whose facilities-based services Interoute Telecommunications, Inc. proposes to resell, either directly or indirectly. I also certify that Interoute Telecommunications, Inc. is responsible for the continuing accuracy of all of its certifications.

INTERROUTE TELECOMMUNICATIONS, INC.

By:



Name:

MARTIN DAVID

Title:

C.F.O.

Date:

8/25/98

CERTIFICATIONS OF APPLICANT

On behalf of ATI Telecom, Inc., in accordance with Sections 1.2001-1.2003 of the Commission's Rules, 47 C.F.R. §§ 1.2001-1.2003 (1997), I hereby certify that neither ATI Telecom, Inc., its officers and directors, or any party with a five percent or greater interest in ATI Telecom, Inc. is subject to a denial of Federal benefits requested herein pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988. See 21 U.S.C. § 853(a) (1997). I also hereby certify that the statements in the foregoing application are true, complete, and correct to the best of my knowledge and are made in good faith.

ATI Telecom, Inc. has not agreed to accept any concessions directly or indirectly from any foreign carrier or administration with respect to traffic or revenue flow between the United States and various international points under the authority granted under Section 214 of the Communications Act of 1934, as amended, and the Commission's Rules, and has not agreed to enter into such agreements in the future.

ATI TELECOM, INC.

By:



Name:

PATRICIA DOUCHIE

Title:

Vice President

Date:

8.25.98

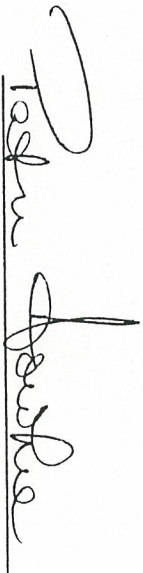
CERTIFICATIONS OF APPLICANT

On behalf of ATI Rentals, Inc., in accordance with Sections 1.2001-1.2003 of the Commission's Rules, 47 C.F.R. §§ 1.2001-1.2003 (1997), I hereby certify that neither ATI Rentals, Inc., its officers and directors, or any party with a five percent or greater interest in ATI Rentals, Inc. is subject to a denial of Federal benefits requested herein pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988. See 21 U.S.C. § 853(a) (1997). I also hereby certify that the statements in the foregoing application are true, complete, and correct to the best of my knowledge and are made in good faith.

ATI Rentals, Inc. has not agreed to accept any concessions directly or indirectly from any foreign carrier or administration with respect to traffic or revenue flow between the United States and various international points under the authority granted under Section 214 of the Communications Act of 1934, as amended, and the Commission's Rules, and has not agreed to enter into such agreements in the future.

ATI RENTALS, INC.

By:



Name:

PATRICIA DOSHIE

Title:

Vice President

Date:

8.25.98

- 2 -

CERTIFICATIONS OF APPLICANT

On behalf of Pre-Pay Long Distance, Inc., and in accordance with Sections 1.2001-1.2003 of the Commission's Rules, 47 C.F.R. §§ 1.2001-1.2003 (1997), I hereby certify that neither Pre-Pay Long Distance, Inc., its officers and directors, or any party with a five percent or greater interest in Pre-Pay Long Distance, Inc. is subject to a denial of Federal benefits requested herein pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988. See 21 U.S.C. § 853(a) (1997). I also hereby certify that the statements in the foregoing application are true, complete, and correct to the best of my knowledge and are made in good faith.

Pre-Pay Long Distance, Inc. has not agreed to accept any concessions directly or indirectly from any foreign carrier or administration with respect to traffic or revenue flow between the United States and various international points under the authority granted under Section 214 of the Communications Act of 1934, as amended, and the Commission's Rules, and has not agreed to enter into such agreements in the future.

PRE-PAY LONG DISTANCE, INC.


By: 
Name: PATRICIA DOHERTY
Title: President
Date: 8.25.98

EXHIBIT A

INTERROUTE'S FOREIGN AFFILIATES

Interoute Denmark A/S
Smedeholm 13C
DK - 2730 Herley
Denmark
tel: +45 44 53 22 00

Interoute SA
36 Avenue Cardinal-Mermilled
1227 Carouge
Switzerland
tel: +41 22 827 00 00

Interoute Communications France
16 - 18 Rue Rivay
92300 Levalloie - Perret
France
tel: +33 1 55 46 57 00

ITS
Interoute Telecommunications Services
63-65 Berners St.
London W1P3AE
England
tel: +44 171 323 4902

Interoute Telecom Deutschland GmbH
Lyoner Strasse 15
D - 60528
Frankfurt en Main
Germany
tel: +49 69 66 98 38 0

Gateway
Interoute Telecommunications (U.K.) Ltd.
7 Portland Place
London W1N3AA
England
tel: +44 171 299 7000

Interoute Netherlands BV
World Trade Center
Strawinskyaan 919
1077 XX
Amsterdam
The Netherlands
tel: +31 20 47 10 616

Geolink
Prmon Duque de Saldanha
No 1 - 10 D
1050 Lisboa
Portugal
tel: +351 1 319 19 00

Interoute Telecommunicaciones (Viacom)
Vias de Comunicaciones SA
C/Acanto, 22 14-I
28045 - Madrid
Spain
tel: +34 1 467 67 51

EXHIBIT B

INTERLOCKING DIRECTORS

As a result of the proposed transaction, the directors of ATI Telecom, Inc, ATI Rentals, Inc., and Pre-Pay Long Distance, Inc. will be as follows:

Chris Dowhie, Director
Patricia Dowhie, Director
Chris Lowery, Director
Dan McDuffie, Director
John Mittens, Director

As a result of the proposed transaction, the directors of Interoute which will interlock with the above-named carriers are:

Dan McDuffie, Director
Chris Dowhie, Director
John Mittens, Director
Chris Lowery, Director

CERTIFICATE OF SERVICE

I, Missy Sheehy, a paralegal with the Law Offices of Thomas K. Crowe, P.C., certify that on September 3, 1998, a copy of the foregoing Application was served by first class U.S. mail, postage prepaid, on the parties listed below.

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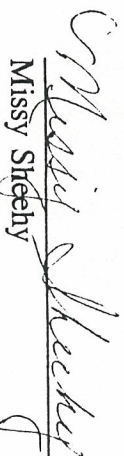
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