

Categories of Services for 214 Applications  
(Streamlined/Non-streamlined)

- LIMITED/GLOBAL RESALE SERVICE
- LIMITED/GLOBAL FACILITIES-BASED SERVICE
- LIMITED/GLOBAL FACILITIES-BASED/RESALE SERVICE
- INDIVIDUAL FACILITIES-BASED SERVICE
- INTERCONNECTED PRIVATE LINE RESALE SERVICE
- INMARSAT AND MOBILE SATELLITE SERVICE
- INTERNATIONAL SPECIAL PROJECT
- SWITCHED RESALE SERVICE
- TRANSFER OF CONTROL
- ASSIGNMENT OF LICENSE
- PRO FORMA TRANSFER/ASSIGNMENT
- SPECIAL TEMPORARY AUTHORITY
- SUBMARINE CABLE LANDING LICENSE

Description of Application: \_\_\_\_\_

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FEDERAL COMMUNICATIONS COMMISSION  
REMITTANCE ADVICE

PAGE NO. 1 OF 1

(1) LOCKBOX # 358115

SECTION A - PAYER INFORMATION

(2) PAYER NAME (if paying by credit card, enter name exactly as it appears on your card)  
Thelen Reid & Priest LLP

(4) STREET ADDRESS LINE NO. 1  
701 Pennsylvania Avenue, N.W.

(8) STREET ADDRESS LINE NO. 2  
Suite 800

(6) CITY  
Washington, D.C.

(9) DAYTIME TELEPHONE NUMBER (include area code)  
(202) 508-4000

(7) STATE

(8) ZIP CODE  
20004-2608

(10) COUNTRY CODE (if not in U.S.A.)

IF PAYER NAME AND THE APPLICANT NAME ARE DIFFERENT COMPLETE SECTION B  
IF MORE THAN ONE APPLICANT USE CONTINUATION SHEETS (FORM 156-C)

SECTION B - APPLICANT INFORMATION

(11) APPLICANT NAME (if paying by credit card, enter name exactly as it appears on your card)  
PICKNet, Inc.

(12) STREET ADDRESS LINE NO. 1

Wayne Interchange Plaza

(13) STREET ADDRESS LINE NO. 2

155 Route 46 West, Third Floor

(14) CITY  
Wayne

(16) STATE  
N.J.

(17) ZIP CODE  
07470

(17) DAYTIME TELEPHONE NUMBER (include area code)  
(973) 812-7425

(18) COUNTRY CODE (if not in U.S.A.)

COMPLETE SECTION C FOR EACH SERVICE. IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEETS (FORM 156-C)

SECTION C - PAYMENT INFORMATION

(19A) FCC CALL SIGN/OTHER ID

(20A) PAYMENT TYPE CODE (PTC)

(21) QUANTITY

(22) FEE DUE FOR PTC IN BLOCK 2A

(23) FEE DUE ONLY

C U T

1

\$ 780.00

(23A) FCC CODE 1

(24A) FCC CODE 2

(19B) FCC CALL SIGN/OTHER ID

(20B) PAYMENT TYPE CODE (PTC)

(21) QUANTITY

(22) FEE DUE FOR PTC IN BLOCK 2B

(23) FEE DUE ONLY

(23B) FCC CODE 1

(24B) FCC CODE 2

(19C) FCC CALL SIGN/OTHER ID

(20C) PAYMENT TYPE CODE (PTC)

(21) QUANTITY

(22) FEE DUE FOR PTC IN BLOCK 2C

(23) FEE DUE ONLY

(23C) FCC CODE 1

(24C) FCC CODE 2

(19D) FCC CALL SIGN/OTHER ID

(20D) PAYMENT TYPE CODE (PTC)

(21) QUANTITY

(22) FEE DUE FOR PTC IN BLOCK 2D

(23) FEE DUE ONLY

(23D) FCC CODE 1

(24D) FCC CODE 2

SECTION D - TAXPAYER INFORMATION (REQUIRED)

(25) PAYER TIN

9 4 - 0 9 2 2 0 4 0

APPLICANT TIN

2 2 - 3 4 3 8 7 1 3

SECTION E - CERTIFICATION

(27) CERTIFICATION STATEMENT  
I, Nancy J. Eskewski

(PRINT NAME)

certify under penalty of perjury that the foregoing and supporting information

are true and correct to the best of my knowledge, information and belief. SIGNATURE Nancy J. Eskewski

SECTION F - CREDIT CARD PAYMENT INFORMATION

(28) MASTERCARD ACCOUNT NUMBER

EXPIRATION DATE

MONTH YEAR

MASTERCARD

MONTH YEAR

VISA

AUTHORIZED SIGNATURE

(If the service(s) described is/are described)

SEE PUBLIC BUREAU BULLETIN ON REVERSE

**THELEN REID & PRIEST LLP**  
701 PENNSYLVANIA AVENUE, N.W., SUITE 800  
WASHINGTON, DC 20004

**THE RIGGS NATIONAL  
BANK OF WASHINGTON, DC**  
WASHINGTON, DC 20074-6758  
15-3/540

1525

12/1/1999

PAY TO THE Federal Communications Commission

ORDER OF

\$ \*\*780.00

Seven Hundred Eighty and 00/100\*\*\*\*\*

**DOLLAR:**  
Security feature  
included.  
Details on back

MEMO FCC Sec. 214 Filing

⑈001525⑈ ⑆054000030⑆ ⑆187502⑈

*Janice C. Prentice*



**THELEN REID & PRIEST LLP**

ATTORNEYS AT LAW

NEW YORK  
SAN FRANCISCO  
WASHINGTON, D.C.  
LOS ANGELES  
SAN JOSE

MARKET SQUARE, SUITE 800  
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WASHINGTON, D.C. 20004-2608  
TEL (202) 508-4000 FAX (202) 508-4321  
[www.thelenreid.com](http://www.thelenreid.com)

NANCY J. ESKENAZI  
202-508-4388  
[neskenazi@thelenreid.com](mailto:neskenazi@thelenreid.com)

December 2, 1999

Ms. Magalie Roman Salas  
Secretary  
Federal Communications Commission  
International Bureau Telecommunications  
Division  
P.O. Box 358115  
Pittsburgh, PA 15251-5115

Re: Application of PICKNet, Inc. and Lebow Investments Ltd. for Authority  
to Transfer Ownership and Control Pursuant to Section 214 of the  
Communications Act of 1934, as Amended

Dear Ms. Salas:

Enclosed please find an original and six (6) copies of the application of PICKNet, Inc. and Lebow Investments Ltd. for authority to transfer ownership and control of PICKNet, Inc. to Lebow Investments Ltd., pursuant to Section 214 of the Communications Act of 1934, as amended.

As required by the Commission's Rules, a check in the amount of \$780.00 is enclosed. Please date-stamp the extra copy of the application and return it in the enclosed self-addressed, stamped envelope. Any questions regarding the enclosed application may be directed to the undersigned.

Sincerely,

THELEN REID & PRIEST LLP

  
Nancy J. Eskenazi

Counsel for Lebow Investments Ltd.

Enclosures

**THELEN REID & PRIEST LLP**

ATTORNEYS AT LAW

NEW YORK  
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NANCY J. ESKENAZI  
202-508-4388  
[neskenazi@thelenreid.com](mailto:neskenazi@thelenreid.com)

December 3, 1999

Ms. Magalie Roman Salas  
Secretary  
Federal Communications Commission  
International Bureau Telecommunications  
Division  
P.O. Box 358115  
Pittsburgh, PA 15251-5115

Re: Application of PICKNet, Inc. and Lebow Investments Ltd. for Authority  
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Sincerely,

THELEN REID & PRIEST LLP

  
Nancy J. Eskenazi

Counsel for Lebow Investments Ltd.

Enclosures





provides international data services between Kuwait and points outside Kuwait, and provides private line services outside of Kuwait.

Grant of this application for transfer of ownership and control will serve the public interest, convenience and organized under the laws of Kuwait necessity by promoting competition in the international services market. The benefits of competition to U.S. consumers include lower prices, an increased availability of service options, and more efficient use of international facilities. Thus, the grant of this Application will serve the public interest, convenience and necessity.

Applicants respectfully request streamlined processing of this Application in order to enable them to complete the proposed transfer of ownership and control as soon as possible.

In furtherance of this application, Applicants respectfully submit the following information:

**I. Description of the Transaction**

The transaction for which approval is requested in this Application is will proceed as follows: Pick Communications Corp., a Nevada corporation ("Pick Communications"), will close a Stock Purchase Agreement between itself and Lebow Investments Ltd., a corporation formed under the laws of the British Virgin Islands, for the sale to Lebow of two of Pick Communications's subsidiaries, PICKNet, Inc., a New Jersey corporation, and PICKNet UK plc, a United Kingdom company. Simultaneous to that closing, GulfSat, a corporation formed under the laws of Kuwait, will purchase one hundred percent of Lebow.

Specifically, the transaction will result in a change of ownership and control of PICKNet whereby GulfSat will wholly-own Lebow, which will, in turn, wholly-own PICKNet and PICKNet UK plc. Upon approval of this Application, PICKNet will continue to hold the Section 214 authorization, but PICKNet will no longer be owned or controlled by Pick Communications. Because PICKNet will continue to provide international telecommunications services on a resold basis and will continue to hold the existing Section 214 authorization, the transaction will not affect any of PICKNet's existing customers.

## **II. Section 63.18 Information**

### **(a) Names, addresses and telephone numbers of Applicants:**

PICKNet, Inc.  
Wayne Interchange Plaza  
155 Route 46 West, Third Floor  
Wayne, NJ 07470  
Tel: (973) 812-7425  
Fax: (973) 812-4181

Lebow Investments Ltd.  
Trident Chambers  
Wickham Cay  
P. O. Box 146  
Roadtown, Tortola  
British Virgin Islands  
Tel: (284) 494-2434  
Fax: (284) 494-3754

**(b)** PICKNet is incorporated under the laws of the State of New Jersey. Lebow is incorporated under the laws of the British Virgin Islands.



- (c) Correspondence concerning this Application should be addressed to:

Lawrence M. Fuccella, Jr.  
President  
PICKNet, Inc.  
Wayne Interchange Plaza  
155 Route 46 West, Third Floor  
Wayne, NJ 07470  
Tel: (973) 812-7425  
Fax: (973) 812-4181

and

Robert Sams  
Director  
Lebow Investments Ltd.  
Perryman's Lane  
Burwash, East Sussex TN19 7DN  
United Kingdom  
Tel: (011) (44) (143) 588-2812  
Fax: (011) (44) (143) 588-3443

With a copy to:

Nancy Eskenazi  
Thelen Reid & Priest LLP  
701 Pennsylvania Avenue, Suite 800  
Washington, DC 20004-2608  
Fax: (202) 508-4321

- (d) Neither Lebow nor Gulsat have previously received authority under Section 214 of the Communications Act. PICKNet received Section 214 authority to provide global resale service following a *pro forma* assignment of Section 214 authority from Pick Communications Corp. to PICKNet, Inc. on November 2, 1999. See File No. ITC-214-19970320-00157.
- (e)(3) Applicants seek authority to transfer ownership and control of PICKNet's non-dominant Section 214 global resale authorization to Lebow, a corporation which does not currently hold Section 214 authority.
- (f) At this time, Lebow does not seek any other authorization under Section 63.18(e).
- (g) Not applicable.

(h) The names, addresses, citizenship, and principal businesses of persons or entities that directly or indirectly own at least ten percent of the equity of Lebow, and the percentage of equity owned by each of those entities (to the nearest one percent), is as follows:

<u>Name/Address</u>	<u>% Held</u>	<u>Citizenship</u>	<u>Principal Business</u>
Gulfat Communications Company P. O. Box 2400 Safat, Kuwait	100%	Kuwait	Telecommunications Services

Direct or Indirect Ownership in Gulfat:

Kuwait Investments Projects Co. P. O. Box 23882 13100 Safat, Kuwait	34%	Kuwait	Investment Company
Al-Morabitoon International General Trading and Contracting Group P. O. Box 24994 Safat, Kuwait	12%	Kuwait	General Trading, Contracting & Investment Company
Burgan Bank P. O. Box 5389 13054 Safat, Kuwait	10%	Kuwait	Banking

Interlocking Directorates:

Fuad Dashti, Chairman of Gulfat will serve as a Director of Lebow. Mr. Dashti is not an officer or director of any other telecommunications service provider.

(i) Lebow certifies that it is affiliated with a foreign carrier within the meaning of Section 63.09 of the Commission's Rules, 47 C.F.R. §63.09. Lebow is affiliated with Gulfat, a Kuwaiti carrier. Lebow is wholly-owned by Gulfat. This is the only affiliation Lebow has with a foreign carrier. Gulfat is a backbone provider of internet services in Kuwait, provides international data services between Kuwait and points outside Kuwait, and provides private line services outside of Kuwait.

(i) Lebow certifies that it does not seek to provide international telecommunications services to any destination country where:

- (1) Lebow is a foreign carrier in that country; or
- (2) Lebow controls a foreign carrier in that country; or



- (3) Two or more foreign carriers (or parties that control foreign carriers) own, in the aggregate, more than twenty-five percent of Lebow and are parties to, or the beneficiaries of, a contractual relation (e.g. joint venture or market alliance) affecting the provision of marketing of international basic telecommunications services in the United States.
- (l) Lebow further certifies that Gulfsat, a Kuwaiti carrier, is a foreign carrier owning more than twenty-five percent of Lebow. As part of its global resale authority, PICKNet is currently authorized to provide resold international telecommunications services to Kuwait. Lebow seeks to continue use of the PICKNet Section 214 authorization to provide resold international telecommunications services to Kuwait.
- (k) Kuwait, the destination foreign country, is a Member of the World Trade Organization.
- (l) Gulfsat, the foreign carrier with which Lebow is affiliated, lacks sufficient market power on the Kuwaiti end of the route to adversely affect competition in the U.S. market. Gulfsat is a backbone provider of internet services in Kuwait, provides international data services between Kuwait and points outside Kuwait, and provides private line services outside of Kuwait. As a small international reseller of data services and internet backbone provider lacking control of international transport capacity or local access in Kuwait, Gulfsat does not have a fifty percent market share in the international transport and local access markets on the Kuwaiti end of the route. Gulfsat does not have the ability to discriminate against unaffiliated U.S. international carriers through control of bottleneck services or facilities in Kuwait. The international transport and local access markets in Kuwait are dominated by the monopoly PTT, Kuwait Tel. Accordingly, following the transfer of ownership and control of PICKNet to Lebow, there should be a presumptive non-dominant classification.
- (m) For the reasons outlined in (l) above, Lebow desires PICKNet, following approval of the transfer of ownership and control, to be regulated as non-dominant for the provision of international telecommunications services provided to Kuwait on a resold basis. Further, pursuant to Section 63.10(4) of the Commission's Rules, 47 C.F.R. §63.10(4), service will continue to be provided solely through the resale of an unaffiliated U.S. facilities-based carrier's international switched services (either directly or indirectly through the resale of another U.S. resale carrier's international switched services), thus, strengthening the qualification for the presumptive non-dominant classification.
- (n) See attached Certification.
- (o) See attached Certification.
- (p) The Applicants request streamlined processing pursuant to Section 63.12 of the Commission's Rules. Lebow is affiliated with a foreign carrier, Gulfsat, a Kuwaiti company. However, given that the affiliated destination market is Kuwait, given Kuwait's status as a World Trade Organization member country, and understanding that service will be provided solely through resale of an unaffiliated U.S. facilities-based


carrier's international switched services, the Applicant qualifies for the presumption of non-dominance under Section 63.10(a)(4), 47 C.F.R. §63.10(a)(4), and the Applicant also qualifies for a presumption of non-dominance under Section 63.10(a)(3), 47 C.F.R. §63.10(a)(3), this Application qualifies for streamlined processing.

### III. Conclusion

The Applicants certify that all information in this Application is accurate and correct.

For the reasons stated herein, PICKNet and Lebow respectfully request that the Commission grant this Application to consummate the proposed transfer of ownership and control as soon as possible, and grant all other relief as necessary and appropriate to effectuate the transaction described herein.

Respectfully submitted,

  
\_\_\_\_\_  
Nancy J. Eskenazi  
Thelen Reid & Priest LLP  
701 Pennsylvania Avenue, NW, Suite 800  
Washington, D.C. 20004-2608  
(202) 508-4000

Counsel to Lebow Investments Ltd.

Dated: December 3, 1999



CERTIFICATION OF APPLICANT

Lebow Investments certifies that it has not agreed and will not agree in the future to accept any direct or indirect special concessions from a foreign carrier or administration with regard to traffic or revenue flows between the United States and any foreign countries the company is authorized to serve.

On behalf of Lebow Investments, and in accordance with Sections 1.2001 through 1.2003 of the Commission's Rules, 47 C.F.R. §§1.2001 through 1.2003, I hereby certify that no party to this transfer 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. I also hereby certify that the statements in the foregoing are true, complete and correct to the best of my knowledge and are made in good faith.

**LEBOW INVESTMENTS**

By:  \_\_\_\_\_

Name: ROBERT R. SMYTHS

Title: DIRECTOR

Date: 12/1/99

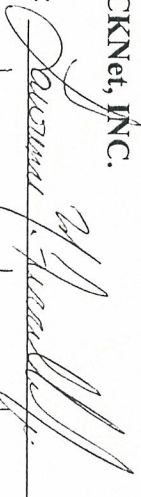
CERTIFICATION OF APPLICANT

PICKNet, Inc. certifies that it has not agreed and will not agree in the future to accept any direct or indirect special concessions from a foreign carrier or administration with regard to traffic or revenue flows between the United States and any foreign countries the company is authorized to serve.

On behalf of PICKNet, Inc., and in accordance with Sections 1.2001 through 1.2003 of the Commission's Rules, 47 C.F.R. §§1.2001 through 1.2003, I hereby certify that no party to this transfer 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. 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.

PICKNet, INC.

By:



Name:

Lawrence M. Focce

Title:

President

Date:

11/30/99