

Categories of Services for 214 Applications
(Streamline/Non-streamline)

- 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: _____

Q-East - PacAmTel LLC - Mr. Robert Lynch Hywood → Q-East

_____ FR2

READ INSTRUCTIONS CAREFULLY
BEFORE PROCEEDING

FEDERAL COMMUNICATIONS COMMISSION

REMITTANCE ADVICE

FCC/FMTL PAGE NO. 1 MAR 14 2000

APPROVED BY OMB 3060-0589

SPECIAL USE

FCC USE ONLY

(1) LOCKBOX # 358115

SECTION A - PAYER INFORMATION

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

(3) TOTAL AMOUNT PAID (dollars and cents) 780.00

(4) STREET ADDRESS LINE NO. 1
2000 Pennsylvania Avenue, N.W., Suite 5500

(5) STREET ADDRESS LINE NO. 2

(6) CITY
Washington

(7) STATE
DC

(8) ZIP CODE
20006

(9) DAYTIME TELEPHONE NUMBER (include area code)
(202) 887-1500

(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 159-C)

SECTION B - APPLICANT INFORMATION

(11) APPLICANT NAME (if paying by credit card, enter name exactly as it appears on your card)
Q-East U.S. Holdings, Inc.

(12) STREET ADDRESS LINE NO. 1
22401 Juniper Flats Road

(13) STREET ADDRESS LINE NO. 2

(14) CITY
Nuevo

(15) STATE
CA

(16) ZIP CODE
92567

(17) DAYTIME TELEPHONE NUMBER (include area code)
(909) 928-3446

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

COMPLETE SECTION C FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEETS (FORM 159-C)

SECTION C - PAYMENT INFORMATION

(19A) FCC CALL SIGN/OTHER ID
C U T

(20A) PAYMENT TYPE CODE (PTC)

(21A) QUANTITY 1

(22A) FEE DUE FOR (PTC) IN BLOCK 20A \$ 780.00

FCC USE ONLY

(23A) FCC CODE 1

(24A) FCC CODE 2

(19B) FCC CALL SIGN/OTHER ID

(20B) PAYMENT TYPE CODE (PTC)

(21B) QUANTITY

(22B) FEE DUE FOR (PTC) IN BLOCK 20B \$

FCC USE ONLY

FCC USE ONLY

(23B) FCC CODE 1

(24B) FCC CODE 2

(19C) FCC CALL SIGN/OTHER ID

(20C) PAYMENT TYPE CODE (PTC)

(21C) QUANTITY

(22C) FEE DUE FOR (PTC) IN BLOCK 20C \$

FCC USE ONLY

FCC USE ONLY

(23C) FCC CODE 1

(24C) FCC CODE 2

(19D) FCC CALL SIGN/OTHER ID

(20D) PAYMENT TYPE CODE (PTC)

(21D) QUANTITY

(22D) FEE DUE FOR (PTC) IN BLOCK 20D \$

FCC USE ONLY

FCC USE ONLY

(23D) FCC CODE 1

(24D) FCC CODE 2

SECTION D - TAXPAYER INFORMATION (REQUIRED)

(25) PAYER TIN 0940697210

0 9 4 0 6 9 7 2 1 0

(26) COMPLETE THIS BLOCK ONLY IF APPLICANT NAME IN B-11 IS DIFFERENT FROM PAYER NAME IN A-2
APPLICANT TIN 033088105

0 3 3 0 8 8 1 0 5

(27) CERTIFICATION STATEMENT

I, _____, (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 _____

(28) SECTION F - CREDIT CARD PAYMENT INFORMATION

MASTERCARD/VISA ACCOUNT NUMBER: _____

EXPIRATION DATE: _____

MASTERCARD

1 2 3 4 5 6 7 8 9 0

MONTH YEAR

VISA

I hereby authorize the FCC to charge my VISA or MASTERCARD
for the service(s) authorization(s) herein described

AUTHORIZED SIGNATURE

DATE

SEE PUBLIC BURDEN ESTIMATE ON REVERSE

FCC FORM 159 JULY 1997 (REVISED)



MORRISON & FOERSTER LLP

DETACH AND RETAIN THIS STATEMENT
THE ATTACHED CHECK IS IN PAYMENT OF ITEMS DESCRIBED BELOW.
IF NOT CORRECT PLEASE NOTIFY US PROMPTLY. NO RECEIPT DESIRED.

112212

Vendor Number 017056 Ref #
FEDERAL COMMUNICATIONS COMMISSION
INVOICE DATE AMOUNT
RQ347555 03/10/00 780.00

INVOICE

Check Number 112212
Check Date 03/10/00
DATE AMOUNT

Section 214 Transfer of Control
Filing

\$ 780.00

HOLD AT AN ANGLE TO VERIFY BACKGROUND WORDS SAFE ON FRONT AND A WATERMARK ON BACK

MORRISON & FOERSTER LLP
WASHINGTON, D.C. OFFICE
2000 PENNSYLVANIA AVE., N.W., SUITE 5500
WASHINGTON, D.C. 20006-1888

CENTURY NATIONAL BANK
WASHINGTON, D.C. 20006

15-159
540

112212
112212

PAY
SEVEN HUNDRED EIGHTY AND NO/100 DOLLARS

03/10/00

\$*****780.00

TO THE
ORDER OF
FEDERAL COMMUNICATIONS COMMISSION

By: 
AUTHORIZED SIGNATURE

AUTHORIZED SIGNATURE

DO NOT SIGN, VERIFY FIRST, YOU CAN SEE
THIS NUMBER SHOWING THROUGH
THE BACK OF THE CHECK

⑈ 112212⑈ ⑆054001534⑆ 001 001053 5⑈

MORRISON & FOERSTER LLP

SAN FRANCISCO
LOS ANGELES
SACRAMENTO
ORANGE COUNTY
PALO ALTO
WALNUT CREEK
DENVER

ATTORNEYS AT LAW

2000 PENNSYLVANIA AVENUE, NW
WASHINGTON, D.C. 20006-1888
TELEPHONE (202) 887-1500
TELEFACSIMILE (202) 887-0763

NEW YORK
LONDON
BRUSSELS
BEIJING
HONG KONG
SINGAPORE
TOKYO

March 14, 2000

Writer's Direct Dial Number
(202) 887-1510
critt@mof.com

Magalie Roman Salas, Secretary
Federal Communications Commission
445 12th Street, S.W., TW-A325
Washington, D.C. 20554

Re: Application for Commission Consent to Transfer of Control of
Domestic Section 214 Authorization of PacAmTel LLC from Mr.
Egbert Lynch Haywood to Q-East U.S. Holdings, Inc.

Dear Ms. Salas:

Enclosed for filing on behalf of Q-East U.S. Holdings, Inc. ("Q-East") are an original and one copy of an application seeking Commission consent to the transfer of control of the domestic Section 214 authorization of PacAmTel LLC from Mr. Egbert Lynch Haywood to Q-East. Also enclosed is a check payable to "FCC" in the amount of \$780.00 to cover the prescribed filing fee.

Please stamp the enclosed duplicate copy as received and return it for our records in the attached envelope.

Respectfully submitted,



Cheryl A. Tritt

Joan E. Neal
Counsel for Q-East U.S. Holdings, Inc.

Enclosures

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of

Q-East U.S. Holdings, Inc.,
Mr. Egbert Haywood Lynch, and
PacAmTel, LLC

Application for Authority Under
Section 214 of the Communications Act
of 1934, as Amended, to Transfer Control
of PacAmTel LLC from Mr. Egbert Lynch
Haywood to Q-East U.S. Holdings, Inc.

File No. ITC- _____

APPLICATION FOR TRANSFER OF CONTROL

Q-East U.S. Holdings, Inc. (“Q-East”), PacAmTel, LLC (“PacAmTel”), and Mr. Egbert Lynch Haywood (“Haywood”) (together, the “Applicants”), hereby request authority to transfer control of PacAmTel from Haywood to Q-East, pursuant to Section 214 of the Communications Act of 1934, as amended, 47 U.S.C. § 214, and Section 63.18 of the rules of the Federal Communications Commission (“FCC” or “Commission”), 47 C.F.R. §63.18. PacAmTel holds a global Section 214 authorization to provide facilities-based and resale telecommunications services to all permissible international points. The Applicants seek streamlined processing of this application under Section 63.12 of the Commission’s rules.

On December 30, 1999, Q-east Holding Ltd. (“QH”), the ultimate corporate parent of Q-East, PacAmTel, and Haywood, entered into a letter agreement, whereby Q-East will acquire all of Haywood’s 60 percent membership interest in PacAmTel (“Letter Agreement”), subject to

Commission approval.¹ Commission approval of the proposed transfer of control will enable PacAmTel to continue to provide international communications services without interruption to its customers. In addition, the proposed transfer of control will permit the infusion of capital to assist in financing PacAmTel's operations and thus will benefit the public interest. Furthermore, the proposed transfer of control will have no adverse competitive effect because neither Q-East nor QH currently competes with PacAmTel in the provision of international communications services in the United States.

In support of this application, the Applicants submit the following information pursuant to Section 63.18 of the Commission's rules:

(a) Name, address and telephone number of Applicants:

Q-East U.S. Holdings, Inc.
22401 Juniper Flats Rd.
Nuevo, CA 92567
(909) 928-3446

Mr. Egbert L. Haywood
3100 Tower Blvd., Suite 514
Durham, NC 27707
(919) 493-8909

PacAmTel, LLC
22401 Juniper Flats Rd.
Nuevo, CA 92567
(909) 928-3446

(b) Q-East is a corporation organized under the laws of the State of Delaware.

PacAmTel is a limited liability company organized under the laws of the State of North Carolina.

¹ Q-East intends to acquire the remaining non-controlling 40 percent membership interest in PacAmTel in the near future. Assuming grant of the present application, the planned transfer of such membership interest to Q-East is *pro forma* and will not require prior Commission approval.

(c) Correspondence concerning this Application should be sent to:

For Q-East:

Caspar Chou
Chief Executive Officer
Q-East U.S. Holdings, Inc.
22401 Juniper Flats Rd.
Nuevo, CA 92567
(909) 928-3446

with a copy to:

Cheryl A. Tritt
Morrison & Foerster LLP
2000 Pennsylvania Avenue, N.W., Suite 5500
Washington, D.C. 20006
(202) 887-1500 (Tel)
(202) 887-0763 (Fax)

For Haywood:

Mr. Egbert L. Haywood
3100 Tower Blvd., Suite 514
Durham, NC 27707

with a copy to:

Andrew L. Howell
Nelson Mullins Riley & Scarborough, L.L.P.
First Union Plaza, Suite 1400
999 Peachtree St.
Atlanta, GA 30309
(404) 817-6050 (Fax)

For PacAmTel:

Damon Rutherford
Chief Financial Officer
PacAmTel, LLC
22401 Juniper Flats Rd.
Nuevo, CA 92567
(909) 928-3446 (Tel)

(d) Q-East does not hold any Section 214 authorization. PacAmTel holds a global Section 214 authorization to provide facilities-based and resale services to all permissible international points, granted by FCC Public Notice, 12 FCC Rcd 16423 (Oct. 9, 1997) (File No. ITC-97-491).²

(e)(3) Applicants hereby request authority to transfer control of PacAmTel from Haywood to Q-East pursuant to the terms and conditions of Section 63.18(e)(3).

(f) No response is necessary.

(g) Not applicable.

(h) Q-East is a wholly owned subsidiary of QH, a Bermuda corporation whose principal business is telecommunications and which is located at Cedar House, 41 Cedar Avenue, Hamilton HM12 Bermuda. The following are the names, addresses, citizenship, principal businesses, and equity holdings of the shareholders who directly control ten percent or more of QH:

<u>Name & Address</u>	<u>Citizenship</u>	<u>Business</u>	<u>Equity (%)</u>
Caspar Chou 1950 Samara Dr. Rowland Heights, CA 91748	U.S.	Telecommunications	17.0
CoreComm Ltd. 110 East 59th St., 26th Fl. New York, NY 10022	Bermuda	Telecommunications	31.2
Candor Company Ltd. P.O. Box 659 Offshore Incorporations Center Road Town, Tortola B.V.I	British Virgin Islands	Investment	21.7
Hyde Park Group Ltd. P.O. Box 957 Offshore Incorporations Center Road Town, Tortola B.V.I	British Virgin Islands	Investment	10.4

The shareholders who indirectly own or control ten percent or more of QH are as follows:

CoreComm Ltd. is a publicly traded Bermuda corporation whose stock is publicly traded on

² Applicants also are filing contemporaneous applications seeking Commission consent to the transfer of control of certain satellite earth station and point-to-point microwave authorizations held by PacAmTel.

NASDAQ and whose ownership has been disclosed to the Commission in other filings,³ and whose indirect ownership of wireless licensees also has been previously approved by the Commission.⁴ Candor Company Ltd. is wholly owned by Michael Pei, a Canadian citizen, whose address is 33/F New World Tower, 16-18 Queen's Road, Central, Hong Kong. The following individuals each own 50 percent of the equity of Hyde Park Group Ltd.: (1) Charles Chan Chi Wong, a Hong Kong citizen, whose address is 29 South Bay Rd., 4F, Hong Kong; and (2) Ming (Nelson) Yu Tang, a Hong Kong citizen, whose address is 17/F 7-9 MacDonnell Rd., Midlevel, Hong Kong. There are no other shareholders who directly or indirectly own or control 10 percent or more of the equity of Q-East or QH.

George Blumenthal, a director of QH, also serves as Chairman of NTL Inc., a Delaware corporation with cable and telecommunications operations in Europe. Rich Lubasch, a director of QH, also serves as an officer of NTL Inc. Q-East has no other interlocking directorates.

(i) By the attached certification, Q-East certifies that it is affiliated with foreign carriers in Hong Kong and Taiwan, as identified in Paragraph (1) of the attached certification.

(j) By the attached certification, Q-East certifies that it seeks to provide international telecommunications services to destination countries in which Q-East is affiliated with an entity that controls a foreign carrier in those countries (i.e, Hong Kong and Taiwan), as specified in Paragraph (2) of the attached certification.

(k) Hong Kong is a member of the World Trade Organization ("WTO").⁵ In addition, each of the affiliated foreign carriers identified in Paragraphs (1) and (2) of Q-East's

³ See, e.g., FCC Form 602 of PacAmTel (filed concurrently herewith) (disclosing ownership information regarding CoreComm, as proposed holder of a disclosable interest in PacAmTel).

⁴ See FCC Public Notice, DA 98-1366, 13 FCC Rcd 17469 (July 9, 1998) (announcing grant of CoreComm's request, FCC File No. ISF-98-004, for determination that its indirect ownership of U.S. wireless telecommunications licenses is in the public interest pursuant to Section 310(b)(4)).

⁵ See *Western Wireless Corp. and Western PCS Corp.*, 13 FCC Rcd 64, ¶ 10 (Int'l Bur. 1997).

attached certification is a new entrant with less than a 50 percent market share in its respective country of operation.

(l) On all routes where Q-East is affiliated with a foreign carrier, the affiliated foreign carrier satisfies the requirements of Section 63.10(a)(3) of the Act. Specifically, each affiliated foreign carrier holds significantly less than a 50 percent market share in the international transport, inter-city, and local access markets in its respective country of operation. Moreover, none of these affiliated carriers has the ability to discriminate against unaffiliated U.S. international carriers through the control of bottleneck services or facilities in any destination country. Accordingly, Q-East's affiliated foreign carriers lack sufficient market power on the foreign end of their respective routes to affect competition adversely in the U.S. market.

(m) Q-East qualifies for a presumption of nondominance because each of the affiliated foreign carriers listed in Paragraphs (l) and (2) of the attached certification is a new market entrant without market power. As stated in Subsection (l) above, each such affiliated foreign carrier holds significantly less than a 50 percent market share in the international transport, inter-city, and local access markets in its respective country of operation. Moreover, none of these affiliated carriers has the ability to discriminate against unaffiliated U.S. international carriers through the control of bottleneck services or facilities in any destination country. Accordingly, Q-East's affiliated foreign carriers lack sufficient market power on the foreign end of their respective routes to affect competition adversely in the U.S. market, and therefore Q-East should presumptively be classified as a nondominant carrier on all international routes.

(n) By the attached certification, Q-East certifies that it has not agreed to accept special concessions, directly or indirectly from any 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 such agreements in the future.

(o) By the attached certification, Q-East certifies that no party to this application is subject to a denial of federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988.

(p) The Applicants seek streamlined processing of this application under 47 C.F.R. § 63.12 because Q-East qualifies for a presumption of nondominance under 47 C.F.R. § 63.10(a)(3) for all international routes.

CONCLUSION

Grant of the proposed transfer of control will enhance PacAmTel's ability to provide high-quality, competitive international communications services and thus will serve the public interest, convenience, and necessity.

Date:

Respectfully submitted,

By:



Caspar Chovs
Chief Executive Officer
Q-East U.S. Holdings, Inc.
22401 Juniper Flats Rd.
Nuevo, CA 92567
(909) 928-3446

By:



Egbert L. Haywood
3100 Tower Boulevard
Suite 514
Durham, NC 27707
(919) 493-8909

By:



Egbert L. Haywood
President
PacAmTel, LLC
22401 Juniper Flats Road
Nuevo, CA 92567
(909) 928-3446

CERTIFICATION

I, Caspar Chou, Chief Executive Officer of Q-East U.S. Holdings, Inc. ("Q-East"),

hereby certify that:

1. Q-East is affiliated with the following foreign carriers: (a) Q-east.com (HK) Ltd, which holds a Public Non-exclusive Telecommunications Services (PNETS) license in Hong Kong to provide, among other things, international simple resale service; and (b) Di Lian, which holds a Type Two license in Taiwan to provide, among other things, fax and data services.
2. Q-East seeks to provide international telecommunications services to destination countries in which Q-East is affiliated with an entity that controls a foreign carrier in those countries. Specifically, Q-East is affiliated with: (a) Q-east.com (HK) Ltd, which holds a Public Non-exclusive Telecommunications Services (PNETS) license in Hong Kong to provide, among other things, international simple resale service; and (b) Di Lian, which holds a Type Two license in Taiwan to provide, among other things, fax and data services.
3. Q-East has not agreed to accept special concessions, directly or indirectly, from any 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 such agreements in the future.
4. No party to this 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. § 853(a), as amended.



Caspar Chou
Chief Executive Officer

Date: