

KELLEY DRYE & WARREN LLP

A LIMITED LIABILITY PARTNERSHIP

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April 3, 2000

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Federal Communications Commission

IB Telecommunications Division

P.O. Box 358115

Pittsburgh, PA 15251-5115

Ms. Magalie Roman Salas

Secretary

Federal Communications Commission

445 12th Street, SW

Washington, DC

Attn: Rebecca Arbogast

Breck Blalock

Justin Connor

Re: In the Matter of Actel Integrated Communications, Inc. Application for
Authority to Transfer Control of a Commons Carrier Holding an
International Section 214 Authorization

Dear Ms. Salas:

On behalf of Actel Integrated Communications, Inc. ("Actel"), enclosed for filing with the Federal Communications Commission, please find an original and five copies of the above-referenced Application. * Enclosed herein for this filing are the Form 159 Fee Remittance Sheet, a check in the amount of \$780.00 to cover the filing fee, and a duplicate copy of the filing. Please date-stamp the duplicate and return to the courier. Please note that a related Section 214 Request for Special Temporary Authority is being filed concurrently. If there are any questions regarding this filing, please contact me at (202) 887-1238. Thank you for your assistance with this matter.

Sincerely,



Winafred R. Brantl

Enclosures

*Faxed copy of signature pages enclosed; originals will be filed Tuesday, April 4, 2000.

DC01/BRANW/109227.1

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

In the Matter of		Streamlined ITC-T/C-20000403-00519
)	ACTEL INTEGRATED COMMUNICATIONS, INC.
)	
Actel Integrated Communications, Inc.)	Docket No. _____
)	
Application for Authority to Transfer)	
Control of a Common Carrier Holding)	
an International Section 214 Authorization)	

APPLICATION

I. Introduction

Actel Communications Integrated, Inc. ("Actel" or "Applicant"), by its attorneys and pursuant to Section 214 of the Communications Act of 1934, as amended ("the Act"), 47 U.S.C. § 214, and Section 63.18(c)(3) of the Commission's Rules, 47 C.F.R. § 63.18(c)(3), hereby requests authority to transfer control of Actel as described herein. Actel currently holds facilities-based authority granted March 3, 1999 in File No. ITC-214-19990111-00008.¹

As described in Actel's request for Special Temporary Authority being filed concurrent with the submission of this Application, this Application is necessitated by Actel's urgent need for additional funding. Accordingly, Actel requests that the Commission process this Application as quickly as possible.

II. Description of Transaction

Actel currently has 1,904,034 shares of voting common stock outstanding. There are outstanding warrants held by existing investors, lenders and vendors for an additional

2,214,924 shares of voting common. Employees hold options to acquire another 2,938,534 shares of voting common under Actel's Employee Stock Option Plan. In addition, the Company has issued 5,512,000 shares of nonvoting preferred shares.

In order to raise funds to support its operations and expansion efforts, Actel is preparing to enter funding agreements with several new investors. DB Capital Investors, L.P. ("DB"), an affiliate of Deutsche Bank, GSMB, will provide half of the funds, while the other half will come from three affiliated entities: Sandler Capital Partners IV, L.P., Sandler Capital Partners IV FTE, L.P. and Sandler Co-Investment Partners, L.P. (collectively, "Sandler"; DB and Sandler collectively referred to as "the Investors"). The total amount of the funding commitment will be available in three installments with the first available at closing and the remaining two only upon the attainment of certain milestones. As each funding event occurs, the Investors will receive shares of new Series E Convertible Preferred Stock being issued by Actel (the "Preferred Shares"). Each Preferred Share is convertible into one share of common stock (subject to various adjustments to prevent dilution) and will be entitled to vote as though it had been converted into common.

Upon closing, 6.6 million of the new Preferred Shares will be issued the Investors – 3.3 million to DB and 3.3 million to be split among the Sandler entities. Each of DB and Sandler would then own 38.8% of the voting shares then outstanding and the existing shareholders will retain 22.4%. In the event the Investors make the additional investment contemplated, they will each hold 6,250,000 shares of the new Preferred Shares. This would constitute a 43.44% voting interest for DB and Sandler, and a 13.22% interest for the current common shareholders. These percentage interests will vary as stock dividends are issued on the

¹ See Report No. Tel-00070, DA 99-440, rel. Mar. 4, 1999.

Preferred Shares and may vary if existing warrants or options for common shares are exercised by current holders or existing nonvoting preferred shares are converted into common shares.

As is evident, neither of the Investors will obtain sufficient shares to control Actel. DB and Sandler are independent of one another and are not under common ownership or control or acting in concert. Reflecting the diversified ownership of the company, upon issuance of the Preferred Shares the Company's Board of Directors will have seven (7) members. DB and Sandler will each have the right to name two directors; the common stockholders will select one director; the Company's President and Chief Executive Officer, who also is an existing common stockholder, will be a director; and one independent director will be nominated by the remaining members of the Board. Certain major actions, including the sale or merger of the company into another company, will require the approval of at least five (5) directors.

III. Regulatory Treatment and Application Processing

Actel is not affiliated with any foreign carrier, and thus is regulated as a non-dominant carrier on all routes. None of the Investors is affiliated with a foreign carrier as these terms are defined in the Commission's Rules. Thus, pursuant to Section 63.10(a)(1) of the Commission's Rules, Actel should continue to be classified as a nondominant carrier in its provision of international service on all routes post-closing. Furthermore, this Application is entitled to streamlined processing under Section 63.12 of the Commission's Rules.

IV. Section 63.18 information

Pursuant to Section 63.18 of the Commission's Rules, Actel sets forth the following information in support of this Application.

(a) The name, address, and telephone number of the Applicant is:

Actel Integrated Communications, Inc.
1509 Government St. Suite 300
Mobile, AL 36604
Tel: (334) 473-4858

The name, address, and telephone number of each Investor is:

DB Capital Investors, L.P.
130 Liberty Street
New York, NY
(212) 250-8084

Sandler Capital Partners IV, L.P., Sandler Capital Partners IV FTE, L.P. and Sandler
Co-Investment Partners, L.P.
767 5th Avenue
New York, NY 10153
(212) 754-8100

(a) Actel is a corporation organized under the laws of the State of Alabama. DB is a limited partnership organized under the laws of Delaware. Each Sandler entity is a limited partnership organized under the laws of Delaware.

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

Daniel J. Shapiro
General Counsel and Executive Vice
President, Legal and Regulatory Affairs
Actel Integrated Communications, Inc.
450 Laurel Street
Bank One Centre, North Tower, Suite 2101
Baton Rouge, LA 70801
(225) 383-0775

Heide Silverstein
Director
DB Capital Investors, L.P.
130 Liberty Street
New York, NY
(212) 250-8084

Ed Grinikoff
Chief Financial Officer
Sandler Capital Partners IV, L.P., Sandler Capital Partners IV FTE, L.P. and Sandler
Co-Investment Partners, L.P.
767 5th Avenue
New York, NY 10153
(212) 754-8100

with copies to:

James Freeman
Joan M. Griffin
Winafred R. Brantl
Kelley Drye & Warren, LLP
1200 19th Street, NW
Washington, DC 20036
(202) 955-9600

- (d) Actel currently holds global facilities-based authority granted under Section 63.18(e)(1) of the Commission's Rules on March 3, 1999 in File No. ITC-214-19990111-00008. Neither DB nor any of the Sandler entities have previously received Section 214 authority from the Commission.
- (e) Actel is applying for transfer of control authority pursuant to Section 63.18(e)(3) of the Commission's Rule.
- (f) No response required.
- (g) No response required.
- (h) The following individuals or entities hold 10% or greater interest in DB Capital Investors, L.P.:
 - Deutsche Bank
 - 130 Liberty Street
 - New York, NY
 - Citizenship: U.S.
 - Principal Business: Financial
 - Percentage Interest: 100%

The following individuals or entities hold 10% or greater interest in Sandler:

Landmark Communications
Citizenship: U.S.
Principal Business: Communications/Media
Percentage Interest:

National Universal Fire Insurance
Citizenship: U.S.
Principal Business: Insurance
Percentage Interest:

Octavian Nominees
Citizenship: U.S.
Principal Business: Investment
Percentage Interest:

Dominian Corporation
Citizenship: U.S.
Principal Business: Investment
Percentage Interest:

Gannett Retirement Plan
Citizenship: U.S.
Principal Business: Financial Investment
Percentage Interest:

Knight-Ridder Retirement Plan
Citizenship: U.S.
Principal Business: Financial Investment
Percentage Interest:

The remaining ownership information for the above entities is being obtained and will be submitted in a supplemental filing as soon as possible.

- (i) As evidenced by the certifications provided in Attachment A, neither DB nor any of the Sandler entities is affiliated with any foreign carrier.
- (j), (k), (l), and (m)
Not applicable; neither DB nor any of the Sandler entities is affiliated or otherwise related to any foreign carrier on any of the routes that Actel is authorized to serve.
- (n) As evidenced by the certifications provided in Attachment A, neither DB nor any of the Sandler entities have 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 nor will either DB or any of the Sandler entities enter into such agreements in the future.
- (o) As evidenced by the certifications provided in Attachment A, 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) Actel requests streamlined processing pursuant to Section 63.12 of the Commission's Rules. This Application is eligible for streamlined processing because neither Actel, DB, or any of the Sandler entities is affiliated with foreign carriers on any route for which Actel currently holds authority.

V. Conclusion

For these reasons, Actel requests that the Commission process and grant this Application as quickly as possible.

Respectfully Submitted,

ACTEL INTEGRATED COMMUNICATIONS,
INC.

By: 

Daniel J. Shapiro
General Counsel and Executive Vice
President, Legal and Regulatory

Actel Integrated Communications, Inc.
450 Laurel Street
Bank One Centre, North Tower, Suite
2101
Baton Rouge, LA 70801
(225) 383-0775

James Freeman
Joan M. Griffin
Winafred R. Brantl
Affairs
KELLEY DRYE & WARREN LLP
1200-19th Street, N.W.
Suite 500
Washington, D.C. 20036
(202) 955-9600
Its Attorneys

Date: _____

Anti-Drug Abuse Act Certification

In accordance with the requirements of Section 1,2002 of the Federal Communications Commission's Rules, 47 C.F.R. § 1,2002, I hereby certify that DB Capital Investors, LP is not subject to a denial of Federal benefits that includes FCC benefits pursuant to section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 862.



Name: Tyler Zachem

Title: Managing Director

Dated: April 3, 2000


Anti-Drug Abuse Act Certification

In accordance with the requirements of Section 1.2002 of the Federal Communications Commission's Rules, 47 C.F.R. § 1.2002, I hereby certify that Sandler Co-Investment Partners, L.P. is not subject to a denial of Federal benefits that includes FCC benefits pursuant to section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 862.

SANDLER CO-INVESTMENT PARTNERS, L.P.

By: Sandler Capital Management, General Partner

By: MIDM Corp, a General Partner

By: 
Edward G. Grinacoff
President

Dated: April 3, 2000

Anti-Drug Abuse Act Certification

In accordance with the requirements of Section 1.2002 of the Federal Communications Commission's Rules, 47 C.F.R. § 1.2002, I hereby certify that Sandler Capital Partners IV FTE, L.P. is not subject to a denial of Federal benefits that includes FCC benefits pursuant to section 5301 of the Anti-Drug Abuse Act of 1988. 21 U.S.C. § 862.

SANDLER CAPITAL PARTNERS IV FTE, L.P.

By: Sandler Investment Partners, L.P.
General Partner

By: Sandler Capital Management, General
Partner

By: MIDM Corp., a General Partner

By: 
Edward G. Grinacoff
President

Dated: April 3, 2000

Anti-Drug Abuse Act Certification

In accordance with the requirements of Section 1.2002 of the Federal Communications Commission's Rules, 47 C.F.R. § 1.2002, I hereby certify that Sandler Capital Partners IV, L.P. is not subject to a denial of Federal benefits that includes FCC benefits pursuant to section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 862.

SANDLER CAPITAL PARTNERS IV, L.P.

By: Sandler Investment Partners, L.P.
General Partner

By: Sandler Capital Management, General
Partner

By: MJDM Corp., a General Partner

By: 
Edward G. Grinacoff
President

Dated: April 3, 2000

Anti-Drug Abuse Act Certification

In accordance with the requirements of Section 1,2002 of the Federal Communications Commission's Rules, 47 C.F.R. § 1,2002, I hereby certify that DB Capital Investors, LP is not subject to a denial of Federal benefits that includes FCC benefits pursuant to section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 862.



Name: Tyler Zachem

Title: Managing Director

Dated: April 3, 2000

READ INSTRUCTIONS CAREFULLY

BEFORE PROCEEDING

FEDERAL COMMUNICATIONS COMMISSION
REMITTANCE ADVICE

APPROVED BY OMB

3060-0599

(1) LOCKBOX #

PAGE NO. _____ OF _____

SPECIAL USE
FCC USE ONLY

SECTION A - PAYER INFORMATION

(2) PAYER NAME (if paying by credit card, enter name exactly as it appears on your card)
KELLEY DRYE & WARREN LLP (3) TOTAL AMOUNT PAID (dollars and cents) \$ **780.00**

(4) STREET ADDRESS LINE NO. 1
1200 19th Street, N.W.

(5) STREET ADDRESS LINE NO. 2
Suite 500

(6) CITY Washington (7) STATE DC (8) ZIP CODE 20036

(9) DAYTIME TELEPHONE NUMBER (include area code) 202-955-9600 (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)
ACTEL Integrated Communications, Inc.

(12) STREET ADDRESS LINE NO. 1
1509 Government St., Suite 300

(13) STREET ADDRESS LINE NO. 2

(14) CITY Mobile (15) STATE AL (16) ZIP CODE 36604

(17) DAYTIME TELEPHONE NUMBER (include area code) 334-473-4858 (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 (20A) PAYMENT TYPE CODE (PTC) (21A) QUANTITY (22A) FEE DUE FOR (PTC) IN BLOCK 20A (23A) FCC CODE 1
 C U T \$ 780.00

(19B) FCC CALL SIGN/OTHER ID (20B) PAYMENT TYPE CODE (PTC) (21B) QUANTITY (22B) FEE DUE FOR (PTC) IN BLOCK 20B (23B) FCC CODE 1
 \$

(19C) FCC CALL SIGN/OTHER ID (20C) PAYMENT TYPE CODE (PTC) (21C) QUANTITY (22C) FEE DUE FOR (PTC) IN BLOCK 20C (23C) FCC CODE 1
 \$

(19D) FCC CALL SIGN/OTHER ID (20D) PAYMENT TYPE CODE (PTC) (21D) QUANTITY (22D) FEE DUE FOR (PTC) IN BLOCK 20D (23D) FCC CODE 1
 \$

(19) FCC CALL SIGN/OTHER ID	(20) PAYMENT TYPE CODE (PTC)	(21) QUANTITY	(22) FEE DUE FOR (PTC) IN BLOCK 20	(23) FCC CODE 1	(24) FCC CODE 2	FCC USE ONLY
			\$			
			\$			
			\$			
			\$			

SECTION D - TAXPAYER INFORMATION (REQUIRED)

(25) PAYER TIN 0135335107 (26) COMPLETE THIS BLOCK ONLY IF APPLICANT NAME IN B-11 IS DIFFERENT FROM PAYER NAME IN A-2
 APPLICANT TIN

SECTION E - CERTIFICATION

(27) CERTIFICATION STATEMENT: I, Winfred Brantl, 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 *Winfred Brantl*

SECTION F - CREDIT CARD PAYMENT INFORMATION

(28) MASTERCARD/VISA ACCOUNT NUMBER: _____ EXPIRATION DATE: _____
 MASTERCARD _____ MONTH _____ YEAR _____
 VISA _____

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

AUTHORIZED SIGNATURE

SEE PUBLIC BURDEN ESTIMATE ON REVERSE

FCC FORM 159 JULY 1997 (REVISED)

KELLEY DRYE & WARREN LLP
1200 19TH STREET, N.W.
WASHINGTON, DC 20036

FIRST UNION NATIONAL BANK
WASHINGTON, DC

68-122/540 00480

006029

April 3, 2000
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ORDER OF

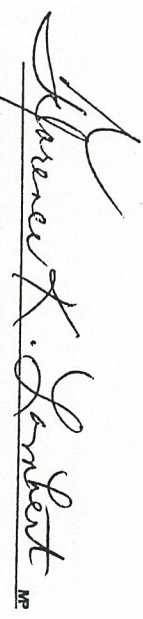
Federal Communications Commission

\$ 780.00

Seven Hundred Eighty And No/100

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MEMO Chg. 012667.0001 TOC



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