

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: \_\_\_\_\_

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BEFORE THE  
Federal Communications Commission  
WASHINGTON, D.C.

In the Matter of )  
)  
)

Application for Transfer of Control of )  
International Section 214 Authorizations )  
Held by Conversent Communications, LLC, )  
and Conversent Communications Long )  
Distance, LLC, from NEVD Holdings, LLC, )  
to Elantic Communications, Inc. )

Streamlined ITC-T/G-20000412-00222  
CONVERSENT COMMUNICATIONS, LLC

D.C./MELLON

APR 22 2000

APPLICATION FOR TRANSFER OF CONTROL

NEVD Holdings, LLC ("NEVD"), hereby seeks authority pursuant to Section 214 of the Communications Act of 1934, 47 U.S.C. § 214, and Section 63.18(e)(3) of the Commission's Rules, 47 C.F.R. § 63.18(e)(3), to transfer control of the international Section 214 authorizations held by its subsidiaries Conversent Communications, LLC ("Conversent LEC"), and Conversent Communications Long Distance, LLC ("Conversent LD," and together, "Conversent"), to a new corporation, Elantic Communications, Inc. ("Elantic").<sup>1</sup> In addition, control of PayPhone, LLC ("PayPhone"), a provider of payphone services and a wholly-owned subsidiary of NEVD, will be transferred to Elantic. Simultaneously, the ownership interests of two other unaffiliated companies, Cavalier Telephone Corporation ("Cavalier"), and Florida Digital Network, Inc. ("FDN"), will also be contributed to Elantic.

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<sup>1</sup> To the extent necessary, Elantic and NEVD hereby also request authority to transfer control of the domestic nondominant Section 214 authority held by the subsidiaries of NEVD to Elantic. These authorizations are held pursuant to the Commission's blanket waiver for domestic, non-dominant Section 214 authorizations.

**I. Description of the Parties**

**A. NEVD Holdings, LLC**

NEVD is a Rhode Island limited liability company. It is the holding company for Conversent CLEC, a Rhode Island limited liability company; Conversent LD, a New Hampshire limited liability company; and PayPhone, a Colorado limited liability company. Through itself and its CLEC operating subsidiaries, Conversent CLEC provides (or will provide) a variety of communications services, including local exchange, long distance, international, and data services to customers in nine Mid-Atlantic and New England states: Maine, New Hampshire, Massachusetts, Vermont, Rhode Island, Connecticut, Pennsylvania, New York, and New Jersey. Conversent LD provides international services in these states. PayPhone provides payphone services in Massachusetts, Rhode Island, New Hampshire, Vermont, Maine, and Connecticut.

**B. Cavalier Telephone Corporation**

Cavalier is a Delaware corporation that provides local exchange services through CLEC operating subsidiaries in Virginia, Pennsylvania, and Maryland.

**C. Florida Digital Network, Inc.**

FDN is a Delaware corporation that is certified to provide telecommunications services in Florida. FDN offers local, long distance, and Internet services in various cities in Florida and holds an international Section 214 authorization to operate as an international resale carrier.<sup>2</sup> An application for prior Commission approval of the contribution of the ownership of FDN to Elantic will be filed separately by FDN's regulatory counsel.

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<sup>2</sup> See ITC-98-443.



## **II. Description of the Transaction**

Under the proposed transaction, the owners of NEVD will contribute their membership interests in NEVD to Elantic. Contemporaneously, the owners of Cavalier and FDN will contribute their stock in their respective companies to Elantic. Following consummation of the transaction, Cavalier and FDN will survive as wholly-owned subsidiaries of Elantic. NEVD will cease to exist. However, NEVD's wholly-owned subsidiaries, Conversent CLEC, Conversent LD, and PayPhone, will continue as wholly-owned subsidiaries of Elantic. Conversent CLEC's operating subsidiaries will also continue as wholly-owned subsidiaries of Conversent CLEC and indirect wholly-owned subsidiaries of NEVD.

## **III. Public Interest Considerations**

Prompt approval of this application will serve the public interest by enabling Conversent CLEC, Conversent LD, PayPhone, Cavalier, and FDN to combine their networks and operations, thereby enabling them to compete in the domestic and international marketplaces in a more economically efficient and competitive manner. The combination of these companies will result in significant cost savings and business synergies, thus strengthening the competitive position of the combined entity. For example, the transaction will permit Elantic to expand the scope of its marketing efforts throughout its combined service area while reducing overhead and duplicative facilities. Conversent's international customers will continue to receive service from Conversent after the proposed transaction, but will directly benefit from the efficiencies gained as result of the proposed transaction.

These economies will be brought forth in a domestic and international marketplace that is marked by substantial competition from the Bell Operating Companies and other incumbent local exchange carriers, as well as large long distance carriers such as AT&T and MCI WorldCom/Sprint. The combination of the assets, personnel, and relationships of Conversent, PayPhone, Cavalier, and FDN will enable Elantic to compete more effectively with these formidable competitors.

For all of the above reasons, approval of this Application on a streamlined basis would plainly serve the public interest.

#### **SECTION 63.18 INFORMATION**

In accordance with Section 63.18(e)(3) of the Commission's Rules, NEVD and Elantic provide the following information:

- (a) Name, address, and telephone number:

Transferee: Elantic Communications, Inc.  
2134 W. Laburnum Avenue  
Richmond, VA 23227  
Tel. (800) 950-7858

Transferor: NEVD Holdings, LLC  
313 Boston Post Road West  
Suite 140  
Marlboro, MA 01752  
Tel. (508) 486-6300

(b) Elantic is a corporation organized under the laws of Delaware. NEVD is a limited liability company organized under the laws of Rhode Island.

(c) Correspondence concerning this application should be addressed to:



For Elantic:

David Mayer  
Vice President  
Elantic Communications, Inc.  
222 Richmond Street  
Suite 206  
Providence, RI 02903  
Tel. (401) 490-6353  
Fax. (401) 490-9751

for NEVD:

Scott Sawyer  
Vice President, Regulatory  
NEVD Holdings, LLC  
222 Richmond Street  
Suite 206  
Providence, RI 02903  
Tel. (401) 490-6377  
Fax (401) 272-9751

with a copy to:

Thomas Jones  
Sophie J. Keefe  
Willkie, Farr & Gallagher  
Three Lafayette Centre  
1155 21st Street, NW  
Washington, DC 20036  
Tel. (202) 328-8000  
Fax (202) 887-8979

(d) The following international Section 214 authorizations are sought to be transferred:

Licensee	File Number	Type of Authorization
Conversent Communications, LLC	ITC-96-303; ITC-ASG-19991119-00721	International resale of public switched services
Conversent Communications Long Distance, LLC	ITC-214-19990210-00081	International resale of public switched services

Elanctic does not currently hold any international Section 214 authorizations.

- (e) Not applicable.
- (f) Not applicable.
- (g) Not applicable.
- (h) Following consummation of the transaction, Elanctic's 10% or greater shareholders will be follows:

Name	Address	Citizenship	Principal Business	Approximate Interest
Cavalier Telephone Corporation	2134 W. Laburnum Ave., Richmond VA 23227	USA	Competitive Local Exchange Carrier	36.67 %
Florida Digital Network, Inc.	390 N. Orange Ave., 20th Floor, Orlando FL 32801	USA	Competitive Local Exchange Carrier and Internet Service Provider	33.33 %
Robert C. Fanch	1873 South Bellaire Street, Suite 1550, Denver, CO 80222	USA	Communications	23.67%

Other individuals and entities will own the remaining 6.33 % interest in Elanctic.

Through Cavalier, the indirect 10% or greater owners of Elanctic are as follows:

Name	Address	Citizenship	Principal Business	Interest in Cavalier
M/C Venture Partners IV, L.P.	75 State Street, Suite 2500, Boston, MA 02109	USA	Investment Fund	32.76%
KDZ Holdings, L.L.C.	813 Colony Bluff Place, Richmond, VA 23233	USA	Holding Company	48.4%

Through FDN, the indirect 10% or greater owner of Elanctic is as follows:

Name	Address	Citizenship	Principal Business	Interest in FDN
Media/ Communications Partners III, L.P.	75 State Street, Suite 2500, Boston, MA 02109	USA	Investment Fund	60.7%



Elantic has no interlocking directorates with any foreign carrier.

(i) Elantic will not be affiliated with any foreign carrier.

(j) Elantic does not seek to provide international telecommunications services to any destination country in which it is a foreign carrier; controls a foreign carrier; or is affiliated with a foreign carrier.

(k) Not applicable.

(l) Not applicable.

(m) Not applicable.

(n) Elantic certifies that it agrees not to accept special concessions directly or indirectly from any foreign carrier with respect to any U.S. international route where the foreign carrier possesses market power on the foreign end of the route and will not enter into such agreements in the future.

(o) Elantic certifies pursuant to Sections 1.2001 through 1.2003 of the Commission's Rules, 47 C.F.R. §§ 1.2001-1.2003, 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, 21 U.S.C. § 853a.

(p) This application qualifies for streamlined processing under Section 63.12 of the Commission's Rules, 47 C.F.R. § 63.12, because Elantic will not be affiliated with any foreign carrier or with any dominant U.S. carrier whose international switched or private line services Elantic seeks to resell. Nor does Elantic seek to provide switched basic services over private lines to a country for which the FCC has not previously authorized the provision of switched services over private lines.

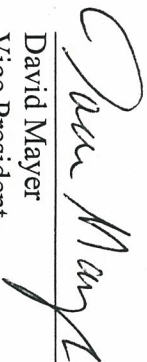


**CONCLUSION**

In light of the above, Elantic and Conversent respectfully request that the Commission process the instant application on a streamlined basis and grant the authorization requested.

Respectfully submitted,

By:

  
David Mayer  
Vice President

Elantic Communications, Inc.  
222 Richmond Street  
Suite 206  
Providence, RI 02903

By:



Scott Sawyer  
Vice President, Regulatory Affairs  
NEVD Holdings, LLC  
222 Richmond Street  
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April 10, 2000

**CERTIFICATE OF SERVICE**

I, Sophie J Keefer, hereby certify that a copy of the foregoing "Application for Transfer of Control of International Section 214 Authorizations held by Convergent Communications, LLC, and Convergent Communications Long Distance, LLC, from NEVD Holdings, LLC, to Elantic Communications, Inc.", has been served by first class mail, postage prepaid, unless otherwise indicated, to the following parties:

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Dated April 12, 2000

  
Sophie J. Keefer