

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

*Completed 6/2/00*

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

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May 5, 2000

VIA COURIER

FCG/MEL/...

MAY 05 2000

Federal Communications Commission  
International Bureau, Telecommunications Division  
P. O. Box 358115  
Pittsburgh, PA 15251-5115  
Attn: George Li, Deputy Chief

Re: In the Matter of AIC Telecom (USA) Inc. and Y2K Investment Group Ltd. Joint  
Application for Authority Pursuant to Section 214 of the Communications Act of  
1934, as Amended, To Transfer Control

Dear Sir or Madam:

On behalf of AIC Telecom (USA) Inc. ("AIC") and Y2K Investment Group Ltd. ("Y2K") (together, "Applicants"), enclosed for filing are an original and six (6) copies of the above-referenced joint application to transfer control of AIC to Y2K. Applicants respectfully request expedited treatment of this joint application to permit them to consummate the transfer of control described in this application as soon as possible.

As required by the Commission's Rules, a check in the amount of \$780.00 is enclosed to cover the filing fee. Please date-stamp the enclosed extra copy of this application and return it in the self-addressed, postage paid envelope provided. Should you have any questions concerning this application, please do not hesitate to contact the undersigned.

Respectfully submitted,

*Maria S. Cattafesta*

Catherine Wang  
Maria L. Cattafesta

Counsel for AIC Telecom (USA) Inc.  
and Y2K Investment Group Ltd.

Enclosures

cc: Breck Blalock (FCC)  
Lisa Choi (FCC)  
Kenneth Ho



not yet commenced service, the proposed transaction has no effect to any existing service or customers.

In support of this request, Applicants note that this Application is eligible for streamlined processing pursuant to Section 63.12 of the Commission's Rules, 47 C.F.R. § 63.12, for the reasons stated below.

## **I. THE PARTIES**

AIC is a California company wholly owned by AIC (Asia Pacific) Limited, a British Virgin Island investment holding company. AIC is authorized to provide international resale and facilities based services on a global basis. See *AIC Telecom (USA) Inc.*, FCC File No. TTC-214-1997-0829-00521 (1997). AIC recently acquired certain non-dominant foreign carriers affiliations through the licensing of its affiliates in other countries. AIC has separately filed a foreign affiliation notice with respect to these affiliations pursuant to Section 63.11(b) of the Commission's Rules, 47 C.F.R. § 63.11(b). In addition, AIC has separately filed a foreign affiliation notice with respect to the foreign affiliations it will acquire as a result of the transaction pursuant to Section 63.11(a) of the Commission's Rules, 47 C.F.R. § 63.11(a).

Y2K is a British Virgin Islands investment company with offices in Hong Kong. Y2K is an investment company and does not conduct business other than through its subsidiaries. Y2K owns AIC Asia International Services Corp. ("AIC Asia"), a Canadian company that holds a Class A license granted by Canadian Radio-Television Telecommunications Commission ("CRTC") to own and operate international facilities in Canada. AIC Asia, in turn, owns three Canadian subsidiaries:

- **AIC Asia International Services (Ontario) Corp.** provides services in Ontario under a Class B license from the CRTC. The Class B licenses authorizes the company to resell international services;

- **AIC Asia International Services (Alberta) Corp.** provides services in Alberta under a Class B license from the CRTC. The Class B license authorizes the company to resell international services; and
- **AICOM Data Services Inc.**, which provides Internet services in Canada.

## **II. PUBLIC INTEREST STATEMENT**

AIC and Y2K have determined that the proposed merger will enable the two companies pool their investment resources and experience to improve the financial and management resources available to their subsidiaries and ultimately to consumers. These enhancements and efficiencies will enable AIC and Y2K to compete more effectively in the telecommunications market to the ultimate benefit of consumers. Finally, the proposed transaction will be consummated in a seamless fashion, will not in any way inconvenience or cause harm to any of consumer.

## **III. DESCRIPTION OF THE TRANSACTION**

AIC and Y2K have determined that they will realize significant financial and marketing efficiencies by establishing AIC as an indirect subsidiary. Specifically, Y2K will acquire 100 percent of the stock of AIC's parent company, AIC (Asia Pacific) Limited.

Although the proposed transaction will transfer ultimate ownership and control of AIC to Y2K, the transaction will not involve a change in the manner in which AIC proposes to provide service to its customers. The merger will not change AIC's plan to provide high quality telecommunications services to customers pursuant to its Section 214 authorization. Because AIC has not yet commenced U.S. services, the transaction will not cause inconvenience or confusion to any customer nor otherwise have a negative impact on the operations of AIC.

**IV. INFORMATION REQUIRED BY SECTION 63.18**

Pursuant to Section 63.18 of the Commission's Rules, 47 C.F.R. § 63.18, AIC and Y2K

submit the following information:

(a) Names, addresses and telephone numbers:

Transferor: AIC Telecom (USA) Inc.  
9056 Santa Monica Blvd.  
Suite 206  
West Hollywood, CA 90069  
Tel: (604) 708-3899

Transferee: Y2K Investment Group Ltd  
TrustNet Chambers  
P.O. Box 3444  
Road Town, Tortola  
British Virgin Islands  
Tel: (852) 2186-8668

(b) Transferor: AIC is a corporation organized under the laws of the State of California.

Transferee: Y2K is a corporation organized under the laws of the British Virgin Islands.

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

Catherine Wang, Esq.  
Maria L. Cattafesta, Esq.  
Swidler Berlin Shereff Friedman, LLP  
3000 K Street, N.W., Suite 300  
Washington, D.C. 20007  
Tel: (202) 424-7500  
Fax: (202) 424-7645  
Counsel for AIC Telecom (USA) Inc.

with copies to:

Kenneth Ho  
Director & Corporate Secretary  
AIC Telecom (USA) Inc.  
3707 Wayburne Drive  
Burnaby, B.C. V5G 3L1  
Canada  
Tel: (604) 708-3828  
Fax: (604) 298-5813

(d) Transferor: AIC is an authorized non-dominant international facilities-based carrier and reseller of international services under Section 214 of the Act. *See AIC Telecom (USA) Inc.*, FCC File No. ITC-214-1997-0829-00521 (1997).

Transferee: Neither Y2K nor any of its subsidiaries currently hold authority under Section 214 as a non-dominant international facilities-based carrier or reseller.

(e)(3) By this application, Applicants seek authority to transfer control of AIC, a non-dominant common carrier holding international Section 214 authority, to Y2K.

(f) Not applicable. This application for transfer of control is eligible for streamlined processing under Section 63.12 of the Commission's Rules, 47 C.F.R. § 63.12 (1999).

(g) Not applicable.

(h) After completion of the transaction, the following persons or entities will hold a ten percent (10%) or greater direct or indirect ownership interest in **AIC Telecom (USA) Inc.**

Name:	<b>AIC (Asia Pacific) Limited</b>
Address:	13A, Man Lok Building 89-93 Bonham Strand, East Central Hong Kong British Virgin Islands
Citizenship:	British Virgin Islands
Percentage Owned:	100%
Principal Business:	Investment and holding company

After completion of the transaction, the following persons or entities will hold a ten percent (10%) or greater direct or indirect ownership interest in **AIC (Asia Pacific) Limited:**

Name: **Y2K Investment Group Ltd**  
Address: TrustNet Chambers  
P. O. Box 3444  
Road Town, Tortola  
British Virgin Islands  
Percentage Held: 100%  
Citizenship: British Virgin Islands  
Principal Business: Investment and holding company

After completion of the transaction, the following persons or entities will hold a ten percent (10%) or greater direct or indirect ownership interest in **Y2K Investment Group Ltd:**

Name: **Millennium Media Group Ltd. (MMG)**  
Address: TrustNet Chambers  
P. O. Box 3444  
Road Town, Tortola  
British Virgin Islands  
Percentage Held: 70%  
Citizenship: British Virgin Islands  
Principal Business: Investment and holding company

Name: **Pearl Oriental Telecom & Technology (B.V.I.) Ltd.**  
Address: 29<sup>th</sup> and 30<sup>th</sup> Floors  
Pearl Oriental Centre  
200 Gloucester Road, Wanchai  
Hong Kong  
Percentage Held: 30%  
Citizenship: British Virgin Islands  
Principal Business: Investment and holding company

After completion of the transaction, the following persons or entities will hold a ten percent (10%) or greater direct or indirect ownership interest in **Millennium Media Group Ltd.:**



<u>Name</u>	<u>Percentage Held</u>	<u>Address</u>
Victor Fung	19.6	6240 Gobbons Drive, Richmond, B.C. V7C 2C8, Canada
Eddie Mang	17.6	3232 West 16 <sup>th</sup> Avenue, Vancouver, B.C. V6K 3E3, Canada
Kenneth Ho	12.7	3280 East 19 <sup>th</sup> Avenue, Vancouver, B.C. V5M 2T3, Canada
Benedict Fung	12.7	4013 West 11 <sup>th</sup> Avenue, Vancouver, B.C. V6R 2L4, Canada
Daniel Lee	10.8	2208 Upland Street, Vancouver, B.C. V4E 2P3, Canada

All of the above individuals are citizens of Canada with investment as their principal business. No other individual or entity holds a 10 percent (10%) or greater ownership interest in Millennium Media Group Ltd.

After completion of the transaction, the following persons or entities will hold a ten percent (10%) or greater direct or indirect ownership interest in **Pearl Oriental Telecom & Technology (B.V.I.) Ltd.:**

Name: **Pearl Oriental Cyberforce Ltd.**  
Address: 29<sup>th</sup> and 30<sup>th</sup> Floors  
Pearl Oriental Centre  
200 Gloucester Road, Wanchai  
Hong Kong  
Percentage Held: 100%  
Citizenship: Hong Kong  
Principal Business: Investment and holding company

Pearl Oriental Cyberforce Ltd. is a Hong Kong publicly listed company in which no shareholder currently holds an interest greater than 10 percent.

A list of Y2K's interlocking officers and directors with foreign carriers is attached as Exhibit B.

- (i) Y2K certifies that it is not a foreign carrier within the meaning of Section 63.09(d) of the Commission's Rules. However, Y2K certifies that it is affiliated with several non-dominant foreign carriers, listed in Exhibit A, in Canada.
- (j) Y2K certifies that it seeks to provide international telecommunications services to Canada, a country in which it has affiliations with foreign carriers as described in Section 63.18(j) of the Commission's Rules, 47 C.F.R. § 63.18(j).

- (k) Canada is a Member of the World Trade Organization.
- (l) Y2K proposes to resell the international switched services of an unaffiliated U.S. carrier for the purpose of providing international telecommunications services to Canada.
- Y2K should be classified as non-dominant pursuant to Section 63.10(a)(3) of the Commission's Rules. None of Y2K's foreign affiliates listed in Exhibit A of this Application are included on the Commission's *List of Foreign Telecommunications Carriers that are Presumed to Possess Market Power in Foreign Telecommunications Markets*, released June 18, 1999. In addition, Y2K's foreign affiliates are small companies that are new market entrants offering services in competition with dominant foreign carriers and others. At this time, Y2K's foreign affiliates hold significantly less than a 50 percent market share in the international transport and local access markets in Canada. Moreover, Y2K's foreign affiliates lack the ability to discriminate against unaffiliated U.S. international carriers through the control of bottleneck services or facilities to exercise market power in Canada. Accordingly, Y2K's foreign affiliates lack sufficient market power on any U.S.-international route to affect competition adversely in the U.S. market. Therefore, Y2K's foreign affiliates should be presumptively classified as a non-dominant on all international routes.
- (m) As described in Section (l) above, Y2K qualifies for non-dominant treatment for the provision of all international telecommunications services on any U.S.-international route pursuant to Section 63.10 of the Commission's Rules, 47 C.F.R. § 63.10.
- (n) Y2K certifies that it has not agreed to accept special concessions, as defined in Section 63.14(b) of the Commission's Rules, directly or indirectly from any foreign carrier, as defined in Section 63.09(d) of the Commission's Rules, 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) Y2K certifies, pursuant to Sections 1.2001 through 1.2003 of the Commission's Rules (implementing the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 3301), that no party to its application is subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988.
- (p) Y2K qualifies for streamlined processing pursuant to Section 63.12(c)(1)(ii) of the Commission's Rules because, as set forth above in Section (l) of this Application, Y2K qualifies for a presumption of non-dominance under Section 63.10(a)(3) of the Commission's Rules.

**CONCLUSION**

For the reasons stated above, Applicants respectfully submit that the public interest, convenience, and necessity would be furthered by grant of this application for consent to the indirect transfer of control of AIC to Y2K.

Respectfully submitted,

AIC TELECOM (USA) INC.

Y2K INVESTMENT GROUP LTD.

By:



Catherine Wang

Maria L. Cattafesta

SWIDLER BERLIN SHEREFF FRIEDMAN, LLP

3000 K Street, N.W., Suite 300

Washington, D.C. 20007

Tel: (202) 424-7500

Fax: (202) 424-7645

Their Counsel

Dated: May 5, 2000

**CERTIFICATION OF  
AIC TELECOM (USA) INC.**

On behalf of AIC Telecom (USA) Inc., Transferor, I hereby certify that the statements made in the foregoing Joint Application for Authority for Transfer of Control are true, complete, and correct to the best of my knowledge and are made in good faith.

By:



Name:

KENNETH W. O.

Title:

DIRECTOR & CORPORATE SECRETARY

Date:

May 3, 2000

**CERTIFICATION OF  
Y2K INVESTMENT GROUP LTD.**

On behalf of Y2K Investment Group Ltd., Transferee, I hereby certify that the statements made in the foregoing Joint Application for Authority for Transfer of Control are true, complete, and correct to the best of my knowledge and are made in good faith.

By:



Name:

Victor Tung

Title:

PRESIDENT

Date:

May 3<sup>rd</sup>, 2000

EXHIBIT A

**Foreign Affiliation Information**

**Canada**

**AIC Asia International Services Corp.**

Holds a Class A license granted by Canadian Radio-Television Telecommunications Commission ("CRTC"). The Class A license authorizes AIC BC to own and operate international facilities in Canada.

**AIC Asia International Services (Ontario) Corp.**

Provides services in Ontario under a Class B license from the CRTC, which authorizes the company to resell international services.

**AIC Asia International Services (Alberta) Corp.**

Provides services in Alberta under a Class B license from the CRTC, which authorizes the company to resell international services.

**EXHIBIT B**

**Interlocking Directorate Information**

Name of Officer/Director	Company	Position	
Victor Fung	AIC Telecom (USA) Inc.	President and Director	
	AIC Asia International Services Corp.	President and Director	
	AIC Asia International Services (Alberta) Corp.	President and Director	
	AIC Asia International Services (Ontario) Corp.	Corporate Secretary and Director	
	AIC Telecom (U.K.) Ltd.	Director	
Kenneth Ho	AIC Canada (Hong Kong) Ltd.	Director	
	AIC Telecom (USA) Inc.	Corporate Secretary and Director	
	AIC Asia International Services Corp.	Corporate Secretary and Director	
	AIC Asia International Services (Alberta) Corp.	Corporate Secretary and Director	
	AIC Asia International Services (Ontario) Corp.	Treasurer and Director	
	AIC Telecom (U.K.) Ltd.	Corporate Secretary and Director	
	AIC Canada (Hong Kong) Ltd.	Corporate Secretary and Director	
	Daniel Lee	AIC Telecom (USA) Inc.	Director
		AIC Asia International Services Corp.	Director
		AIC Asia International Services (Alberta) Corp.	Director
AIC Asia International Services (Ontario) Corp.		Director	
AIC Telecom (U.K.) Ltd.		Director	
Eddie Mang	AIC Telecom (USA) Inc.	Director	
	AIC Asia International Services Corp.	Director	
	AIC Asia International Services (Alberta) Corp.	Director	
	AIC Asia International Services (Ontario) Corp.	President and Director	
	AIC Telecom (U.K.) Ltd.	Director	