

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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**O'MELVENY & MYERS LLP**

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LOS ANGELES  
CENTURY CITY  
IRVINE  
NEWPORT BEACH  
NEW YORK  
SAN FRANCISCO

555 13th Street, N.W.  
Washington, D.C. 20004-1109

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TYSONS CORNER  
HONG KONG  
LONDON  
SHANGHAI  
TOKYO

June 15, 2000

OUR FILE NUMBER  
152,137-001

Ms. Magalie Roman Salas, Esq.

Secretary

Federal Communications Commission

International Bureau Telecommunications Division

P.O. Box 358115

Pittsburgh, PA 15251-5115

WRITER'S DIRECT DIAL  
202-383-2407  
WRITER'S E-MAIL ADDRESS  
khawa@omm.com

**Re:***Application of Choice One Communications, Inc. and US  
Exchange, Inc. for Authority to Transfer Control of  
International Authority Pursuant to Section 214 of the  
Communications Act of 1934*

Dear Ms. Salas:

Enclosed for filing with the Commission are an original and six (6) copies of the above-captioned application

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

Very truly yours,



Kemal Hawa  
for O'MELVENY & MYERS LLP

Enclosure

cc:    Kim Scovill

DCI:435485.1

READ INSTRUCTIONS CAREFULLY

APPROVED BY OMB

3060-0589

FEDERAL COMMUNICATIONS COMMISSION  
REMITTANCE ADVICE

PAGE NO. 1 OF 2

(1) LOCKBOX # 358115

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)

Omelveny & Myers, LLP

(13) TOTAL AMOUNT PAID (dollars and cents)  
\$ 780.00

(4) STREET ADDRESS LINE NO. 1  
555 13th Street, NW, Suite 500W

(5) STREET ADDRESS LINE NO. 2

(6) CITY  
Washington

(7) STATE  
DC

(8) ZIP CODE  
20004-1109

(9) DAYTIME TELEPHONE NUMBER (include area code)  
(202) 383-5300

(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)

Choice One Communications, Inc

(12) STREET ADDRESS LINE NO. 1

100 Chestnut Street, Suite 700

(13) STREET ADDRESS LINE NO. 2

(14) CITY

Pochester

(15) STATE  
NY

(16) ZIP CODE  
14604

(17) DAYTIME TELEPHONE NUMBER (include area code)

(716) 246-4231

(18) COUNTRY CODE (if not in U.S.A.)  
(716) 530-2734

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

ITC-96-691

(20A) PAYMENT TYPE CODE (PTC)

C U T

(21B) QUANTITY  
1

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

FCC USE ONLY

(23A) FCC CODE 1

(20B) PAYMENT TYPE CODE (PTC)

(19B) FCC CALL SIGN/OTHER ID

(20C) PAYMENT TYPE CODE (PTC)

(21B) QUANTITY

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

FCC USE ONLY

(23B) FCC CODE 1

(20C) PAYMENT TYPE CODE (PTC)

(21B) QUANTITY

(22B) FEE DUE FOR (PTC) IN BLOCK 20C

FCC USE ONLY

(19C) FCC CALL SIGN/OTHER ID

(20C) PAYMENT TYPE CODE (PTC)

(21B) QUANTITY

(22B) FEE DUE FOR (PTC) IN BLOCK 20C

FCC USE ONLY

(23C) FCC CODE 1

(20C) PAYMENT TYPE CODE (PTC)

(21B) QUANTITY

(22B) FEE DUE FOR (PTC) IN BLOCK 20C

FCC USE ONLY

(19D) FCC CALL SIGN/OTHER ID

(20D) PAYMENT TYPE CODE (PTC)

(21B) QUANTITY

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

FCC USE ONLY

(23D) FCC CODE 1

(20D) PAYMENT TYPE CODE (PTC)

(21B) QUANTITY

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

FCC USE ONLY

SECTION D - TAXPAYER INFORMATION (REQUIRED)

(25) COMPLETE THIS BLOCK ONLY IF APPLICANT NAME IN B-1 IS DIFFERENT FROM PAYER NAME IN A-3

PAYER TIN

0 9 5 1 0 6 6 5 9 7

APPLICANT TIN

SECTION E - CERTIFICATION

(27) CERTIFICATION STATEMENT  
I, KEMAL HAWA (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 \_\_\_\_\_

SECTION F - CREDIT CARD PAYMENT INFORMATION

(28) MASTERCARD/VISA ACCOUNT NUMBER: \_\_\_\_\_ EXPIRATION DATE: \_\_\_\_\_

Mastercard/VISA account number grid

Expiration date grid

(29) VISA

I hereby authorize the FCC to charge my VISA or MASTERCARD for the service(s) indicated below, as described.

AUTHORIZED SIGNATURE  
*Kemal Hawa*

SEE PUBLIC BURDEN ESTIMATE ON REVERSE

FCC FORM 159 JULY 1997 (REVISED)

# REMITTANCE ADVICE (Continuation Sheet)

PAGE NO. 2 OF 2

## USE THIS SECTION ONLY FOR EACH ADDITIONAL APPLICANT

### SECTION BB - ADDITIONAL APPLICANT INFORMATION

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

US Xchange, Inc.

(12) STREET ADDRESS LINE NO. 1

56 Grandville Ave, SW

(13) STREET ADDRESS LINE NO. 2

(14) CITY

Grand Rapids

(15) STATE

MI

(16) ZIP CODE

49503

(17) DAYTIME TELEPHONE NUMBER (include area code)

(616) 493-7000

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

(616) 493-7010

IF MORE BOXES ARE NEEDED, USE ADDITIONAL FCC 159-C CONTINUATION SHEETS TO LIST EACH SERVICE

### SECTION CC - PAYMENT INFORMATION

(19A) FCC CALL SIGN/OTHER ID

(20A) PAYMENT TYPE CODE (PTC)

(21A) QUANTITY

(22A) FEE DUE FOR (PTC) IN BLOCK 20A

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

(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

(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

(23D) FCC CODE 1

(24D) FCC CODE 2

### SECTION DD - TAXPAYER INFORMATION

(25) COMPLETE THIS BLOCK ONLY IF SECTION BB IS APPLICABLE

APPLICANT TIN

0

reset form

**BEFORE THE  
FEDERAL COMMUNICATIONS COMMISSION  
WASHINGTON, D.C. 20554**

In the Matter of

**CHOICE ONE COMMUNICATIONS, INC.,**

and

File No. ITC-TC- \_\_\_\_\_

**US XCHANGE, INC.**

Application for Authority to Transfer  
Control of International Authority Pursuant  
to Section 214 of the Communications Act of 1934.

**APPLICATION**

Choice One Communications, Inc. (“Choice One”) and US Xchange Inc. (“US Xchange”) (collectively, “Applicants”), by their undersigned counsel, hereby request approval, pursuant to Section 214 of the Communications Act of 1934, as amended, 47 U.S.C. 214, and Section 63.18 of the Commission’s rules, 47 C.F.R. § 63.18, of a transaction whereby Choice One will acquire ownership and control of US Xchange, a non-dominant carrier holding Section 214 authorization to provide international telecommunications services on a facilities-based and/or resold basis. Applicants respectfully request streamlined treatment of this Application in order to permit them to consummate the proposed transaction within 30 days from the date of this filing.

In support of this Application, Applicants submit the following information:

**I. DESCRIPTION OF THE TRANSACTION**

Choice One and US Xchange have determined that they will realize significant economic and marketing efficiencies by establishing US Xchange as a wholly-owned subsidiary of Choice One. Accordingly, they have reached an agreement to transfer control of US Xchange to Choice One. The proposed transaction is structured as a sale of 100% of the issued and outstanding common stock of US Xchange to Choice One.

Although the proposed transaction will transfer ownership and control of US Xchange to Choice One, it will not involve a change in the manner in which US Xchange provides service to its international customers. Immediately following the transaction, US Xchange will continue to provide high quality telecommunications services to its customers pursuant to its authorization granted by the Commission, with no change in the rates or terms and conditions of service currently enjoyed by its existing customers. The transfer of control, therefore, will be virtually transparent to US Xchange's customers in terms of the international services they receive.

**II. INFORMATION REQUIRED BY SECTION 63.18**

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

Transferee: Choice One Communications, Inc.  
100 Chestnut Street, Suite 700  
Rochester, NY 14604  
Telephone: (716) 246-4231  
Facsimile: (716) 530-2734

Transferor: US Exchange, Inc.  
56 Grandville Ave SW  
Grand Rapids, MI 49503  
Telephone: (616) 493-7000  
Facsimile: (616) 493-7010

(b) Transferee: Choice One is incorporated under the laws of the State of Delaware. ✓  
Transferor: US Exchange is incorporated under the laws of the State of Delaware. ✓

(c) Correspondence concerning this Application should be sent to:  
Kernal Hawa  
O'Melveny & Myers LLP  
555 13<sup>th</sup> St, N.W.  
Washington, D.C. 20004-1109  
Telephone: (202) 383-5300  
Facsimile: (202) 383-5414

with a copy to:

Kim Scovill  
Choice One Communications, Inc.  
100 Chestnut Street, Suite 700  
Rochester, NY 14604  
Telephone: (716) 246-4231  
Facsimile: (716) 530-2734

(d) Transferee: Choice One's wholly-owned subsidiary, Choice One International, Inc. holds Section 214 authorization. See file No. ITC-214-19981117-00802. ✓

Transferor: US Exchange, L.L.C., a wholly-owned subsidiary of US Exchange, Inc., holds Section 214 authorization granted by the Commission to provide global resale and facilities-based international telecommunications services. See file No. ITC-214-19961219- ✓

(e) By this application, Applicants seek authority to transfer control of US Xchange, a non-dominant carrier holding international Section 214 authorization, to Choice One, which currently does not hold Section 214 authority.

(f) Choice One identifies the following as the only ten-percent-or-greater direct or indirect equity owner:

Morgan Stanley Dean Witter Capital Partners Entities  
(Morgan Stanley Capital Partners III, L.P. and related private equity funds and Morgan Stanley Dean Witter Capital Partners IV, L.P. and a related private equity fund—separate but affiliated funds)  
1221 Avenue of the Americas  
New York, NY 10020

Choice One has no interlocking directorates with a foreign carrier.

(g) As required by Section 63.18(i) of the Commission's Rules, Choice One certifies that it is not affiliated with a foreign carrier within the meaning of Section 63.09(e) of the Commission's Rules, as defined in Section 63.09(d) of the Commission's Rules.

(h) Choice One certifies that it does not seek to provide international telecommunications services to any destination country where:

- (1) Choice One is a foreign carrier in that country; or
- (2) Choice One controls a foreign carrier in that country; or
- (3) Any entity that owns more than 25 percent of Choice One, or that controls Choice One, controls a foreign carrier in that country.
- (4) Two or more foreign carriers (or parties that control foreign carriers) own, in the aggregate more than 25 percent of Choice One and are parties to, or the beneficiaries of, a contractual relation affecting the provision or marketing or international basic telecommunications services in the United States.

(i) Not applicable.

(j) Not applicable.

(k) Not applicable.

(l) Choice One 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 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.

(m) Choice One 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.

(n) Choice One requests streamlined processing of this application pursuant to Section 63.12 of the Commission's Rules. This application qualifies for streamlined processing because Choice One has no foreign affiliations, has no affiliation with a dominant U.S. carrier whose international switched or private line services Choice One seeks authority to resell, and does not seek authority to provide switched basic services over private lines to a country for which the Commission has not previously authorized the provision of such services.

### CONCLUSION

WHEREFORE, for the reasons stated herein, Choice One Communications, Inc. and US Exchange, Inc. respectfully request that the Commission approve this Application to permit Applicants to consummate the proposed transfer of control within 14 days and grant all other relief as necessary and appropriate to effectuate the transactions described herein.

Respectfully submitted,

OMELVENY & MYERS LLP

By:   
Kennal Hawa

Dated: June 15, 2000

DC1:435486.1

CERTIFICATION OF APPLICANT

On behalf of Choice One Communications, Inc. and in accordance with Section 1.2001-1.2003 of the Commission's Rules, 47 C.F.R. § 1.2001-1.2003, I hereby certify that no party to this application is subject to a denial of Federal benefits that includes FCC benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1998. See 21 U.S.C. § 853a. I also hereby certify that the statements in the foregoing application for approval to assign Section 214 authorization are true, complete and correct to the best of my knowledge and are made in good faith.

Choice One has not agreed to accept nor shall it accept in the future any special concessions, as defined by the Commission's Rules, directly or indirectly from any foreign carrier or administration with respect to traffic or revenue flows on any U.S. international route where the foreign carrier possess sufficient market power on the foreign end of the route to affect competition adversely in the U.S. market.

CHOICE ONE COMMUNICATIONS, INC.

By:



Name:

Kim Roars Seaville

Title:

Vice President

Date:

6/14/00