

Categories of Services for 214 Applications
(Streamlined/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

FRBI

Description of Application: _____

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June 16, 2000

VIA HAND DELIVERY

Magalie Roman Salas, Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554

Re: Joint Application Pursuant to Section 214 of the Communications Act of 1934, as amended, to Transfer Control, *nunc pro tunc*, of Latin American Enterprises, Inc. to Ursus Telecom Corporation.



Dear Secretary Salas:

Ursus Telecom Corporation ("Ursus"), and Latin American Enterprises, Inc. ("LAE") by their undersigned counsel and pursuant to Section 214 of the Communications Act of 1934, as amended, 47 U.S.C. 214 (1982), and Section 63.18 of the Commission's Rules, 47 C.F.R. 63.18 (1998), submit to the Commission an original and 6 copies of their Joint Application for Transfer of Control of LAE to Ursus.

Applicants respectfully request expedited treatment of this Application for Transfer of Control. Applicants apologize for failing to timely notify the Commission of this transaction. Applicants assure the Commission that, in the future, they will endeavor to comply fully with the Commission's Rules.

Please do not hesitate to contact us if you require additional information regarding Ursus, LAE, or the above described transaction.

Respectfully submitted,


Helen E. Disenhaus
Paul O. Gagnier


Counsel for Ursus Telecom Corporation

cc: Jeffrey Chaskin (Ursus)

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

_____)
In the Matter of)
)
)
Ursus Telecom Corporation and) File No. ITC-T/C-2000 _____
Latin American Enterprises, Inc.)
)
)
Joint Application for Authority Pursuant to)
Section 214 of the Communications Act of 1934,)
as amended, to Transfer Control, *nunc pro tunc*,)
of Latin American Enterprises, Inc.)
to Ursus Telecom Corporation)
_____)

JOINT APPLICATION FOR TRANSFER OF CONTROL

Ursus Telecom Corporation ("Ursus " or "Transferee") and Latin American Enterprises, Inc. ("LAE" or "Transferor") (together, "Applicants"), by their undersigned counsel, and pursuant to Section 214 of the Communications Act of 1934, as amended, 47 U.S.C. § 214 (1982) (the "Act"), and Section 63.18 of the Commission's Rules, 47 C.F.R. § 63.18 (1998), hereby request approval to transfer control of LAE and its Section 214 authorization, *nunc pro tunc*, to Ursus.

As described below, Ursus has acquired ultimate control of LAE through a transaction consummated on June 13, 2000, whereby Ursus's wholly-owned subsidiary, LAE Acquisition Corp., merged with and into LAE, which became a wholly-owned subsidiary of Ursus. Although LAE has a new ultimate corporate parent, LAE will continue to provide services under its current corporate name to its existing customers under existing service arrangements, pursuant to its authority granted by the Commission. The proposed transaction, therefore, is transparent to LAE's customers.

Applicants respectfully request expedited treatment of this Application. Applicants apologize for failing to timely notify the Commission of this transaction. Applicants assure the Commission that, in the future, they will endeavor to comply fully with the Commission's Rules.

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.

I. DESCRIPTION OF THE PARTIES

A. Ursus Telecom Corporation

Ursus is a next-generation telecommunications company providing international voice, data and enhanced telecommunications services to carriers, businesses and individuals around the world. The company was established in 1993 as a carrier providing international telephony services and has grown to become a leader in Internet Protocol ("IP") managed network implementation and related IP technologies. The Ursus network covers Europe, Africa, Latin America and Asia, and its services focus on small and medium-sized businesses in emerging or deregulating markets. Ursus offers an array of international long distance products including direct access products, call re-origination, global travel service in 160 countries, a variety of enhanced and value-added services, and pre-paid calling cards.

Ursus's stock is publicly traded on the NASDAQ National Market under the symbol UTCC. As described in greater detail below, Ursus has received global authority under Section 214 of the Act to provide facilities-based and resale international telecommunications between the United States and foreign points. A wholly-owned subsidiary of Ursus, Ursus Telecom Peru S.A., recently received a concession as a non-dominant provider of domestic and international long distance services in Peru.

B. Latin American Enterprises, Inc.

LAE is a privately-held Florida corporation founded in 1991 that provides pre-paid calling card services in the United States and abroad, primarily in Latin America. Specifically, LAE sells and distributes pre-paid cards in major international airports (and other transportation terminals) through LAE-designed and manufactured vending machines.

LAE has received global resale authority under Section 214 and is certificated in several states. A subsidiary of LAE is authorized as a non-dominant provider of data transmission and value-added services in Argentina.

II. DESCRIPTION OF THE TRANSACTION

Pursuant to a Merger Agreement executed by Ursus and LAE on June 6, 2000, LAE Acquisition Corp., a Florida corporation and a wholly-owned subsidiary of Ursus, merged with and into LAE, which was the surviving corporation. LAE thereby became a wholly-owned subsidiary of Ursus. The merger was consummated on June 13, 2000.

Although this transaction transfers ultimate ownership and control of LAE to Ursus, it does not involve a change in the manner in which LAE provides service to its customers. LAE will continue to provide high quality telecommunications services to customers pursuant to its Section 214 authorization, with no change in the rates or terms and conditions of service currently enjoyed by its existing customers. The transaction thus will not cause inconvenience or confusion to LAE's customers, but rather will be transparent to them.

III. PUBLIC INTEREST CONSIDERATIONS

The transaction described herein is in the public interest. The acquisition of LAE by Ursus enhances Ursus's ability to compete in the international services market. The physical, technical,

and human resources of LAE and Ursus are highly complementary, and neither is a dominant operator. Ursus's qualifications are a matter of record with the Commission. LAE and Ursus have determined that the transaction described in this Application will enable both companies to enhance the range of services and choices available to their customers. Moreover, the synergies resulting from the transaction promote operational and administrative efficiencies within each company. These enhancements and efficiencies enable both companies to compete more effectively in the telecommunications market to the ultimate benefit of consumers.

IV. INFORMATION REQUIRED BY SECTION 63.18

Pursuant to Section 63.18 of the Commission's Rules, 47 C.F.R. § 63.18, Ursus and LAE submit the following information:

(a) Names, addresses and telephone numbers:

Transferor: Latin American Enterprises, Inc..
1080 NW 163 Drive
Miami, FL 33169
Tel: (305) 621-3400

Transferee: Ursus Telecom Corporation
440 Sawgrass Corporate Parkway, Suite 112
Sunrise, FL 33325
Tel: (954) 846-7887

- (b) Transferor: LAE is a corporation organized under the laws of the State of Florida.
Transferee: Ursus is a corporation organized under the laws of Florida.

(c) Correspondence concerning this application should be sent:

For Transferee:

Helen E. Disenhaus, Esq.
Paul O. Gagnier, 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

with a copy to:

Jeffrey R. Chaskin
Ursus Telecom Corporation
440 Sawgrass Corporate Parkway, Suite 112
Sunrise, FL 33325

and for Transferor:

Luis A. de Armas, Esq.
Shutts & Bowen LLP
1500 Miami Center
201 S. Biscayne Boulevard
Miami, FL 33131
Tel: (305) 379-9114
Fax: (305) 381-9982

with a copy to:

Juan Jose Pino
Latin American Enterprises, Inc..
1080 NW 163 Drive
Miami, FL 33169

(d) Transferor: LAE is an authorized non-dominant reseller of international switched services under Section 214 of the Act (FCC File No. ITC-93-302.)

Transferee: Ursus has received global authority under Section 214 of the Act to provide international switched and private line services on a facilities-based and resale basis between the U.S. and all international points. (FCC File No. ITC-97-692). In addition, Ursus has received Section

214 authority to provide facilities-based services between the United States and various international points via INTELSAT and other satellite systems. (FCC File No. ITC-96-223).

- (e)(3) By this application, Applicants seek authority to transfer control of LAE, a non-dominant reseller of international public switched services, to Ursus.
- (f) Not applicable.
- (g) Not applicable.
- (h) After completion of the transaction, the sole ten percent (10%) or greater shareholder of Ursus will be:

<u>Name/Address</u>	<u>% Held</u>	<u>Citizenship</u>	<u>Principal Business</u>
Fincogest, S.A. 1 Carrefour de Rive CH-1207, Geneva Switzerland	62%	Swiss	Investments

Fincogest's ownership interest in Ursus will be diluted slightly as a result of this transaction. However, Fincogest will continue to have a greater than 50% interest in Ursus.

Information regarding the sole 10% or greater shareholder of Fincogest is as follows:

<u>Name/Address</u>	<u>% Held</u>	<u>Citizenship</u>	<u>Principal Business</u>
Luca Giussani 440 Sawgrass Corporate Parkway, Suite 112 Sunrise, FL 33325	92%	Italian	Telecommunications

With the exception of directors and officers of Ursus that may serve as directors and officers of Ursus Telecom Peru S.A., Ursus does not have interlocking directorates with any foreign carriers.

- (i) Ursus certifies that it is not a foreign carrier within the meaning of Section 63.09 of the Commission's Rules. Ursus's wholly-owned subsidiary, Ursus Telecom Peru S.A., has received a concession as a non-dominant provider of domestic and international long distance services in Peru. In addition, LAE's wholly-owned subsidiary, Latin American Enterprises Telelink Argentina S.A., is authorized as a

non-dominant provider of data transmission and value-added services in the Republic of Argentina. Therefore, Ursus is affiliated within the meaning of Section 63.09(e) of the Commission's Rules with foreign carriers in Peru and Argentina.¹

- (j)(1) Not applicable.
- (j)(2) As indicated in section (i) above, Ursus certifies that it controls foreign carriers in Peru and Argentina. Specifically, Ursus Telecom Peru S.A. is an authorized non-dominant provider of domestic and international long distance services in Peru. LAE's subsidiary, Latin American Enterprises Telelink Argentina S.A., is an authorized non-dominant provider of data transmission and value-added services in Argentina. Ursus Telecom Peru S.A. and Latin American Enterprises Telelink Argentina S.A. do not provide services outside Peru and Argentina respectively.
- (j)(3) Ursus certifies that it does not seek to provide international telecommunications services to any destination country where an entity that owns more than 25 percent of Ursus, or that controls Ursus, controls a foreign carrier.
- (j)(4) Ursus certifies that it does not seek to provide international telecommunications services to any destination country where two or more foreign carriers (or parties that control foreign carriers) own, in the aggregate, more than 25 percent of Ursus 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.
- (k) Peru and Argentina both are Members of the World Trade Organization. Ursus Telecom Peru S.A. has recently received its Peruvian concession and has not yet commenced constructing its network or providing services. Accordingly, it lacks market power. Latin American Enterprises Telelink Argentina S.A. is a new entrant to the Argentine market and lacks market power. Finally, both Peru and Argentina provide effective competitive opportunities to U.S. carriers. The Peruvian telecommunications market is open to competition for all telecommunications services. The Argentine market is open to competition for all services except voice telephony, which is expected to open on November 8, 2000. Neither Argentina nor Peru impose foreign ownership restrictions on providers of telecommunications services.

¹ Ursus also gives notice under Section 63.11(a) of the Commission's Rules, 47 C.F.R. § 63.11(a), of its affiliation with Latin American Enterprises Telelink Argentina S.A. and, to the extent it has not already done so, gives notice of its affiliation with Ursus Telecom Peru S.A. under Section 63.11(b) of the Commission's Rules, 47 C.F.R. § 63.11(b). Another subsidiary of Ursus has applied for authorization to provide telecommunications services in Argentina; that application has not been granted.

- (l) Not applicable. Ursus does not propose to resell the international switched services of an unaffiliated U.S. carrier for the purpose of providing international telecommunications services in a Peru.
- (m) Ursus requests continued treatment as a non-dominant provider for Peru and Argentina. Ursus' affiliates in Peru and Argentina are new entrants that do not possess sufficient market power to affect competition adversely in the U.S. market. Ursus Telecom has recently received authorization in Peru, and has not yet commenced construction of its network or providing services. Latin American Enterprises Telelink Argentina S.A. is a non-dominant provider of data transmission and value-added services. Thus, Ursus' foreign affiliates lack 50 percent market share in the international transport and local access markets at the foreign ends of the U.S.-Peru and U.S.-Argentina routes. Ursus therefore should be presumptively classified as non-dominant for those routes.
- (n) Ursus 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.
- (o) Ursus certifies that it is not subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988.
- (p) Ursus and LAE request streamlined processing of this application pursuant to Section 63.12 of the Commission's Rules. Ursus is not itself a foreign carrier in any destination market that it intends to serve. Ursus is presumptively considered non-dominant for the provision of international telecommunications services to all countries. Ursus is not affiliated with any dominant U.S. carrier whose international switched or private line services it seeks to resell. In addition, even though Ursus's wholly-owned subsidiaries, Ursus Telecom Peru S.A. and Latin American Enterprises Telelink Argentina S.A. are authorized to provide telecommunications services in Peru and Argentina respectively, both are non-dominant. Furthermore, Peru and Argentina are Members of the World Trade Organization and afford U.S. carriers effective competitive opportunities. Accordingly, this Application is eligible for streamlined processing.²

² See 47 C.F.R. §§ 63.10(a)(1), 63.10(a)(3), 63.10(a)(4), 63.12(a); *In re 1998 Biennial Regulatory Review -- Review of International Common Carrier Regulations*, Report and Order, FCC 99-51, IB Docket No. 98-118 (el. Mar. 23, 1999), at 11 ¶ 22; *Foreign Participation Order*, 12 FCC Rcd. at 24032 ¶ 322; *Streamlining Order*, 11 FCC Rcd. at 12889 ¶ 12; 47 C.F.R. §§ 63.10, 63.12 (1998).

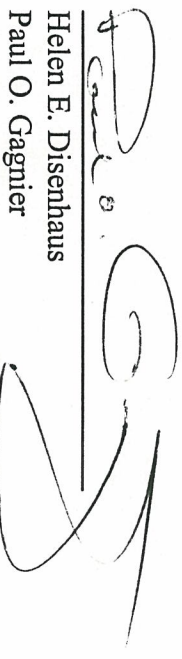
V. CONCLUSION

For the reasons stated above, Applicants respectfully submit that the public interest, convenience, and necessity would be furthered by grant of this application, *nunc pro tunc*, for transfer of control.

Respectfully submitted,

Ursus Telecom Corporation
Latin American Enterprises, Inc.

By:



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Counsel for Ursus Telecom Corporation and
on behalf of Latin American Enterprises, Inc.

Dated: June 16, 2000

CERTIFICATION OF URSUS TELECOM CORPORATION

On behalf of Ursus Telecom Corporation, I hereby certify the following:

- a) that the statements in the foregoing Joint Application for Authority to Transfer Control are true, complete, and correct to the best of my knowledge and are made in good faith;
- b) that Ursus Telecom Corporation 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; and
- c) that Ursus is not subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988.



By: Jeffrey Chaskin
Title: President and Chief Operating Officer
Date: June 7, 2000