

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: _____

for Wtds. PN - per my e-mail.

FCC/MELLOW

JUL 31 2000

BEFORE THE FEDERAL COMMUNICATIONS COMMISSION

WASHINGTON, D.C. 20554

In the Matter of

U.S. TELEPACIFIC CORP.

Application for Consent to Transfer of Control of
Common Carrier Holding Global International
Facilities-Based and Resale Authority Pursuant to
Section 214 of the Communications Act of 1934, as
Amended.

File No. 1-T-~~PR~~CEIVED

AUG 03 2000

Telecom Division
International Bureau

APPLICATION

U.S. TelePacific Corp., (“Applicant”) hereby requests consent pursuant to Section 214 of the Communications Act of 1934, as amended, 47 U.S.C. § 214 (1982), and Section 63.18 of the Federal Communications Commission (“FCC”) Rules, 47 C.F.R. § 63.18 et seq., for the transfer of indirect control in Applicant from David P. Glickman, an individual (“Glickman”) to Applicants, shareholders in general. Subsequent to such transfer, the power to control Applicant may reside in a control group consisting of either: (i) Glickman and Rader Reinfrank Holdings No. 3, a general partnership (“RRCO”); (ii) Glickman and TelePacific Holdings Limited, a corporation (“THL”); (iii) THL and RRCO; or (iv) Glickman, THL, and RRCO, depending on alliances that may form from time to time, or, in the absence of such an alliance, may reside in no particular stockholder.

The proposed change in control will be carried out pursuant to a shareholders agreement among certain stockholders of Applicant’s parent, U.S. TelePacific Holdings Corp. (“Holdings”) entered into in connection with the extension of substantial equity investments. Pursuant to that

agreement, Mr. Glickman will relinquish his effective power to designate a majority of the board of directors, and Mr. Glickman, THL, and RRCO will thereafter have substantially equal power to elect the directors of Holdings. There will be no change in any telecommunications operations of Applicant following this change of control and the parties contemplate that such operations will continue to be undertaken by Applicant's existing management personnel and operating employees. The change of control is being undertaken to preserve and promote the long-term interests of all investors, but particularly including new and future investors, and will not affect any international operations. Applicant believes that the proposed balance in control will help ensure that a broad range of expertise, experience, and other resources are available and considered in matters of significant and strategic importance as Holdings continues to expand the scope and scale of its collective operations. Moreover, Applicant believes that this transaction will also help place the company in a position where it can more easily attract and access needed capital at lower cost than would otherwise be available, which, in the long run, should inure to the benefit of the company, its founders, other investors, and consumers. Consequently, this application is non-controversial and should be granted on a streamlined basis.

Applicant submits the following information in support of this application:

1. Rule 63.18 (a)-(d)

Applicant

(a) U.S. TelePacific Corp.
515 South Flower Street, 49th Floor
Los Angeles, California 90071-2201
Tel: 213-213-3000

(b) Applicant is organized as a corporation under the laws of the State of California.

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Delabarty

- (c) Correspondence concerning this Application should be sent to:

John L. Clark
GOODIN, MACBRIDE, SQUERI, RITCHIE & DAY, LLP
505 Sansome Street, 9th Floor
San Francisco, California 94111
Telephone: (415) 765-8443
Fax: (415)-765-8443

- (d) Applicant has previously received authority under Section 214 of the Communications Act to provide global facilities-based and switched resale international telecommunications services (Original File No. ITC-97-552 issued to Justice Long Distance Corp.).

Transferee RRCCO

- (a) Rader Reinfrank Holdings No. 3
9465 Wilshire Boulevard, Suite 950
Los Angeles, California 90212
Tel: 310-385-3660
- (b) Transferee is organized as a general partnership under the laws of the State of California.
- (c) Correspondence concerning this Application should be sent to:

John L. Clark
GOODIN, MACBRIDE, SQUERI, RITCHIE & DAY, LLP
505 Sansome Street, 9th Floor
San Francisco, California 94111
Telephone: (415) 765-8443
Fax: (415)-765-8443
- (d) Transferee has not previously requested or received authority under Section 214 of the Communications Act.

Transferee THL

- (a) TelePacific Holdings Limited
West Wind Building, 4th Floor
Harbour Drive
George Town, Grand Cayman
Cayman Islands, B.W.I.
Tel: 345-949-5122
- (b) Transferee is organized as a corporation under the laws of the Cayman Islands,
British West Indies.
- (c) Correspondence concerning this Application should be sent to:

John L. Clark
GOODIN, MACBRIDE, SQUERI, RITCHIE & DAY, LLP
505 Sansome Street, 9th Floor
San Francisco, California 94111
Telephone: (415) 765-8443
Fax: (415)-765-8443
- (d) Transferee has not previously requested or received authority under Section 214
of the Communications Act.

2. Rule 63.18 (e)-(p)

- (e) Applicant seeks consent for the acquisition by RRCCO and THL of indirect control over Applicant as members of a group controlling Applicant's parent.
- (h) The following persons or entities directly or indirectly own a ten percent or more equity interest in Applicant:

Name and Address	Citizenship	Business	Percent Ownership
David P. Glickman 515 South Flower St. 49 th Fl. Los Angeles, CA 90071	USA	Businessman	11.22%

TelePacific Holdings Limited Westwind Building, 2 nd Fl. Harbour Drive Georgetown, Grand Cayman Cayman Islands, B.W.I.	Cayman Islands	Venture Financing	22.2%
Milestone Ventures, LLC 515 South Flower St. 49 th Fl. Los Angeles, CA 90071	USA	Private Investor	16.1%*
Rader Reinfrank Holdings No. 3 9465 Wilshire Blvd., Ste. 950 Beverly Hills, CA 94212	USA	Venture Financing	16%
GE Capital Equity Investments, Inc. 120 Long Ridge Road Stamford, CT 06927	USA	Equity Financing	10.7%
Rader Reinfrank Investors, L.P. 9465 Wilshire Blvd., Ste. 950 Beverly Hills, CA 94212ro	USA	Venture Financing	**
General Electric Capital Services, Inc. 260 Long Ridge Road Stamford, CT 06927	USA	Financial Services	***
GE Capital Corporation 260 Long Ridge Road Stamford, CT 06927	USA	Financial Services	***
General Electric Company 3135 Easton Turnpike Fairfield, CT 06431	USA	Diversified Manufacturer	***

* Milestone Ventures, LLC is controlled by David P. Glickman

** Rader Reinfrank Investors, L.P. holds an interest in Rader Reinfrank Holdings No. 3 of more than 50%.

*** General Electric Capital Services, Inc, GE Capital Corporation, and General Electric Company hold direct and indirect interests, respectively, in GE Capital Equity Investments, Inc. of more than 50%.

There will be no interlocking directorships between Applicant and any foreign carrier

upon consummation of the change of control that is the subject of this application.

- (i) Applicant certifies that it will not be affiliated with any foreign carrier upon consummation of the change of control that is the subject of this application.
- (j) Applicant certifies that it does not seek to provide international telecommunications services to any destination country for which subsection (1), (2), (3), or (4) of 47 C.F.R. § 63.18(j) is true.
- (k) Not applicable.
- (l) Not applicable.
- (m) Not applicable.
- (n) Applicant certifies that it has not agreed and will not agree 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.
- (o) Applicant certifies that no party to the application is subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1998.
- (p) This application qualifies for streamlined processing under 47 C.F.R. § 63.12 because it seeks authorizations only under 47 C.F.R. § 63.18 and none of the exceptions to streamlined processing set forth in 47 C.F.R. § 63.12(c) apply.

CONCLUSION

As demonstrated in this application, the proposed transfer of control will not adversely affect any services or customers now served by Applicant and, for the reasons stated above, will further the public interest, convenience and necessity. The requested authorization for the described change in indirect control over Applicant therefore should be issued.

Respectfully submitted this 10th day of July 2000 at San Francisco, California.

GOODIN, MACBRIDE, SQUERI,
RITCHIE & DAY, LLP

John L. Clark

505 Sansome Street, Suite 900
San Francisco, California 94111

Telephone: (415) 765-8443

Facsimile: (415) 398-4321

By



John L. Clark

Attorneys for Applicant

CERTIFICATION OF APPLICANT

I hereby certify that the statements in the foregoing application are true, complete, and correct to the best of my knowledge and are made in good faith.

U.S. TELEPACIFIC CORP.

By: 
Name: Jane Z. Detarantny
Title: Assistant Secretary
Date: July 11, 2000

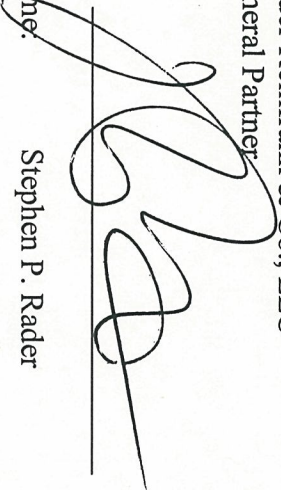
CERTIFICATION OF TRANSFEREE RRCO

I hereby certify that the statements in the foregoing application are true, complete,
and correct to the best of my knowledge and are made in good faith.

RADER REINFRANK HOLDINGS NO. 3

By: Rader Reinfrank Investors, L.P.
Its: Managing Partner

By: Rader Reinfrank & Co., LLC
Its: General Partner

By:  _____
Name: Stephen P. Rader

Title: Managing Member

Date: July 21, 2000

CERTIFICATION OF TRANSFEREE THL

I hereby certify that the statements in the foregoing application are true, complete,
and correct to the best of my knowledge and are made in good faith.

TelePacific Holdings Limited

By: The Director Ltd.

By: Sydney T. Lennon

Name: The Director Ltd.

Title: Director

Date: July 14, 2000