

**ATTACHMENT 1**

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

<b>In the Matter of</b>	)	
	)	
<b>TELEFONICA INTERNACIONAL, S.A.,</b>	)	
<b>a Spanish corporation</b>	)	
	)	
<b>Transferor,</b>	)	
	)	
<b>AND</b>	)	
	)	<b>File No. _____</b>
<b>RUDOLPH MCGLASHAN, an</b>	)	
<b>individual,</b>	)	
	)	
<b>Transferee</b>	)	
	)	
<b>FOR CONSENT TO TRANSFER CONTROL</b>	)	
<b>PURSUANT TO SECTION 214 OF THE</b>	)	
<b>COMMUNICATIONS ACT OF 1934,</b>	)	
<b>AS AMENDED</b>	)	

**APPLICATION FOR STREAMLINED TRANSFER OF CONTROL  
OF INTERNATIONAL SECTION 214 AUTHORIZATION**

Rudolph McGlashan, an individual (“McGlashan”) hereby requests streamlined Commission authorization to transfer control of the international Section 214 authorization held by Communication Technology, Inc., a Delaware corporation ("CTI"), from Telefonica Internacional, S.A., a Spanish corporation (“Telefonica”) to McGlashan.

Telefonica and McGlashan have entered into, but not closed on, a Stock Purchase Agreement, dated July 21, 2005 pursuant to the terms of which McGlashan will acquire control of CTI from Telefonica by means of the sale of

100% of the capital stock of CTI (the "Stock") by Telefonica to McGlashan (the "Transaction"). Following receipt of this Commission's consent to the Transaction, the sale will result in the transfer to McGlashan of control of CTI, the holder of the international Section 214 authorization.

### **Factual Background**

Prior to November 15, 2000, McGlashan, who owned 95% of the Stock, and was the sole director and chief executive officer ("CEO") of CTI, controlled CTI. On November 15, 2000, McGlashan (and the holder of the remaining 5% of the Stock) sold 100% of the Stock to Telefonica, which has controlled CTI from November 15, 2000 until the present. Telefonica has the power to appoint and did appoint all of the members of the board of directors. Telefonica, through the board of directors appointed by it, has the power and authority to appoint, promote, demote and fire senior executives who controlled the day-to-day activities of CTI. Telefonica has the power and authority to play an integral role in the major management decisions of CTI, to pay financial obligations, including expenses arising out of operations of CTI, and the ability to receive monies and profits, if any, from the operations of CTI.

After the November 2000 sale to Telefonica, Telefonica appointed McGlashan a director of CTI and the board of directors elected McGlashan President and Chief Executive Officer of CTI, a position he holds at this time and which he had held prior to the sale of the CTI capital stock to Telefonica.

Following the consummation of the Transaction, McGlashan will control CTI. Specifically, McGlashan will have the power and authority to (a) appoint all of the members of the board of directors; (b) appoint, promote, demote and fire

senior executives who control the day-to-day activities of CTI; (c) play an integral role in the major management decisions of CTI; (d) pay financial obligations, including expenses arising out of the operations of CTI, and (e) receive monies and profits, if any, from the operations of CTI.

On November 23, 2001, CTI's application for an International Telecommunications Certificate was granted by the Commission pursuant to File No. ITC-214-20011029-00541. The grant of authority to CTI is to operate as a Facilities-based carrier in accordance with the provisions of Section 63.18(e)(1) of the Commission's Rules and also to provide service in accordance with the provisions of Section 63.18(e)(2) of the Commission's Rules. CTI agreed to be classified as a dominant carrier only for the U.S., Argentina, Chile, Peru and Spain.

Upon the consummation of the Transaction, CTI will operate as a non-dominant, Voice Over Internet Protocol ("VOIP") carrier offering internet related voice services to the wholesale and the enterprise marketplace and will also provide limited global Facilities-based Service and Limited Global Resale Service.

The countries to which services will be provided by CTI after McGlashan's acquisition of control will be the following: Argentina, Chile, Peru, El Salvador and Guatemala.

In accordance with the requirements of Section 63.24(e) of the Commission's Rules, McGlashan submits the following information:

**(1) Name, address and telephone number of Telefonica and McGlashan:**

**Telefonica**

Telefonica Internacional, S.A.  
Gran Via, 28  
28013 Madrid (Espana)  
TEL: 011-34-91-362-6627  
FAX: 011-34-91-362-6663

**McGlashan**

Rudolph McGlashan  
1101 Brickell Avenue,  
North Tower, Suite 1000  
Miami, FL 33131  
TEL: 305/603-4335  
FAX: 305/377-8156

**(2) Government, state or territory under the laws of which each corporate or partnership applicant is organized:**

Telefonica is a corporation organized under the laws of Spain with its principal place of business in Madrid, Spain.

**(3) Name, title, post office address, and telephone number of the officer or contact point to whom correspondence concerning the application is to be addressed:**

**For Telefonica**

Javier Delgado  
Chief Financial Officer  
Telefonica Internacional, S.A.  
Gran Via, 28  
28013 Madrid, Spain  
TEL: 011-34-91-362-6627  
FAX: 011-34-91-362-6663

With a copy to Counsel:

Thomas J. Quarles  
Stearns Weaver Miller Weissler Alhadeff & Sitterson, P.A.  
Suite 2500  
150 West Flagler Street  
Miami, FL 33130  
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FAX: 305/789-3395

**For McGlashan**

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1101 Brickell Avenue,  
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Miami, FL 33131  
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With a copy to Counsel:

Bernard Jacobson  
Akerman Senterfitt  
One S.E. Third Avenue  
Miami, FL 33131  
TEL: 305/982-5655  
FAX: 305/374-5095

- (4) Statement as to whether either applicant had previously received authority under Section 214 of the Act.**

Neither applicant has previously received authority under Section 214 of the Act.

- (5) Name, address, citizenship and principal business of any person or entity that directly owns at least ten (10) percent of the equity of the Transferee, and the percentage of equity owned by each of those entities:**

Not applicable. McGlashan is an individual, and is a citizen of the United States of America.

- (6) Certification as to whether or not the Transferee is, or is affiliated with, a foreign carrier.**

McGlashan hereby certifies that prior to the consummation of the Transaction, he is affiliated with Telefonica, a foreign carrier, because of his position as director and CEO of CTI, but that upon the consummation of the Transaction, he will not be affiliated with any foreign carrier.

- (7) Certification as to whether or not McGlashan seeks to provide international telecommunications services to any country for which certain conditions are true.**

McGlashan certifies that he will not provide international telecommunications services to any destination country: (a) in which he is a foreign carrier; (b) in which he controls a foreign carrier; (c) in which an entity that owns more than 25 percent of CTI, or controls CTI controls a

foreign carrier; or (d) in which two or more foreign carriers (or parties that control foreign carriers) own, in the aggregate, more than 25 percent of CTI and are parties to, or the beneficiaries of, a contractual relation affecting the provision or marketing of international basic telecommunications services in the United States.

**(8) Showing regarding provision of international telecommunications service to a country where McGlashan is a foreign carrier or is affiliated with a foreign carrier.**

McGlashan is not a foreign carrier and he is not affiliated with any dominant foreign carriers. However, Caribbean Internet and Interconnect Telecommunications, Ltd, a Trinidad-Tobago corporation is an affiliated company of CTI (CTI owns 100% of the equity interests). Broadband Wireless Communication Corporation, a Panama corporation ("BWCC") is an affiliated company of CTI (CTI owns 79% of the equity interests). Both companies provide telecommunications services to their own customers in their respective countries. The affiliation with BWCC has allowed CTI to expand its business to the retail market. Both CIIT and BWCC are non-dominant carriers in the jurisdictions where they are located. After consummation of the Transaction, McGlashan, as sole shareholder, director of CTI, and as an officer and director of CIIT and BWCC will be affiliated with CIIT and BWCC.

**(9) Regulatory classification under Section 63.10 of the Rules.**

After McGlashan acquires control of CTI, CTI will be a non-dominant carrier in each jurisdiction in which it operates.

**(10) Certification that McGlashan has not agreed to accept special concessions directly or indirectly from any foreign carrier.**

McGlashan certifies that he has not agreed 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 that he will not enter into such agreements in the future.

**(11) Certification pursuant to 47 C.F.R. Sections 1.2001 through 1.2003 that no party to the application is subject to denial of Federal benefits pursuant to section 5301 of the Anti-Drug Abuse Act of 1988.**

McGlashan hereby certifies, pursuant to 47 C.F.R. Sections 1.2001 through 1.2003, that no party to the present application is subject to denial of Federal benefits pursuant to section 5301 of the Anti-Drug Abuse Act of 1988.

**(12) Qualification for streamlined processing.**

The present application qualifies for streamlined processing under Sections 63.12(a) and (b) of the Commission's Rules.

McGlashan is not affiliated with any foreign carrier in any destination market except as described in (8), above.

McGlashan does not have an affiliation with a dominant U.S. carrier whose international switched or private line services he seeks authority to resell.

McGlashan 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 switched services over private lines.

Rather, McGlashan proposes only to assume control over CTI and to continue to operate CTI as a non-dominant carrier that resells the international switched services of one or more unaffiliated U.S. carriers.

**Conclusion**

In view of the foregoing, the Commission is respectfully requested to grant its consent, on a streamlined basis, for the transfer of control of the international Section 214 authorization held by CTI to McGlashan.

Respectfully submitted,

Telefonica Internacional, S.A.

By: \_\_\_\_\_  
Juan Carlos Ros  
General Counsel

## DECLARATION OF JUAN CARLOS ROS

I, Juan Carlos Ros, General Counsel of Telefonica Internacional, S.A., do hereby declare under penalties of perjury that I have read the foregoing "APPLICATION FOR STREAMLINED TRANSFER OF CONTROL OF INTERNATIONAL SECTION 214 AUTHORIZATION" and that the information contained therein regarding Telefonica is true and accurate to the best of my knowledge, information and belief.

Dated: July 22, 2005

\_\_\_\_\_  
Juan Carlos Ros, General Counsel  
Telefonica Internacional, S.A.



**DECLARATION OF RUDOLPH MCGLASHAN**

I, Rudolph McGlashan do hereby declare under penalties of perjury that I have read the foregoing "APPLICATION FOR STREAMLINED TRANSFER OF CONTROL OF INTERNATIONAL SECTION 214 AUTHORIZATION" and that the information contained therein regarding me is true and accurate to the best of my knowledge, information, and belief.

Dated: July 22, 2005

\_\_\_\_\_  
Rudolph McGlashan

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Miami, FL 33131  
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**Certificate of Service**

I, Bernard Jacobson, of Akerman Senterfitt, do hereby certify that on this 22nd day of July, 2005 I caused to be sent via First Class US Mail, postage prepaid, the foregoing "APPLICATION FOR STREAMLINED TRANSFER OF CONTROL OF INTERNATIONAL SECTION 214 AUTHORIZATION" to the following and transmitted the same by electronic means to the offices of the Commission.

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Bernard Jacobson

US Department of Defense  
Assistant Secretary of Defense for C31  
1000 Defense Pentagon, Room 3E712  
Washington, DC 20301-1000

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Attn: Tracey Wilson-Parker  
Renee Crittendon