

Mikelle Morra

From: Sumita Mukholy
Sent: Thursday, November 16, 2006 11:01 AM
To: Mikelle Morra
Cc: David Krech
Subject: FW: Telesphere-Rally Capital supplement

Importance: High



Telesphere-Rally Supplement 11... Mikelle - See attached date-stamped copy. This needs to be uploaded to IBFS (File NO. ITC-T/C-1012-00465) . Thanks! Sumita

*** Non-Public: For Internal Use Only ***

-----Original Message-----
From: Kent Bressie [mailto:KBRESSIE@harriswiltshire.com]
Sent: Thursday, November 16, 2006 10:54 AM
To: David Krech; Sumita Mukholy
Subject: RE: Telesphere-Rally Capital supplement

Attached please find a date-stamped copy of yesterday's filing.

KDB

From: David Krech [mailto:David.Krech@fcc.gov]
Sent: Wed 11/15/2006 5:32 PM
To: Kent Bressie; Sumita Mukholy
Subject: RE: Telesphere-Rally Capital supplement

Thanks .

Hate to bother you again about this transaction, but do you have a copy of the July 27, 2006 letter where you notified us of the name change (from Clear Sky Broadband, Inc. to Telesphere) that you could send us?

*** Non-Public: For Internal Use Only ***

-----Original Message-----
From: Kent Bressie [mailto:KBRESSIE@harriswiltshire.com]
Sent: Wednesday, November 15, 2006 2:20 PM
To: Sumita Mukholy
Cc: David Krech
Subject: Telesphere-Rally Capital supplement

Sumita,

Attached please find a copy of the supplement we filed with the Secretary's office today. The supplement addresses the questions and information requests you sent to me. I will forward a date-stamped copy of the filing once I receive it back from the Secretary's office.

Please let me know if you need anything else.

All the best,

Kent

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FILED/ACCEPTED

NOV 15 2006

Federal Communications Commission
Office of the Secretary

15 November 2006

STAMP AND RETURN

BY HAND DELIVERY

Marlene H. Dortch
Office of the Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20054

*Re: Application for Consent to Transfer Control of a Telecommunications Carrier
Authorized to Provide Global Facilities-Based and Global Resale International
Telecommunications Services and to Transfer Control of Domestic Common
Carrier Transmission Lines, Pursuant to Section 214 of the Communications Act
of 1934, as Amended, FCC File No. ITC-T/C-20061012-00465*

Dear Ms. Dortch:

I am writing in response to written and telephone inquiries from International Bureau staff in connection with the acquisition of Telesphere Networks Ltd. (“Telesphere”) by Rally Capital, LLC (“Rally Capital”) (“Reorganization Transactions”).

First, I clarify that Rally Capital acquired its 67-percent interest in Telesphere’s capital stock through conversion of Telesphere debt into newly-issued shares of Telesphere capital stock.¹ The issuance of these new shares diluted the interests of Telesphere’s existing

¹ See Telesphere Networks Ltd. and Rally Capital, LLC, Application for Consent to Transfer Control of a Telecommunications Carrier Authorized to Provide Global Facilities-Based and Global Resale International Telecommunications Services and to Transfer Control of Domestic Common Carrier Transmission Lines, Pursuant to Section 214 of the Communications Act of 1934, as Amended, FCC File No. ITC-T/C-20061012-00465, at 3 (filed Oct. 12, 2006) (“Application”).

Marlene H. Dortch
Federal Communications Commission
15 November 2006
Page 2

shareholders. Consequently, the three shareholders who each held 10-percent-or-greater interests in Telesphere's capital stock prior to the Reorganization Transactions now, post-consummation, each hold less than 10 percent of Telesphere's outstanding capital stock. Attachment A illustrates the pre-Reorganization Transactions structure of Telesphere's ownership, while Attachment B illustrates the post-Reorganization Transactions structure of Telesphere's ownership.

Second, I clarify that no individuals or entities—other than those identified on pages 6 and 7 of the Application in response to Section 63.18(f) of the Commission's rules—holds a 10-percent-or-greater direct or indirect equity or voting interest in Telesphere or Rally Capital following the consummation of the Reorganization Transactions. Rally Capital's prior certification in response to Sections 63.18(h) and 63.24(i) of the Commission's rules is therefore accurate.²

Third, I ask that the Commission recognize the reference to "Menta LLC" on page 7 of the Application is a typographical error. The correct entity name is "Mente LLC."

If you have any questions, please do not hesitate to contact me by telephone at +1 202 730 1337 or by email at kbressie@harrisswiltshire.com.

Respectfully submitted,



Kent D. Bressie

Counsel for Telesphere Networks Ltd.

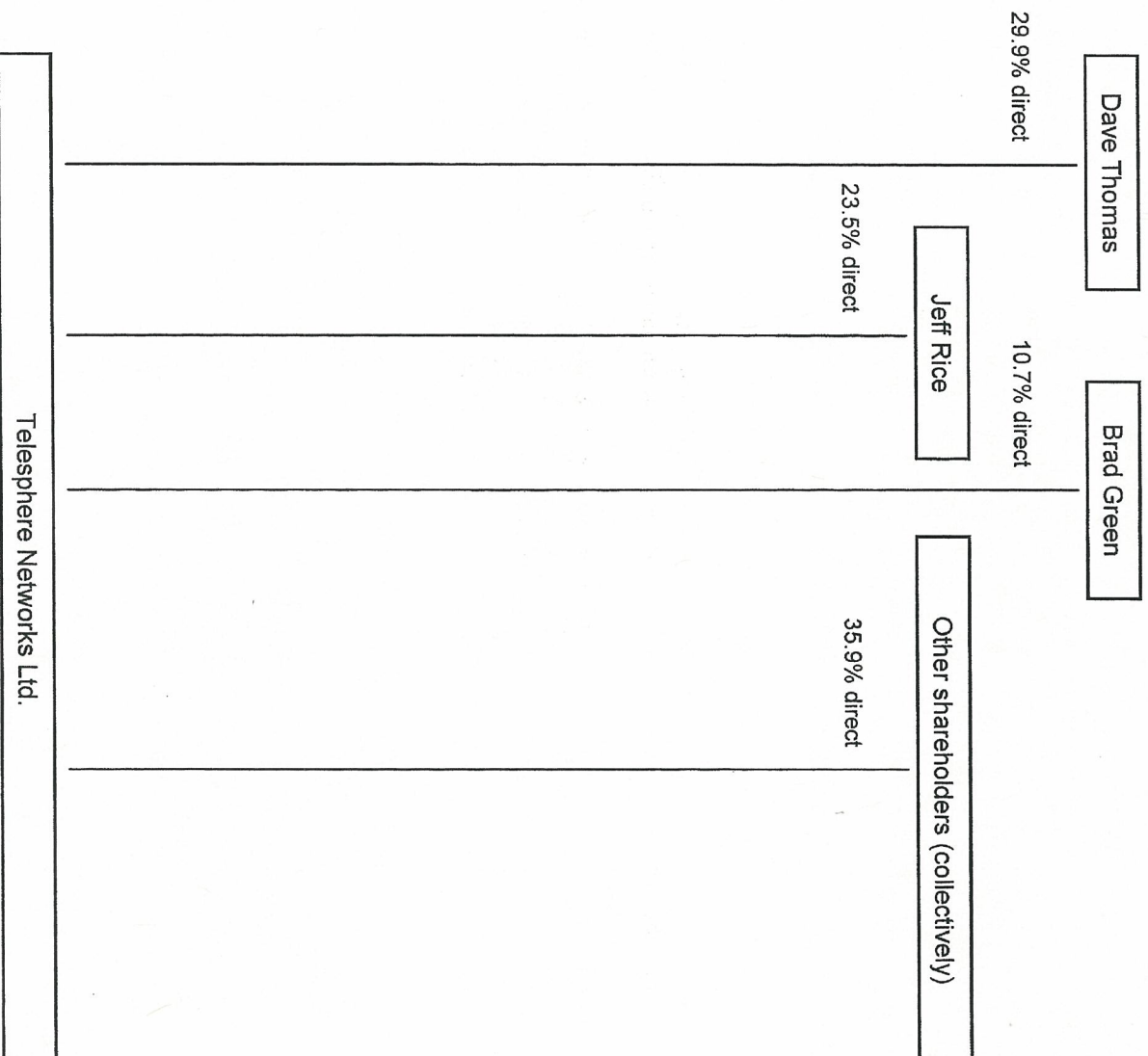
Attachments (4)

cc: David Krech
Sumita Mukhoty

² See Application at 6-7, 12.

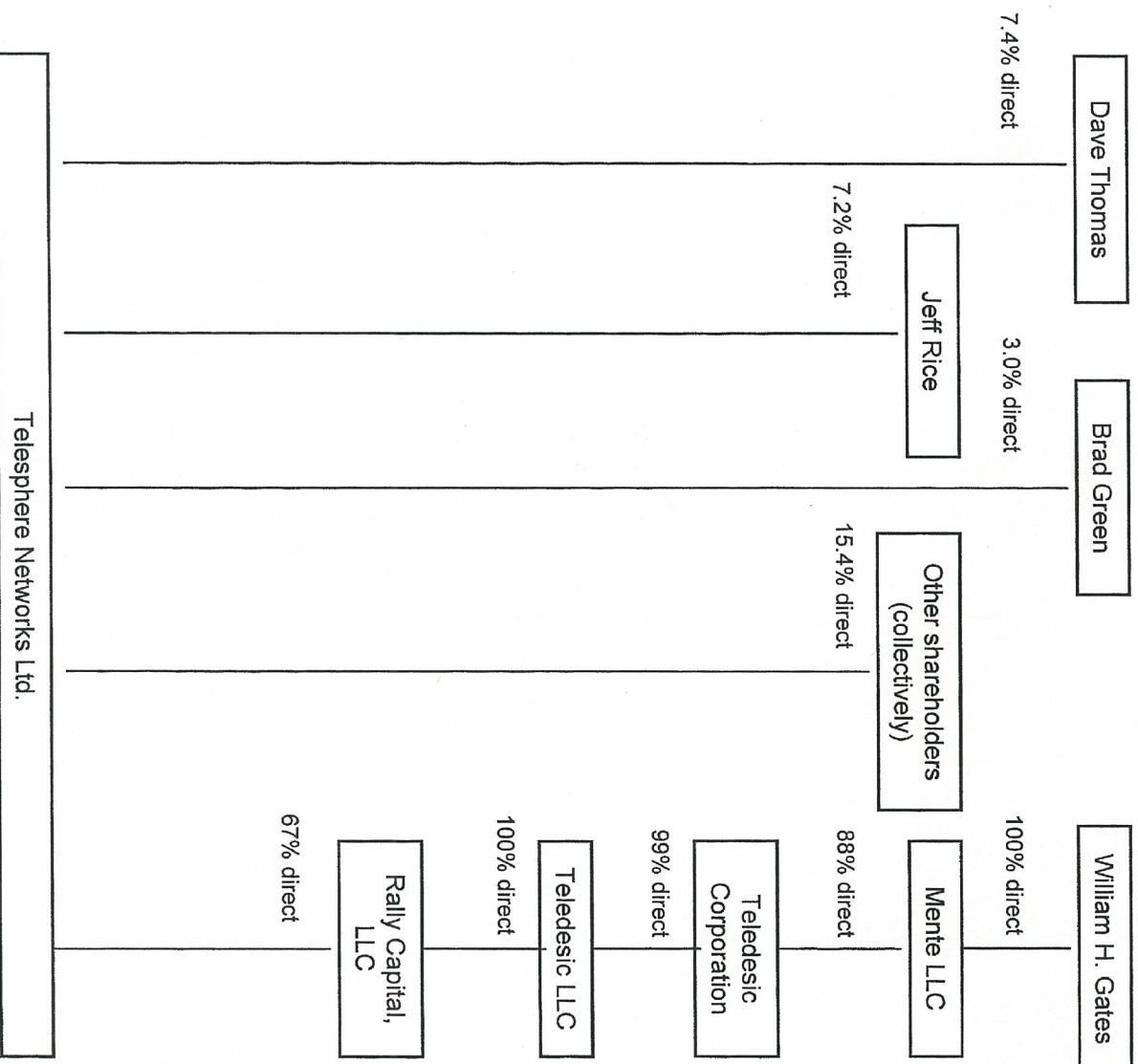
Attachment A

Structure of Ownership in Telesphere Networks Ltd.— Pre-Reorganization Transactions



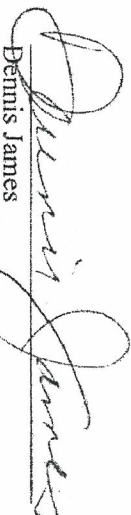
Attachment B

Structure of Ownership in Telesphere Networks Ltd.— Post-Reorganization Transactions



CERTIFICATION

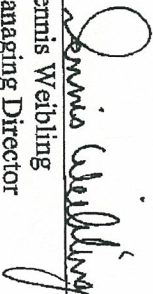
I, Dennis James, Chief Operating Officer of Telesphere Networks Ltd., hereby certify under the laws of the United States that, under the penalty of perjury, I have reviewed the attached letter, and that, to the best of my knowledge and belief, all of the information contained therein is accurate and correct.



Dennis James
Chief Operating Officer
TELESPHERE NETWORKS LTD.
4150 N. Drinkwater
Suite 500
Scottsdale, Arizona 85251
+1 480 385 7000 tel

CERTIFICATION

I, Dennis Weibling, Managing Director of Rally Capital, LLC, hereby certify under the laws of the United States that, under the penalty of perjury, I have reviewed the attached letter, and that, to the best of my knowledge and belief, all of the information contained therein is accurate and correct.



Dennis Weibling
Managing Director
RALLY CAPITAL, LLC
2365 Carillon Point
Kirkland, Washington 98033
+1 425 889 4331 tel