

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

In the Matter of)
)
Phonetime, Inc.)
)
Application for consent to transfer control of)
Section 214 authorization under the)
Communications Act of 1934, as amended)
)
)
)

File No. ITC-T/C-20080206-00088

FILED/ACCEPTED
NOV 19 2009
Federal Communications Commission
Office of the Secretary

**PETITION TO ADOPT CONDITIONS TO
AUTHORIZATIONS AND LICENSES**

The Department of Homeland Security (“DHS”) and Department of Justice (“DOJ”) (collectively, “the Agencies”) submit this Petition to Adopt Conditions to Authorizations and Licenses (“Petition”), pursuant to Section 1.41 of the Federal Communications Commission (“Commission”) rules.¹ Through this Petition, the Agencies advise the Commission that they have no objection to the Commission approving the authority sought in the above-referenced proceeding, provided that the Commission conditions its approval on the assurance of Phonetime, Inc. to abide by the commitments and undertakings set forth in the November 10, 2009 Letter of Assurances (“LOA”), which is attached hereto.

In the above-referenced proceeding, the Applicant petitioned the Commission for consent to transfer control of section 214 authorization, ITC-214-20041201-00472, held by Symphony Telecommunications, LLC from Symphony Holdings, Inc. to Phonetime, Inc.

¹ 47 C.F.R. § 1.41.

The Commission has long recognized that law enforcement, national security, and public safety concerns are part of its public interest analysis, and has accorded deference to the views of other U.S. government agencies with expertise in those areas. *See In the Matter of Comsat Corporation d/b/a Comsat Mobile Communications, etc.*, 16 FCC Rcd. 21,661, 21707 ¶ 94 (2001).

After discussions with representatives of the Applicant in connection with the above-referenced proceeding, the Agencies have concluded that the additional commitments set forth in the LOA will help ensure that the Agencies and other entities with responsibility for enforcing the law, protecting the national security, and preserving public safety, can proceed appropriately to satisfy those responsibilities. Accordingly, the Agencies advise the Commission that they have no objection to the Commission granting the application in the above-referenced proceeding, provided that the Commission conditions its consent on compliance by Phonetime, Inc. with the LOA.

Respectfully submitted,

/S/ Greg Pinto
Greg Pinto
Director - RCO
U.S. Department of Homeland Security
3801 Nebraska Avenue, N.W.
Washington, DC 20528

/S/ Richard C. Sofield
Richard C. Sofield
U.S. Department of Justice
Director - Foreign Investment Review Staff
National Security Division
950 Penn. Avenue, N.W.
Washington, D.C. 20530

November 18, 2009



November 10, 2009

VIA US MAIL:

Assistant Attorney General
National Security Division
U.S. Department of Justice
950 Pennsylvania Avenue, N.W.
Washington, D.C. 20530

Assistant Secretary for Policy
U.S. Department of Homeland Security
3801 Nebraska Avenue, N.W.
Washington, D.C. 20528

Re: Pending application by Phonetime, Inc., for authorization under Section 214 of the Communications Act of 1934 to acquire control of Symphony Telecommunications, LLC, FCC IB File No. ITC-T/C-20080206-00088

To Whom It May Concern:

This letter outlines the commitments made by Phonetime, Inc. ("Phonetime"), Symphony Holdings, Inc., and Symphony Telecommunications, LLC ("Symphony") (collectively "the Companies") to the U.S. Department of Justice ("DOJ") and to the U.S. Department of Homeland Security ("DHS"), in order to address national security, law enforcement, and public safety with regard to Phonetime's acquisition of Symphony. Symphony holds authority under section 214 of the Communications Act of 1934 to provide international telecommunications services.

The Federal Communications Commission ("FCC") granted Symphony's section 214 authority in 2004 in IB File No. ITC-214-20041201-00472. Phonetime acquired Symphony in late 2007 without the required FCC transfer-of-control authorization. The FCC granted special temporary authority for the transfer of control on June 9, 2008, in IB File No. ITC-STA-20080401-00197, and that special temporary authority has been extended twice pending final disposition of the transfer-of-control application in IB File No. ITC-T/C-20080206-00088. The merged company is a wholesaler of international telecommunications that provides service to approximately 200 other telecommunications carriers and retailers worldwide. The company does not provide service to any end-users.

The Companies agree that they will continue to maintain one or more points of contact within the United States with the authority and responsibility for accepting and overseeing compliance with a wiretap order, pen/trap order, subpoena or other lawful demand by U.S. law enforcement authorities. The Companies will notify DOJ and DHS in writing of the name,



citizenship, and contact information for its point(s) of contact within ten days of this letter and will keep such information current by notifying DOJ and DHS in writing of any change to such information promptly, and in any event within 10 days of such change. The point(s) of contact shall be resident U.S. citizens, and the Companies shall cooperate with any request by a U.S. government authority that a background check or security clearance process be completed for a designated point of contact.

The Companies agree that, in the event that they begin providing retail services to end-user customers, they will make available in the United States in response to lawful U.S. process any customer billing records, subscriber information, and other related information used, processed, or maintained in the ordinary course of business relating to communications services offered to end-users in the United States ("U.S. Records").¹ The designated point(s) of contact will have immediate and direct access to such U.S. Records for purposes of responding to lawful process. For these purposes, U.S. Records shall include information subject to disclosure to a U.S. federal or state governmental entity under the procedures specified in sections 2703(c) and (d) and section 2709 of Title 18 of the United States Code. Phonetime also agrees to ensure that U.S. Records are not made subject to mandatory destruction under any foreign laws.

The Companies agree that they will notify the FBI, DOJ and DHS, at the addresses listed above, before they seek to commence the sale (or resale) of any type of communications services not currently offered and described in this letter, or if there are any other material changes in any of the facts as represented in this letter.

The Companies agree that, in the event the commitments set forth in this letter are breached, in addition to any other remedy available at law or equity, DOJ or DHS may request that the FCC modify, condition, revoke, cancel, or render null and void any relevant license, permit, or other authorization granted by the FCC to the Companies.

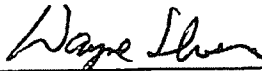
We understand that, upon execution of this letter by an authorized representative or attorney for the Companies, DOJ and DHS shall notify the FCC that they have no objection to the FCC's grant of the above-referenced application.

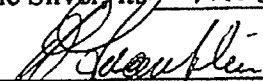
¹ This statement does not supersede or replace the Companies' other duties to comply with any applicable FCC requirements and regulations. The Companies acknowledge that they must also meet any other applicable FCC regulatory requirements, including but not limited to any requirements related to the storage and protection of Customer Proprietary Network Information (CPNI).



All correspondence to the DOJ and DHS under this LOA will be directed to the addressees at the addresses provided on the first page of the LOA. In addition, a courtesy electronic copy of all notices and communications will be forwarded to telecom@usdoj.gov and IP-FCC@dhs.gov. Should you have any questions regarding the contents of this letter, or any of the documents enclosed, please contact me.

Seen and Agreed:
Phonetime, Inc.


By: Wayne Silver, its PRSS + CFO


By: Rodney Franklin, its CFO