## BINGHAM

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December 11, 2009

## Via MyIBFS and Courier

Marlene H. Dortch, Secretary
Federal Communications Commission
Office of the Secretary
Federal Communications Commission
c/o Natek, Inc.
236 Massachusetts Avenue, N.E.
Suite 110
Washington, DC 20002

Attn: International Bureau

**Wireline Competition Bureau** 

Re: Notification of MegaPath Inc., DSL.net, Inc., DSLnet Communications VA, Inc. and DSLnet Communications, LLC Regarding a *Pro Forma* Internal Change of Control of DSLnet Communications, LLC and DSLnet Communications of VA, Inc.

Dear Secretary Dortch:

MegaPath Inc. ("MegaPath") and its wholly owned subsidiaries DSL.net, Inc. ("DSL-Parent"), DSLnet Communications VA, Inc. ("DSLnet-VA") and DSLnet Communications, LLC ("DSLnet") (MegaPath, DSL-Parent, DSLnet-VA and DSLnet collectively, the "Parties"), through their undersigned counsel, and pursuant to Sections 63.03(d) and 63.24(d) and (f) of the Commission's Rules, notify the Commission of a *pro forma* internal change of direct control of DSLnet and DSLnet-VA from DSL-Parent to MegaPath, DSL-Parent's current direct parent company. This change is the result of the merger of DSL-Parent, with and into MegaPath, with MegaPath surviving. The change of direct control is *pro forma* in nature because MegaPath ultimately controls DSLnet and DSLnet-VA both before and after the merger. The Parties must complete the internal merger before December 31, 2009 in order to realize significant financial benefits.

#### **Description of the Parties**

MegaPath is a Delaware corporation with its principal office located at 555 Anton Boulevard, Suite 200, Costa Mesa, CA 92626. MegaPath is the direct parent company of DSLnet-Parent and indirect parent company of DSLnet. MegaPath is a provider of a variety of managed Internet Protocol ("IP") services including cable and satellite system broadband Internet access, mobility services such as digital certificates,

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global remote access, personal firewalls, and remote access virtual private networks ("VPN"), and security services. MegaPath does not currently offer any regulated telecommunications services and therefore does not hold any telecommunications authorizations from the FCC or any state regulatory authority.

DSL-Parent is a non-active Delaware corporation with its principal offices located at 50 Barnes Park North, Suite 104, Wallingford, Connecticut 06492. DSL-Parent is a wholly owned direct subsidiary of MegaPath. Effective on or about December 24, 2009, DSL-Parent will merge with and into MegaPath, with MegaPath surviving. As a result of the merger, DSL-Parent's separate corporate existence will cease. DSL-Parent provided a variety of Internet Protocol and data services. DSL-Parent does not offer any regulated telecommunications services and therefore did not hold any telecommunications authorizations from the FCC or any state regulatory authority.

DSLnet is a Delaware limited liability company with principal offices located at 50 Barnes Park North, Suite 104, Wallingford, Connecticut 06492. DSLnet is currently a wholly owned, direct subsidiary of DSL-Parent and a wholly owned, indirect subsidiary of MegaPath. DSLnet primarily provides interstate highspeed access to the internet service. DSLnet, LLC is authorized to provide intrastate telecommunications services in forty-seven (47) states and the District of Columbia, and DSLnet's affiliate, DSLnet Communications VA, Inc., is authorized to provide intrastate telecommunications services in Virginia.

## Description of the Pro Forma Internal Change of Control

Pursuant to an Agreement and Plan of Merger between MegaPath and DSL-Parent, DSL-Parent will merge with and into MegaPath, with MegaPath surviving. As a result, DSLnet and DSLnet-VA will become wholly owned, direct subsidiaries of MegaPath. Since MegaPath already indirectly wholly owns DSLnet and DSLnet-VA, this change of direct control of DSLnet and DSLnet-VA is *pro forma* in nature. The Parties therefore notify the Commission of the transfer of direct control of DSLnet and DSLnet-VA from DSL-Parent to MegaPath resulting from this *pro forma* internal merger. For the Commission's convenience, pre- and post-transaction corporate organizational structure charts are provided as Exhibit A.

Following the *pro forma* internal merger, DSLnet and DSLnet-VA's customers will continue to receive service under the same rates, terms and conditions of service as before. The proposed transaction will not involve a change in DSLnet or DSLnet-VA's operating authority and DSLnet and DSLnet-VA's rates will remain in effect. Thus, the proposed transaction will be seamless and transparent to consumers. Further, there will be no change in DSLnet-VA's management as a result of this change of control.

The Parties certify that the internal merger is *pro forma* and that it will not result in a change in DSLnet and DSLnet-VA's ultimate ownership or control.

#### **Public Interest Considerations**

The Parties respectfully submit that the proposed transaction serves the public interest. In particular, the Parties submit that the proposed transaction will be transparent to consumers. Immediately following the pro forma change of control, DSLnet and DSLnet-VA will continue to offer service with no change in the rates or terms and conditions of service. Further, DSLnet and DSLnet-VA will continue to provide service to its customers under the same names, and will continue to be led by an experienced management team. Therefore, the transfer of control of DSLnet and DSLnet-VA will be seamless and transparent to consumers.

## Information Required by Sections 63.03(d)(2) and 63.24(f)(2)

As required by Sections 63.03(d)(2) and 63.24(f)(2), the Parties provides the following information required by 63.04(a)(1) through (a)(4) with respect to the Parties:

## Name and address of each Party (Sections 63.04(a)(1) & 63.18(a)):

MegaPath Inc. FRN 0018105601
555 Anton Boulevard
Spite 200

Suite 200 Costa Mesa, CA 92626

DSLnet Inc. FRN 0015321136
DSLnet Communications LLC FRN 0004324851
DSLnet Communications VA Inc. FRN 0015540230

50 Barnes Park North

Suite 104

Wallingford, Connecticut 06492

#### State of organization (Sections 63.04(a)(2) & 63.18(b)):

MegaPath and DSLnet-Parent are Delaware corporations.

DSLnet is a Delaware limited liability company.

DSLnet-VA is a Virginia corporation.

## Contact Person(s) (Section 63.04(a)(3) & 63.18(c)):

Jean L. Kiddoo
Brett P. Ferenchak
Katie B. Besha
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2020 K Street, N.W.
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#### with copies to:

Steven B. Chisholm
Senior Vice President
MegaPath Inc.
555 Anton Boulevard, Suite 200
Costa Mesa, California 92626
(714) 327-2041 (Fax)
Steve.Chisholm@megapath.com

and:

Schula Hobbs
Regulatory Affairs
DSLnet Communications, LLC
50 Barnes Park North, Suite # 104
Wallingford, CT 06492
(203) 284-6205 (Fax)
shobbs@megapath.com

#### Section 214 Authorizations Held (Section 63.18(d)):

DSLnet holds Section 214 authority to provide global facilities-based and resold services pursuant to authority granted by the Commission in File Nos. ITC-214-19990716-00434 and ITC-ASG-20030611-00290. DSLnet also holds blanket domestic Section 214 authority to provide interstate telecommunications services.

DSLnet-VA holds blanket domestic Section 214 authority, but does provide international telecommunications services and does not hold international Section 214 authority.

Neither DSL-Parent or MegaPath hold Section 214 authorization.

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<sup>&</sup>lt;sup>1</sup> The Commission previously authorized two transfers of control of DSLnet. *See* FCC File Nos. ITC-T/C-20011109-00600 and ITC-T/C-20030918-00472.

## Ownership Information (Sections 63.04(a)(4) & 63.18(h)):

The following entities hold, directly or indirectly a 10% or greater interest<sup>2</sup> in the Parties as calculated pursuant to the Commission ownership attribution rules for international telecommunications carriers:

#### Current Ownership of DSLnet and DSLnet-VA

The following entities currently have a 10% or greater direct or indirect interest in **DSLnet Communications**, **LLC** and **DSLnet Communications VA**, **Inc.** 

Name: DSL.net, Inc. ("DSL-Parent")
Address: 50 Barnes Park North, Suite # 104

Wallingford, CT 06492

Ownership Interest: 100% (directly in DSLnet and DSLnet-VA)

Citizenship: U.S

Principal Business: Managed IP Communications Services Provider

Name: MegaPath, Inc. ("MegaPath) Address: 555 Anton Boulevard, Suite 200

Costa Mesa, California 92626

Ownership Interest: 100% (indirectly in DSLnet and DSLnet-VA as sole owner

of DSL-Parent)

Citizenship: U.S

Principal Business: Managed IP Communications Services Provider

## Post-Change Ownership of DSLnet and DSLnet-VA

The following entities will have a 10% or greater direct or indirect interest in **DSLnet** Communications, LLC and **DSLnet** Communications VA, Inc.

Name: MegaPath, Inc. ("MegaPath)
Address: 555 Anton Boulevard, Suite 200

Costa Mesa, California 92626

Ownership Interest: 100% (directly in DSLnet and DSLnet-VA)

Citizenship: U.S

Principal Business: Managed IP Communications Services Provider

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Unless otherwise indicated, the ownership interests provided herein represent both equity and voting interests.

## Current and Post-Merger Ownership of MegaPath

The following entities have and post-merge control will continue to have a 10% or greater direct or indirect interest in **MegaPath Inc.**:

Name: Fidelity Investors IV Limited Partnership ("Fidelity IV")

Address: 82 Devonshire Street

Boston, MA 02109

Ownership Interest: Approx. 19% (indirectly in MegaPath)

Citizenship: U.S

Principal Business: Venture Capital

Name: Fidelity Investors Management Corp.

Address: 82 Devonshire Street

Boston, MA 02109

Ownership Interest: Approx. 19% (indirectly in MegaPath as the general partner

of Fidelity IV)

Citizenship: U.S

Principal Business: Venture Capital

Name: US Venture Partners
Address: 2735 Sand Hill Road

Menlo Park, CA 94025

Ownership Interest: 10.5% (directly in MegaPath)

Citizenship: U.S.

Principal Business: Venture Capital

No other entity holds a 10% or greater direct or indirect interest in MegaPath. MegaPath does not have any interlocking directorates with a foreign carrier.

No other person or entity, directly or indirectly, owns or controls ten percent (10%) or more of the Parties. The Parties do not have any interlocking directorates with a foreign carrier.

\* \* \* \*

An original and five (5) copies of this letter are enclosed for filing. Please date-stamp the extra copy and return it in the envelope provided. In addition, this notification letter is being filed electronically via MyIBFS. Please direct any questions to the undersigned.

Respectfully submitted,

Bret P Ferenland

Jean L. Kiddoo

Brett P. Ferenchak

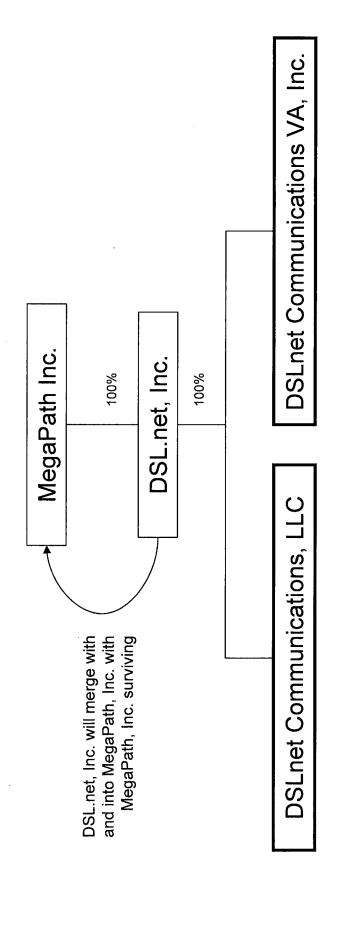
Katie B. Besha

Counsel for the Parties

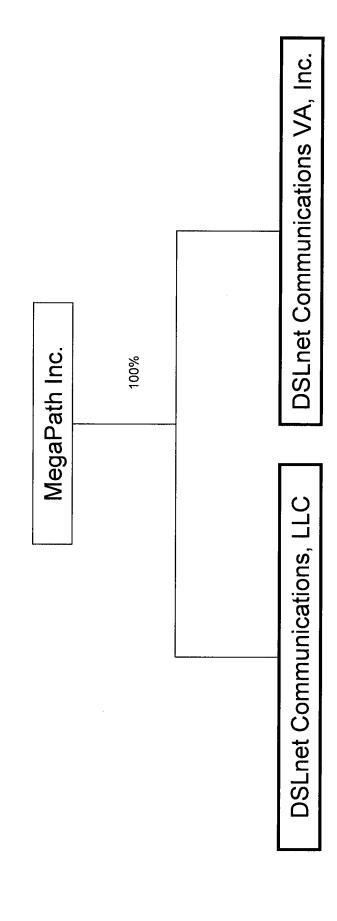
# EXHIBIT A

Pre- and Post-Pro Forma Transaction Corporate Organizational Charts

Pre- Pro Forma Intra-Corporate Merger



Post- Pro Forma Intra-Corporate Merger



#### **VERIFICATION**

I, Steven B. Chisholm, state that I am the Senior Vice President, of MegaPath Inc., DSL.net, Inc. and DSLnet Communications, LLC; that I am authorized to make this Verification on behalf of MegaPath Inc., DSL.net, Inc. and DSLnet Communications, LLC; that the foregoing filing was prepared under my direction and supervision; and that the contents are true and correct to the best of my knowledge, information, and belief.

I declare under penalty of perjury that the foregoing is true and correct. Executed this day of November, 2009.

Steven B. Chisholm Senior Vice President

MegaPath Inc., DSL.net, Inc. and DSLnet

Communications, LLC