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Our file no. 0000350839

July 30, 2010

**Via Electronic Filing**

Marlene H. Dortch, Secretary  
Federal Communications Commission  
International Bureau Applications  
P.O. Box 979093  
St. Louis, MO 63197-9700

**Re: In the Matter of the Joint Application of American Fiber Systems Holding Corp., Transferor, American Fiber Systems, Inc., Licensee, and Zayo Group, LLC, Transferee, for Grant of Authority Pursuant to Section 214 of the Communications Act of 1934, as amended, and Sections 63.04 and 63.24 of the Commission's Rules to Complete a Transfer of Control of American Fiber Systems, Inc. to Zayo Group, LLC**

Dear Ms. Dortch:

On behalf of American Fiber Systems Holding Corp., American Fiber Systems, Inc. ("AFS"), and Zayo Group, LLC ("Zayo Group") (collectively, "Applicants"), attached please find an application for approval to complete the transfer of control of AFS to Zayo Group. Pursuant to Section 63.04(b) of the Commission's rules, Applicants submit this filing as a combined domestic section 214 assignment application and international section 214 assignment application ("Combined Application").

This filing and the applicable credit card payment in the amount of \$1,015.00, which satisfies the filing fee required for this application under line 2.b of Section 1.1105 of the Commission's rules, are being submitted electronically through the MyIBFS. Applicants are simultaneously filing the Application with the Wireline Competition Bureau, in accordance with the Commission's rules.

Please direct any questions regarding this filing to the undersigned.

Respectfully submitted,



Jean L. Kiddoo  
Brett P. Ferenchak

Counsel for Zayo Group, LLC

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

In the Matter of the Joint Application of	)	
American Fiber Systems Holding Corp.,	)	
Transferor,	)	
American Fiber Systems, Inc.,	)	
Licensee,	)	
and	)	WC Docket No. 10-_____
Zayo Group, LLC, Transferee,	)	IB File No. ITC-T/C-2010_____
For Grant of Authority Pursuant to	)	
Section 214 of the Communications Act of 1934,	)	
as amended, and Sections 63.04 and 63.24 of the	)	
Commission's Rules to Complete a Transfer of	)	
Control of American Fiber Systems, Inc. to	)	
Zayo Group, LLC	)	
	)	

**JOINT APPLICATION**

**I. INTRODUCTION**

**A. Summary of Transaction**

American Fiber Systems Holding Corp. (“AFSHC” or “Transferor”), American Fiber Systems, Inc. (“AFS” or “Licensee”), and Zayo Group, LLC (“Zayo Group” or “Transferee”) (collectively, “Applicants”), pursuant to Section 214 of the Communications Act, as amended, 47 U.S.C. § 214, and Sections 63.04 and 63.24 of the Commission’s Rules, 47 C.F.R. §§ 63.04 & 63.24, respectfully request Commission approval or such authority as may be necessary or required to enable the parties to consummate a transaction whereby Zayo will acquire control of Licensee, which provides dark fiber and lit bandwidth services.

Although the proposed transaction will result in a change in the ultimate ownership of Licensee, no transfer of authorizations, assets or customers will occur as an immediate consequence of the proposed transaction. Licensee will continue to provide service to its existing customers pursuant to its authorizations under the same rates, terms and conditions. Accordingly, this transaction will have no effect on the rates, terms and conditions of service of the customers of Licensee.

**B. Request for Streamlined Processing**

Applicants respectfully submit that this Application is eligible for streamlined processing pursuant to Sections 63.03 and 63.12 of the Commission's Rules, 47 C.F.R. §§ 63.03 & 63.12. This Application is eligible for streamlined processing pursuant to Section 63.03(b)(2)(i) because, immediately following the transaction, Transferee (and its Affiliates) will have a market share in the interstate, interexchange market of less than 10 percent, and the Transferee (and its Affiliates) will provide competitive telephone exchange services or exchange access services (if at all) exclusively in geographic areas served by a dominant local exchange carrier that is not a party to the transaction, and none of the Applicants (or their Affiliates) are dominant with respect to any service.

With respect to international authority, this Application is eligible for streamlined processing pursuant to Section 63.12(a)-(b) of the Commission's Rules, 47 C.F.R. §63.12(a)-(b). In particular, none of the exclusionary criteria set forth in Section 63.12(c) apply as described more fully in Section IV below. Accordingly, this Application qualifies for streamlined processing pursuant to Section 63.12 of the Commission's rules.

In support of this Application, Applicants provide the following information:

## **II. DESCRIPTION OF THE APPLICANTS**

### **A. American Fiber Systems Holdings Corp. and American Fiber Systems, Inc.**

American Fiber Systems, Inc. is a Delaware corporation with principal offices located at 100 Meridian Centre, Suite 300, Rochester, New York 14618. AFS is a wholly-owned subsidiary of American Fiber Systems Holding Corp., a Delaware holding company whose principal business is telecommunications.<sup>1</sup> AFS provides dark fiber and lit bandwidth services to carrier and large enterprise customers. AFS has over 1200 route miles of unique, fiber-rich networks in 9 metropolitan markets – Atlanta, Boise, Cleveland, Kansas City, Las Vegas, Minneapolis, Nashville, Reno and Salt Lake City.

### **B. Zayo Group, LLC**

Zayo Group is a Delaware limited liability company with principal offices located at 400 Centennial Parkway, Suite 200, Louisville, Colorado 80027. Zayo Group is wholly owned by Zayo Group Holdings, Inc. (“Holdings”), a Delaware corporation, which in turn is wholly owned by Communications Infrastructure Investment, LLC (“CII” and together with Zayo Group and Holdings, the “Company”), a Delaware limited liability company. CII has no majority owner. The Company was organized to acquire and support long-term development of fiber-based bandwidth solutions-oriented businesses and has made a number of acquisitions to further that business plan. The acquisition of AFS furthers that business plan.

Through its four business units -- Zayo Bandwidth , Zayo Enterprise Services, zColo and Zayo Fiber Solutions -- Zayo Group provides bandwidth, connectivity and dark-fiber related services, voice, collocation and interconnection, and managed services to carrier, enterprise, small and medium enterprise, and government customers. Zayo Group anticipates that AFS will initially become part of the Zayo Bandwidth business unit.

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<sup>1</sup> AFSHC holds no regulatory licenses from this or any other regulatory Commission.

### **III. DESCRIPTION OF THE TRANSACTION**

Zayo Group, Zayo AFS Acquisition Company, Inc. ("Merger Sub"), a direct subsidiary of Zayo Group created specifically for the purposes of this transaction, AFSHC and Robert E. Ingalls, Jr., as the Equity Holder Representative have entered into an Agreement and Plan of Merger dated as of June 24, 2010 (the "Agreement") whereby AFSHC will merge with and into Merger Sub, with AFSHC surviving the merger. As a result of the transaction, AFSHC will become a direct subsidiary, and AFS will become an indirect subsidiary, of Zayo Group. Applicants therefore request authority for the indirect transfer of control of AFS to Zayo Group. For the Commission's convenience, pre- and post-transaction corporate structure charts are provided as Exhibit B.

Immediately following the consummation of the proposed transaction, AFS will continue to offer service with no change in the rates or terms and conditions of service. Therefore, except for the name change, the transfer of control of AFS will be seamless and transparent to consumers.

### **IV. INFORMATION REQUIRED BY SECTION 63.24(e)**

Pursuant to Section 63.24(e)(3) of the Commission's Rules, the Applicants submit the following information requested in Section 63.18 (a)-(d) and (h)-(p) in support of this Application:

**(a) Name, address and telephone number of each Applicant:**

Transferor

American Fiber Systems Holding Corp.      **FRN: 0020023966**  
100 Meridian Centre, Suite 300  
Rochester, NY 14618  
585-785-5821

Licensee:

American Fiber Systems, Inc.  
100 Meridian Centre, Suite 300  
Rochester, NY 14618  
585-785-5821

**FRN: 0006651202**

Transferee:

Zayo Group, LLC  
400 Centennial Parkway, Suite 200  
Louisville, CO 80027  
303-381-4664

**FRN: 0016555849**

**(b) Jurisdiction of Organizations:**

Transferor: AFSHC is a corporation formed under the laws of Delaware.

Licensee: AFS is a corporation formed under the laws of Delaware.

Transferee: Zayo Group is a limited liability company formed under the laws of Delaware.

**(c) (Answer to Question 10)** Correspondence concerning this Application should be sent to:

For Zayo Group:

Jean L. Kiddoo  
Brett P. Ferenchak  
Bingham McCutchen LLP  
2020 K Street, N.W.  
Washington, DC 20006  
202-373-6697 (Tel)  
202-373-6001 (Fax)  
jean.kiddoo@bingham.com  
brett.ferenchak@bingham.com

With copies to:

Scott E. Beer  
General Counsel  
Zayo Group, LLC  
400 Centennial Parkway, Suite 200  
Louisville, CO 80027  
303-381-4664 (Tel)  
303-226-5923 (Fax)  
sbeer@zayo.com

For Transferor and Licensee:

Bruce T. Frankiewich  
General Counsel & VP of Regulatory Affairs  
American Fiber Systems, Inc.  
100 Meridian Centre  
Suite 300  
Rochester, NY 14618  
585-785-5821 (Tel)  
585-785-5822 (Fax)  
bfrankiewich@afsnetworks.com

**(d) Section 214 Authorizations**

Transferor: AFSHC does not hold domestic or international Section 214 authorization.

Licensee: AFS is authorized to provide interstate telecommunications services pursuant to blanket domestic Section 214 authority. 47 C.F.R. § 63.01. AFS holds international Section 214 authority to provide global facilities-based service and global resale service granted in IB File No. ITC-214-20000929-00551 (November 1, 2000).

Transferee: Zayo Group operates its integrated communications business through various subsidiaries and, therefore, does not directly hold any domestic or international Section 214 authority. The following subsidiaries of Zayo Group hold Section 214 authority:

Zayo Bandwidth, LLC (“ZB”) is authorized to provide interstate service by virtue of blanket domestic Section 214 authority. 47 C.F.R. § 63.01. ZB also holds international Section 214 authority to provide global or limited global facilities-based service and global or limited global resale service granted in IB File No. ITC-214-20091106-00475 (Dec. 12, 2009).

Zayo Bandwidth Tennessee, LLC is authorized to provide interstate service by virtue of blanket domestic Section 214 authority. 47 C.F.R. § 63.01.

Zayo Enterprise Networks, LLC (“ZEN”) is authorized to provide interstate service by virtue of blanket domestic Section 214 authority. 47 C.F.R. § 63.01. ZEN also holds international Section 214 authority to provide global or limited global resale service granted in IB File No. ITC-214-20091016-00444 (Nov. 27, 2009).

Zayo Fiber Solutions, LLC (“ZFS”) is authorized to provide interstate service by virtue of blanket domestic Section 214 authority. 47 C.F.R. § 63.01.

Through Holdings, Zayo Group is also affiliated with the following carriers that hold Section 214 authority:

Onvoy, Inc. (“Onvoy”) is authorized to provide interstate service by virtue of blanket domestic Section 214 authority. 47 C.F.R. § 63.01. Onvoy also holds international Section 214 authority (1) to provide global resale services granted in IB File No. ITC-214-19970722-00425 (old IB File No. ITC-97-452) and (2) to operate as a facilities-based carrier by constructing and operating a fiber optic telecommunications facility between the United States and

Canada granted in IB File No. ITC-214-19971205-00766 (old IB File No. ITC-97-769).<sup>2</sup>

Minnesota Independent Equal Access Corporation ("MIEAC") holds Section 214 authority to lease transmission facilities to provide CEA service to interexchange carriers. See File No. W-P-C6400 (August 22, 1990).

(h) (*Answer to Questions 11 & 12*) The following entities hold, directly or indirectly a 10% or greater interest<sup>3</sup> in Applicants as calculated pursuant to the Commission ownership attribution rules for wireline and international telecommunications carriers:<sup>4</sup>

Pre- and Post-Transaction Direct Ownership of AFS:

The following entity holds a ten percent (10%) or greater direct interest in American Fiber Systems, Inc.:

Name:	American Fiber Systems Holdings, Inc.
Address:	100 Meridian Centre, Suite 300 Rochester, NY 14618
Citizenship:	U.S.
Principal Business:	Holding Company
% Interest:	100% (directly in AFS)

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<sup>2</sup> The international Section 214 authorizations were originally granted to Minnesota Independent Interexchange Corporation, which subsequently merged into its parent company Onvoy, Inc. (f/k/a Minnesota Equal Access Network Services). See IB File No. ITC-ASG-20070913-00379.

<sup>3</sup> Unless otherwise indicated, the ownership interests provided herein represent both equity and voting interests.

<sup>4</sup> While the Commission's rules for combined domestic and international applications require this information only for the assignee/transferee, see 47 C.F.R. §§ 63.04(b), 63.24(3)(2), Applicants are providing ownership information for both parties.



Pre-Transaction Direct Ownership of AFSHC:

The following entities hold a ten percent (10%) or greater direct or indirect interest in **American Fiber Systems Holding Corp.:**

Name: Sierra Ventures VII LP ("Sierra VII")  
Address: 2884 Sand Hill Road  
Building 4, Suite 100  
Menlo Park, CA 94025  
Citizenship: U.S.  
Principal Business: Investments  
% Interest: 19% (directly in AFSHC)

Name: Sierra Ventures VIII A LP ("Sierra VIII A")  
Address: 2884 Sand Hill Road  
Building 4, Suite 100  
Menlo Park, CA 94025  
Citizenship: U.S.  
Principal Business: Investments  
% Interest: 25% (directly in AFSHC)

Except as set forth above, to AFSHC's knowledge, no person or entity owns or controls, directly or indirectly, owns or control a 10% or more interest in AFSHC through Sierra VII and Sierra VIII A.

Name: North Atlantic Venture Fund III ("NAV III")  
Address: Two City Center  
Portland, ME 04101  
Citizenship: U.S.  
Principal Business: Investments  
% Interest: 14% (directly in AFSHC)

Name: United States Small Business Administration  
Address: Office of Investment  
Suite 6300  
409 3rd. Street, S.W.  
Washington, DC 20416  
Citizenship: U.S.  
Principal Business: Federal agency engaged in small business lending.  
% Interest: 14% (indirectly in AFSHC as 64% owner of NAV III)

Except as set forth above, to the knowledge of AFSHC, no person or entity owns or controls, directly or indirectly, a 10% or more interest in AFSHC through NAV III.

Name: Lucent Venture Partners II, LLC ("LVP II")  
Address: 600 Mountain Avenue  
Murray Hill, NJ 07974  
Citizenship: U.S.  
Principal Business: Investments  
% Interest: 14% (directly in AFSHC)

Name: Lucent Venture Partners, Inc. ("LVP")  
Address: 600 Mountain Avenue  
Murray Hill, NJ 07974  
Citizenship: U.S.  
Principal Business: Investments  
% Interest: 14% (indirectly in AFSHC as 100% owner of LVP II)

Name: Alcatel-Lucent USA Inc. ("A-L USA")  
Address: 600 Mountain Avenue  
Murray Hill, NJ 07974  
Citizenship: U.S.  
Principal Business: Telecommunications equipment manufacturing and services  
% Interest: 14% (indirectly in AFSHC as 100% owner of LVP)

Name: Alcatel-Lucent Holdings, Inc. ("A-L Holdings")  
Address: 3400 West Plano Parkway  
Plano, TX 75075  
Citizenship: U.S.  
Principal Business: Telecommunications equipment manufacturing and services  
% Interest: 14% (indirectly in AFSHC as 100% owner of A-L USA)

Name: Alcatel-Lucent Participations ("A-L Part.")  
Address: 3 Avenue Octave Greard  
75007 Paris, France  
Citizenship: French  
Principal Business: Telecommunications equipment manufacturing and services  
% Interest: 14% (indirectly in AFSHC as 100% owner of A-L Holdings)

Name: Compagnie Financiere Alcatel-Lucent ("CF A-L")  
Address: 3 Avenue Octave Greard  
75007 Paris, France  
Citizenship: French  
Principal Business: Telecommunications equipment manufacturing and services

% Interest: 14% (indirectly in AFSHC as 100% owner of A-L Part.)

Name: Alcatel-Lucent  
Address: 3 Avenue Octave Greard  
75007 Paris, France

Citizenship: French  
Principal Business: Telecommunications equipment manufacturing and services

% Interest: 14% (indirectly in AFSHC as 100% owner of CF A-L)

Alcatel-Lucent is a publicly held company. Except as set forth above, to AFSHC's knowledge, no person or entity owns or controls, directly or indirectly, a 10% or more interest in AFSHC through LVP II.

Name: Hudson River Co-Investment Fund, LP ("Hudson River")  
Address: One Belmont Avenue  
9th Floor  
Bala Cynwyd, PA 19004

Citizenship: U.S.  
Principal Business: Investments

% Interest: 11% (directly in AFSHC)

Name: New York State Common Retirement Fund  
Address: 110 State Street  
Albany, New York 12244-0001

Citizenship: U.S.  
Principal Business: State Retirement Fund

% Interest: 11% (indirectly in AFSHC as 99% owner of Hudson River)

Except as set forth above, to AFSHC's knowledge, no person or entity owns or controls, directly or indirectly, a 10% or more interest in AFSHC through Hudson River.

Except as set forth above, to AFSHC's knowledge, no other person or entity directly owns or controls a 10% or more interest in AFSHC.

Post-Transaction Direct Ownership of AFSHC:

The following entity will hold a ten percent (10%) or greater direct interest in **American Fiber Systems Holding Corp.**:

Name: Zayo Group, LLC  
Address: 400 Centennial Parkway, Suite 200  
Louisville, CO 80027  
Citizenship: U.S.  
Principal Business: Telecommunications  
% Interest: 100% (directly in AFSHC)

Pre- and Post-Transaction Ownership of Transferee:

- 1) The following entities hold a ten percent (10%) or greater direct or indirect interest in **Zayo Group, LLC**:

Name: Zayo Group Holdings, Inc.  
Address: 901 Front Street, Suite 200  
Louisville, CO 80027  
Citizenship: U.S.  
Principal Business: Holding Company  
% Interest: 100% (directly in Zayo Group)

Name: Communications Infrastructure Investments, LLC  
Address: 901 Front Street, Suite 200  
Louisville, CO 80027  
Citizenship: U.S.  
Principal Business: Holding Company  
% Interest: 100% (indirectly in Zayo Group as 100% owner of Holdings)

- 2) The following entities and individuals hold a ten percent (10%) or greater, direct or indirect, interest in **Communications Infrastructure Investments, LLC ("CII")**:

Name: Oak Investment Partners XII, Limited Partnership ("Oak Investment XII")  
Address: 525 University Avenue, Suite 1300  
Palo Alto, CA 94301  
Citizenship: U.S.  
Principal Business: Investments  
% Interest: 22.3% (directly in CII)

Name: Oak Associates XII, LLC ("Oak Associates")  
Address: 525 University Avenue, Suite 1300  
Palo Alto, CA 94301  
Citizenship: U.S.  
Principal Business: Investments  
% Interest: 22.3% (indirectly as general partner of Oak Investment XII)

The following individuals are the executive managing members of Oak Associates, are all U.S. citizens, and can be reached through Oak Associates:

Bandel L. Carano  
Edward F. Glassmeyer  
Ann H. Lamont  
Fredric W. Harman

To Transferee's knowledge, no other person or entity, directly or indirectly, owns or control a 10% or more interest in CII through Oak Investments XII.

Name: M/C Venture Partners VI, L.P. ("MCVP VI")  
Address: 75 State Street, Suite 2500  
Boston, MA 02109  
Citizenship: U.S.  
Principal Business: Investments  
% Interest: 20.3% (directly in CII)

Name: M/C VP VI, L.P.  
Address: 75 State Street, Suite 2500  
Boston, MA 02109  
Citizenship: U.S.  
Principal Business: Investment Management  
% Interest: 20.3% (indirectly as the general partner of MCVP VI)

Name: M/C Venture Partners, LLC  
Address: 75 State Street, Suite 2500  
Boston, MA 02109  
Citizenship: U.S.  
Principal Business: Investment Management  
% Interest: 20.3% (indirectly as the general partner of M/C VP VI, L.P.)

The following individuals are the managing members of M/C Venture Partners, LLC, are all U.S. citizens, and can be reached through M/C Venture Partners, LLC:

James F. Wade  
David D. Croll  
Matthew J. Rubins  
John W. Watkins  
John Van Hooser

Mr. Wade and Mr. Croll are also two of the five managers of M/C Venture Investors, L.L.C., which has a 0.6% direct interest in CII.

To Transferee's knowledge, no other person or entity, directly or indirectly, owns or control a 10% or more interest in CII through MVCP VI.

Name: Columbia Capital Equity Partners IV (QP), L.P. ("Columbia Capital IV")  
Address: 201 N. Union Street, Suite 300  
Alexandria, VA 22314  
Citizenship: U.S.  
Principal Business: Investments  
% Interest: 18.5% (directly in CII)

Name: Columbia Capital IV, LLC  
Address: 201 N. Union Street, Suite 300  
Alexandria, VA 22314  
Citizenship: U.S.  
Principal Business: Investment Management  
% Interest: 20.9% (indirectly in CII as the general partner of (i) Columbia Capital Equity Partners IV, L.P. which is the general partner of both Columbia Capital IV and Columbia Capital Equity Partners IV (QPCO), L.P. (2.3% direct interest in CII) and (ii) of Columbia Capital Employee Investors IV, L.P. (0.1% direct interest in CII))

The following individuals are the managing members of Columbia Capital IV, LLC, are all U.S. citizens, and can be reached through Columbia Capital IV, LLC

James B. Fleming, Jr.  
R. Philip Herget, III  
Harry F. Hopper III

These individuals also have indirect control other entities that have, in aggregate, a 0.4% direct interest in CII.

To Transferee's knowledge, no other person or entity, directly or indirectly, owns or controls a 10% or greater interest in CII through Columbia Capital IV or Columbia Capital IV, LLC.

Name: Charlesbank Equity Fund VI GP, Limited Partnership  
("Charlesbank VI GP")  
Address: 200 Clarendon, 5th Floor  
Boston, MA 02116  
Citizenship: U.S.  
Principal Business: Investment Management  
% Interest: 10.8% (indirectly in CII as the general partner of (i) Charlesbank Equity Fund VI, Limited Partnership (9.2% direct interest in CII), (ii) CB Offshore Equity Fund VI (1.1% direct interest in CII), (iii) Charlesbank Equity Coinvestment Fund VI, LP (0.4% direct interest in CII), and (iv) Charlesbank Equity Coinvestment Partners, LP (0.1% direct interest in CII))

Name: Charlesbank Capital Partners, LLC  
Address: 200 Clarendon, 5th Floor  
Boston, MA 02116  
Citizenship: U.S.  
Principal Business: Investment Management  
% Interest: 10.8% (indirectly in CII as the general partner of Charlesbank VI GP)

Charlesbank Capital Partners, LLC is owned by its nine (9) managing members who are all U.S. citizens, and can be reached through Charlesbank Capital Partners, LLC:

Michael Eisenson  
Tim Palmer  
Kim Davis  
Mark Rosen  
Michael Choe  
Brandon White  
Jon Biotti  
Andrew Janower  
Michael Thonis

To the Transferee's knowledge, no other person or entity, directly or indirectly, owns or controls a 10% or greater interest in CII through Charlesbank VI GP.

To Transferee's knowledge, no other person or entity, directly or indirectly, owns or controls a 10% or greater interest in CII.

No other person or entity, directly or indirectly, will own or control a 10% or greater interest in Zayo Group through CII following the transaction.

Aside from Zayo Group's subsidiaries ZB and ZEN and Zayo-Holdings subsidiary Onvoy, which are non-dominant foreign carriers in Canada, Zayo Group does not have any interlocking directorates with a foreign carrier. Upon completion of the transaction, AFS will have interlocking directorate with these entities as well.

(i) **(Answer to Question 14)** Transferee certifies that it is not currently a foreign carrier. Transferee is currently affiliated within the meaning of Section 63.09(e) of the Commission's rules, 47 C.F.R. § 63.09(e), with foreign carrier, ZB, ZEN and Onvoy. ZB and ZEN each hold a license to provide basic international telecommunications services and are registered as a reseller of telecommunications services in Canada. Onvoy is registered as a reseller of telecommunications services in Canada. While not currently a foreign carrier or affiliated with a foreign carrier, as a result of the transaction, Licensee will also be affiliated with ZB, ZEN and Onvoy, which are foreign carriers.

(j) **(Answer to Question 15)** Transferee certifies that, through its acquisition of control of Licensee, Transferee does not seek to provide international telecommunications services to any destination country where:

- (1) Transferee is a foreign carrier in that country; or
- (2) Two or more foreign carriers (or parties that control foreign carriers) own, in the aggregate more than 25 percent of Transferee 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.

However, Transferee certifies that it directly controls foreign carriers, ZB and ZEN, and is affiliated with another foreign carrier, Onvoy, each of which provide telecommunications services in Canada. While not currently a foreign carrier or affiliated with a foreign carrier, as a



result of the transaction, Licensee will also be affiliated with ZB, ZEN and Onvoy, which are foreign carriers.

**(k)** Transferee certifies that Canada, the country referenced in paragraph (j) above, is a Member of the World Trade Organization (“WTO”). ZB, ZEN and Onvoy, the foreign carriers listed in paragraph (j), are not on the Commission’s List of Foreign Telecommunications Carriers that are presumed to Possess Market Power in Foreign Telecommunications Markets, released on January 26, 2007. In addition, ZB, ZEN and Onvoy, the foreign carriers listed in paragraph (j), offer services in competition with dominant foreign carriers and others.

**(l)** Transferee, through its subsidiaries, may resell international switched services of unaffiliated U.S. carriers in order to provide telecommunications services to countries where it has a foreign carrier affiliation. As demonstrated above and because ZB, ZEN and Onvoy lack 50 percent market share in the international transport and the local access markets on the foreign end of the route, ZB, ZEN and Onvoy should be presumptively found to be non-dominant pursuant to Section 63.10(a)(3) of the Commission’s rules, 47 C.F.R. § 63.10(a)(3).

**(m)** Transferee qualifies for a presumption of non-dominance under Section 63.10(a)(1) and (3) of the Commission’s rules, 47 C.F.R. § 63.10(a)(1,3), because it is not a foreign carrier and, as demonstrated above in paragraph (k), its affiliation is with a non-dominant foreign carrier in a country that is a Member of the WTO.

**(n)** Transferee and Licensee certify that they have 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 will not enter into such agreements in the future.

(o) Applicants certify that they are not subject to denial of federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1998. *See* 21 U.S.C. § 853a; *see also* 47 C.F.R. §§ 1.2001-1.2003.

(p) Applicants respectfully submit that this Application is eligible for streamlined processing pursuant to Section 63.12(a)-(b) of the Commission's rules, 47 C.F.R. §63.12(a)-(b). Transferee is affiliated with foreign carriers that provide telecommunications services in Canada. Nevertheless, Transferee qualifies for streamlined treatment under Section 63.12(c) because Transferee qualifies for a presumption of non-dominance under Section 63.10(a)(1) and (3) for the reasons detailed in response to paragraphs (k) and (m) above.

**V. INFORMATION REQUIRED BY SECTION 63.04**

Pursuant to Commission Rule 63.04(b), 47 C.F.R. § 63.04(b), Applicants submit the following information in support of their request for domestic Section 214 authority in order to address the requirements set forth in Commission Rule 63.04(a)(6)-(12):

(a)(6) A description of the proposed Transaction is set forth in **Section III** above.

(a)(7) (i) AFS provides dark fiber and lit bandwidth services in Georgia, Idaho, Kansas, Minnesota, Missouri, Nevada and Utah.<sup>5</sup> AFS provides dark fiber services in Ohio, Tennessee and Connecticut.

(ii) AFS currently holds an indirect 55% equity interest in (but does not control) USCarrier Telecom, LLC ("USC"),<sup>6</sup> which holds blanket domestic Section 214 authoriza-

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<sup>5</sup> AFS is authorized to provide intrastate (local exchange, interexchange and/or private line) telecommunications services in each of these states and Ohio & Tennessee. In addition, AFS is authorized to provide, but does not currently provide such services, in Arizona, Florida, and New York.

<sup>6</sup> Although AFS holds a total of 55% equity interest in USC's parent, USCarrier Telecom Holdings, LLC ("USCTH"), AFS does not have actual day-to-day control of USCTH (nor indirect control of USC) because of governance and voting agreements within the governing

tion and international Section 214 authorization to provide global or limited global resold services granted in File No. ITS-214-1998022400140.<sup>7</sup> USC offers data, internet access and voice services to telecommunications carriers in Alabama, Florida Georgia, South Carolina and Tennessee.

(iii) Zayo Group does not provide telecommunications services in any state. However, as stated above, Zayo Group currently controls ZB, Zayo-TN, ZEN, and ZFS. ZB provides wholesale bandwidth services in California, Georgia, Idaho, Illinois, Indiana, Kentucky, Maryland, Michigan, Minnesota, New Jersey, New York, Ohio, Oregon, Pennsylvania, Tennessee, Texas, Virginia, Washington and West Virginia.<sup>8</sup> Zayo-TN provides intrastate bandwidth services in Tennessee. ZEN provides telecommunications services in Colorado, Idaho, Michigan, Minnesota, Ohio and Washington.<sup>9</sup> ZFS provides dark fiber in Arizona, Georgia, Missouri, North Carolina and Virginia.<sup>10</sup> ZFS does not provide lit telecommunications services in any state.

Zayo Group is affiliated, through Zayo-Holdings, with Onvoy and MIEAC which also provide telecommunications services. Onvoy provides competitive local exchange services in Indiana, Iowa, Michigan Minnesota, North Dakota, Ohio and Wisconsin and interexchange

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documents of USCTH; however, there are certain major decisions that require supermajority of the members and therefore AFS's approval.

<sup>7</sup> Applicants and USC are currently determining the structure of the transaction as it relates to AFS's current indirect ownership in USC. To the extent necessary, Applicants and/or USC will file a separate application for the transfer of control of USC.

<sup>8</sup> ZB is authorized to provide intrastate (local exchange, interexchange and/or private line) telecommunications services in each of these states. In addition, ZB is authorized to provide, but not currently provide, such services in Arizona, Georgia and Texas.

<sup>9</sup> ZEN is authorized to provide intrastate (local exchange, interexchange and/or private line) telecommunications services in each of these states. In addition, ZEN is authorized to provide, but not currently provide, such services in California.

<sup>10</sup> ZFS is authorized to provide intrastate (local exchange, interexchange and/or private line) telecommunications services in Arizona, Georgia, Missouri, Nevada and North Carolina.

services in Indiana, Iowa, Michigan, Minnesota, Nebraska, North Dakota, Ohio, South Dakota and Wisconsin. MIEAC provides centralized equal access services in Minnesota and North Dakota.

(iv) Through MCVI VI, the Company is currently affiliated with (1) PRWireless, Inc., a fixed wireless provider, (2) Airband Communications, Inc., a fixed wireless provider, and (3) CSDVRS, LLC, a video relay services provider.

The members of M/C Venture Partners, LLC also control a 10% or greater interest in M/C Venture Partners V, L.P., a Delaware limited partnership ("M/C Partners V"), through their membership interests in M/C VP V, LLC which is the sole general partner of M/C Partners V. In addition, three of the members of M/C Venture Partners, LLC also control a 10% or greater interest in M/C Venture Partners IV, L.P., a Delaware limited partnership ("M/C Partners IV"), through their membership in M/C VP IV, LLC which is the sole general partner of M/C Partners IV.

Specifically, the general partner of M/C Partners IV is M/C VP IV, LLC, a Massachusetts limited liability company. James F. Wade, David D. Croll and Matthew J. Rubins, all U.S. citizens, are the members of M/C VP IV, LLC. As stated in the Application, Messrs. Wade, Croll, and Rubins are also members of M/C Venture Partners, LLC.

The general partner of M/C Partners V is M/C VP V, LLC, a Massachusetts limited liability company. The same four individual U.S. citizens that are members of M/C Venture Partners, LLC are also the members of M/C VP V, LLC.

M/C Partners IV holds approximately a 22.27% voting ownership interest in Cavalier Telephone Corporation ("CTC") and M/C Partners V holds approximately a 29.99% voting ownership interest in CTC. In turn, CTC, a Delaware corporation, owns 100% of Cavtel

Holdings, LLC ("Cavtel"), a Delaware limited liability company that owns (directly or indirectly) 100% of:

- Cavalier Telephone, LLC - a Virginia limited liability company authorized to provide telecommunications services in Virginia;
- Cavalier Telephone Mid-Atlantic, LLC - a Delaware limited liability company authorized to provide telecommunications services in Delaware, the District of Columbia, Maryland, New Jersey and Pennsylvania;
- Elantic Telecom, Inc. - a Virginia corporation authorized to provide telecommunications services in Connecticut, Florida, Georgia, Indiana, Massachusetts, Maryland, Michigan, North Carolina, New Jersey, New York, Ohio, Pennsylvania, Rhode Island and Virginia;
- Cavalier Networks, LLC - a Delaware limited liability company authorized to provide telecommunications services in Pennsylvania and Ohio;
- Talk America, Inc. - a Pennsylvania corporation, authorized to provide local and long distance services virtually throughout the United States;
- LDMI Telecommunications, Inc. - a Michigan corporation authorized to provide local and long distance telecommunications services in Illinois, Michigan and Ohio and long distance services virtually nationwide;
- Network Telephone Corporation - a Florida corporation that provides facilities-based local and long distance services to small and medium-sized businesses in Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina and Tennessee; and
- The Other Phone Company - a Florida corporation, provides local and long distance services in Alabama, Florida, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina and Tennessee.

M/C Partners IV is not affiliated with any carriers other than through CTC.

M/C Partners V, in addition to its above-described ownership interests, has 10% or greater, direct or indirect, interest in the following telecommunications services providers:

- Nuvox, Inc. (approximately 27% direct interest)- a Delaware corporation, providing telecommunications services in Alabama, Arkansas,

Florida, Georgia, Illinois, Indiana, Kansas, Kentucky, Louisiana, Mississippi, Missouri, North Carolina, Ohio, Oklahoma, South Carolina, Tennessee and Virginia;

- Florida Digital Network, Inc. d/b/a FDN Communication (approximately 27% indirect interest) - a Delaware corporation, providing telecommunications services in Florida;
- Southern Digital Network, Inc. d/b/a FDN Communication (approximately 27% indirect interest) - a Delaware corporation, authorized to provide telecommunications services in Alabama, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, south Carolina, and Tennessee;
- Cleveland Unlimited, LLC (approximately 42% direct interest) - a Delaware limited liability company and its operating subsidiaries comprising a non-dominant wireless local and long distance telecommunications service situated in Cleveland, Ohio;
- TX-11 Acquisition, LLC (approximately 40% direct interest) - a Delaware limited liability company (d/b/a Cellular One of East Texas) and its operating subsidiaries that comprise a non-dominant wireless carrier based in Lufkin, Texas;
- PRWireless, Inc. (approximately 19% indirect interest) - a Delaware corporation that owns and operates a non-dominant wireless carrier based in Puerto Rico. As stated in the Application, M/C Partners VI holds a 19% interest in PRWireless, LLC.

(v) Through Columbia Capital IV, the Company is currently affiliated with (1) PRWireless, LLC, a fixed wireless provider; (2) New Global Telecom, Inc., wholesaler of managed VoIP services to communications services providers; (3) Triad AWS, LLC, a spectrum holding entity; (4) Horizon Wi-Com, LLC, a spectrum holding entity; (5) Baja Broadband Holding Company LLC - a cable provider and wireless license holder; (6) Progeny LMS Holdings, LLC - a spectrum holding entity; (7) TVCC One Six Holdings, LLC - a spectrum holding entity; and (8) Telecom Transport Management and its subsidiaries, TTM Operating Corporation, Inc. and TTM Virginia, Inc. - provider of backhaul services to wireless operators.

(vi) To the Company's knowledge, the Company is not affiliated with any other telecommunications carriers.

**(a)(8)** Applicants respectfully submit that this Application is eligible for streamlined processing pursuant to Sections 63.03 of the Commission's Rules, 47 C.F.R. §63.03. In particular, with respect to domestic authority, this Application is eligible for streamlined processing pursuant to Section 63.03(b)(2)(i) because, immediately following the transaction, Transferee (and its Affiliates) will have a market share in the interstate, interexchange market of less than 10 percent, and the Transferee (and its Affiliates) will provide competitive telephone exchange services or exchange access services (if at all) exclusively in geographic areas served by a dominant local exchange carrier that is not a party to the transaction, and none of the Applicants (or their Affiliates) are dominant with respect to any service.

**(a)(9)** Licensee does not hold any other authorizations or licenses from the Commission. Therefore, no other applications are being filed with the Commission with respect to this transaction.

**(a)(10)** No party is requesting special consideration because it is facing imminent business failure.

**(a)(11)** Not applicable.

**(a)(12)** Applicants submit that the transaction described herein will serve the public interest. Under new ownership, Licensee will continue to provide high-quality telecommunications services to consumers, while gaining access to the additional resources and operational expertise of the Company. The transfer of control will therefore give Licensee the ability to become a stronger competitor, to the ultimate benefit of consumers. Licensee's network complements Zayo Bandwidth's existing metro and regional networks and the acquisition will increase Zayo Bandwidth's existing fiber footprint in Georgia, Idaho, Minnesota, Ohio and Tennessee giving the combined companies greater market depth and breadth as a result of the transaction. As a result,

the transaction will strengthen Zayo Group's ability to compete with other, much larger, fiber providers in the region to the benefit of consumers and the telecommunications marketplace.

The transfer of control of Licensee will not result in a change of carrier for customers or any assignment of existing Commission authorizations. Further, the rates, terms and conditions of services currently provided by Licensee to its customers will not change as a result of the transaction. Following consummation of the proposed transaction and after appropriate notices to customers and any required regulatory filings, the name of Licensee is expected to change to "Zayo Metro, Inc." Otherwise, the transaction will be seamless and transparent to customers and Licensee will continue to provide high-quality communications services to its customers without interruption and without change in rates, terms or conditions. Future changes in those rates, terms and conditions, if any, will be undertaken pursuant to the applicable federal and state notice and tariff requirements.



**VI. CONCLUSION**

For the reasons stated above, Applicants respectfully submit that the public interest, convenience, and necessity would be furthered by a grant of this Application for the transfer of control of American Fiber Systems Holding Corp., directly, and American Fiber Systems, Inc., indirectly, to Zayo Group, LLC.

Respectfully submitted,



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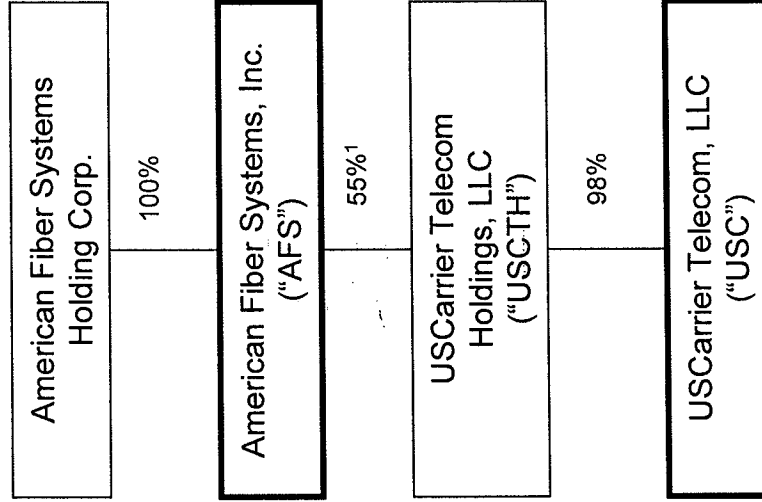
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Dated: July 30, 2010

**EXHIBIT A**

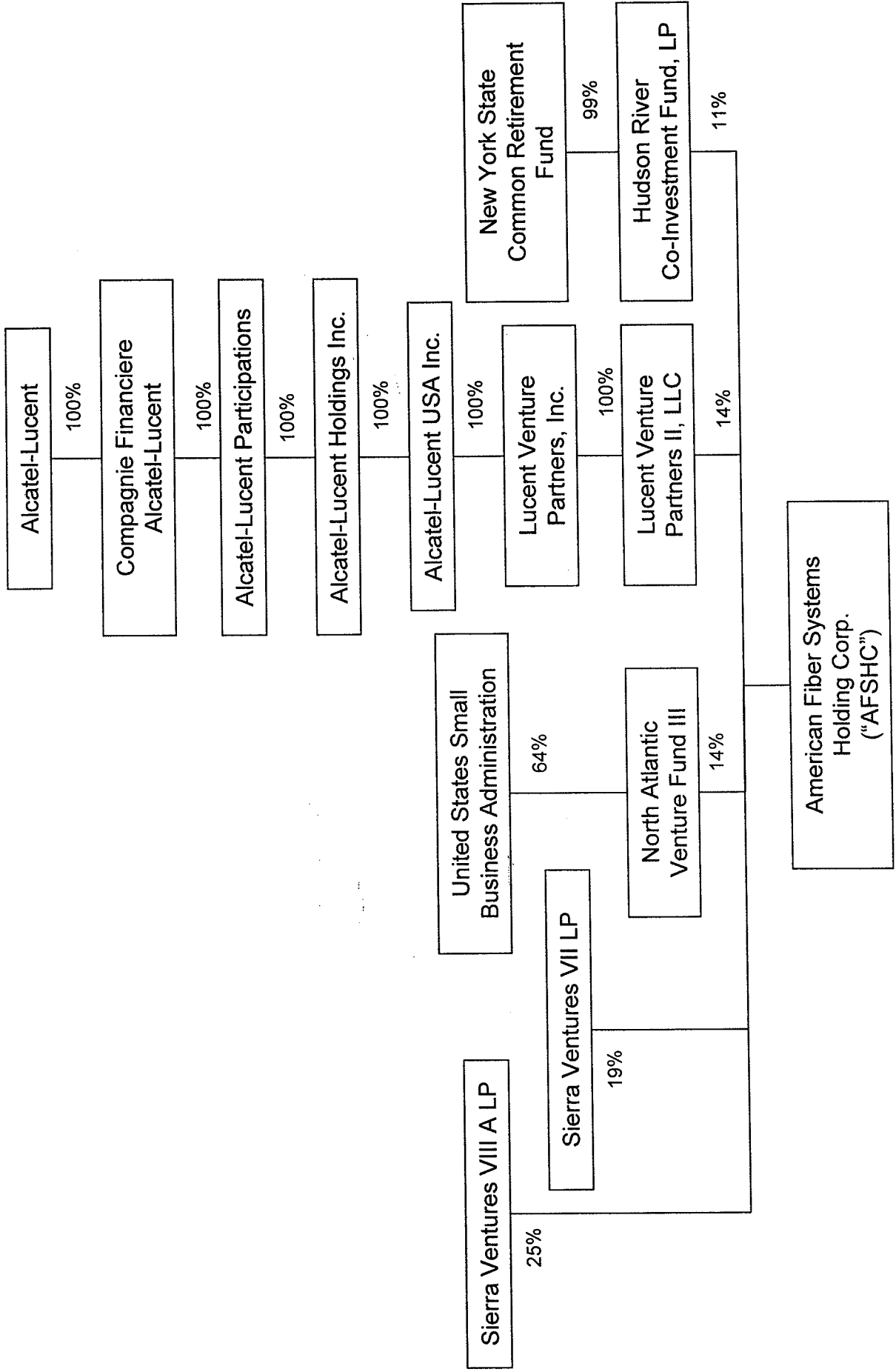
**Pre- and Post-Transaction Corporate Structure Charts**

## Pre-Transaction Corporate Structure of AFS and USC

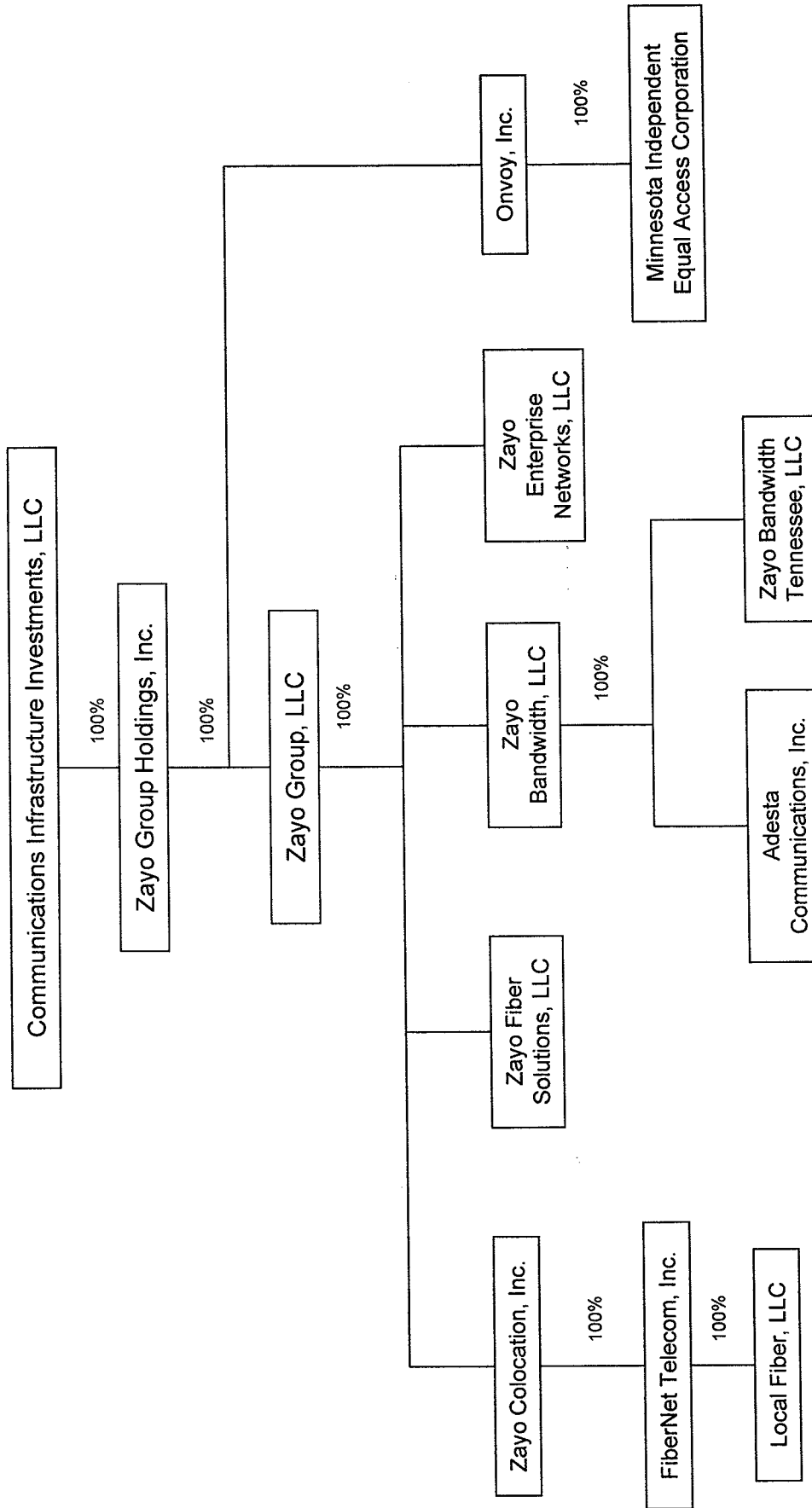


<sup>1</sup>Although AFS holds a total of 55% equity interest in USCTH, AFS does not have actual day-to-day control of USCTH (nor indirect control of USC) because of governance and voting agreements within the governing documents of USCTH; however, there are certain major decisions that require supermajority of the members and therefore AFS's approval.

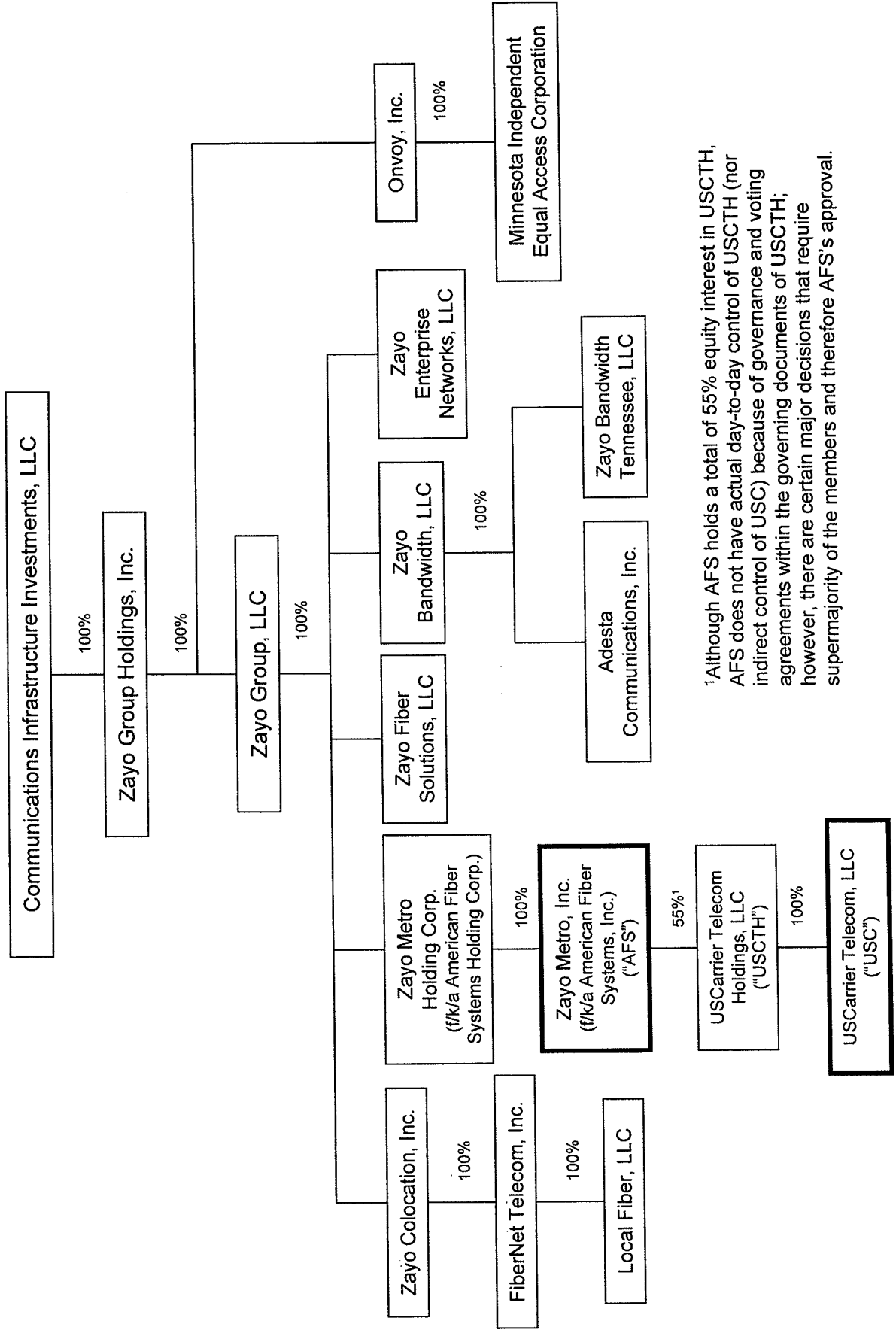
# Pre-Transaction Corporate Structure of AFSHC



# Pre-Transaction Corporate Structure of Zayo Group, LLC

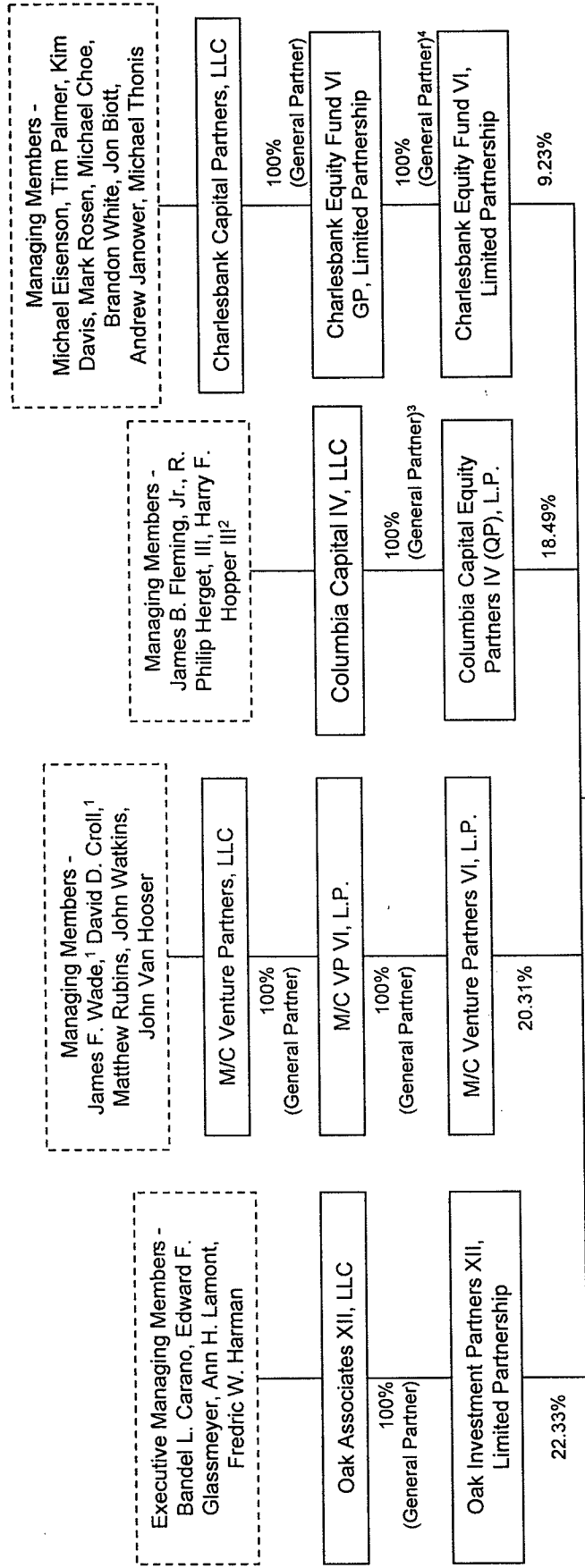


# Post-Transaction Corporate Structure of AFS, USC and Zayo Group, LLC



<sup>1</sup>Although AFS holds a total of 55% equity interest in USCTH, AFS does not have actual day-to-day control of USCTH (nor indirect control of USC) because of governance and voting agreements within the governing documents of USCTH; however, there are certain major decisions that require supermajority of the members and therefore AFS's approval.

# Pre- and Post-Transaction Corporate Structure of CII



<sup>1</sup> Mr. Wade and Mr. Croll are also 2 of the 5 managers of M/C Venture Investors, L.L.C., which has a 0.64% direct interest in CII.

<sup>2</sup> These individuals also have indirect control of other entities that have, in aggregate, a 0.44% direct interest in CII.

<sup>3</sup> Columbia Capital VI, LLC is the general partner of (i) Columbia Capital Equity Partners IV, L.P., which is the general partner of both Columbia Capital Equity Partners IV (QP), L.P. and Columbia Capital Equity Partners IV (QPCO), L.P. (which has a 2.27% direct interest in CII) and (ii) Columbia Capital Employee Investors IV, L.P., which has a 0.14% direct interest in CII.

<sup>4</sup> Charlesbank Equity Fund VI GP, Limited Partnership indirectly controls 10.76% of CII as the general partner of (i) Charlesbank Equity Fund VI, Limited Partnership and (ii) the following funds that collectively have an approximately 1.54% direct interest in CII: CB Offshore Equity Fund VI; Charlesbank Equity Coinvestment Fund VI, LP; and Charlesbank Equity Coinvestment Partners, LP.

## Verifications



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**VERIFICATION**

I, Scott E. Beer, state that I am the General Counsel of Zayo Group, LLC; that I am authorized to make this Verification on behalf of Zayo Group, LLC; that the foregoing filing was prepared under my direction and supervision; and that the contents with respect to Zayo Group, LLC 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 7<sup>th</sup> day of July, 2010.

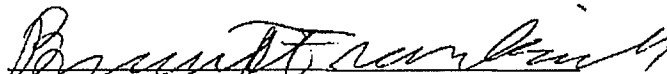
  
\_\_\_\_\_  
Scott E. Beer  
General Counsel  
Zayo Group, LLC

✓

## VERIFICATION

I, Bruce T. Frankiewich, state that I am the General Counsel & VP of Regulatory Affairs of American Fiber Systems Holding Corp., the parent company of American Fiber Systems, Inc. (together, the "Company"); that I am authorized to make this Verification on behalf of the Company; that the foregoing filing was prepared under my direction and supervision; and that the contents with respect to the Company 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 29 day of July, 2010.

  
Bruce T. Frankiewich  
General Counsel & VP of Regulatory Affairs  
American Fiber Systems Holding Corp.