

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

In the Matter of)
)
YourTel America, Inc.) **WC Docket No.** _____
) **IB File No.** _____
)
Application for Consent to Transfer Control)
of a Company Holding International Section)
214 Authority and Blanket Domestic Section)
214 Authority Pursuant to Section 214 of the)
Communications Act of 1934, as Amended)

JOINT DOMESTIC AND INTERNATIONAL APPLICATION

YourTel America, Inc. (“YourTel”) hereby respectfully requests authority pursuant to Section 214 of the Communications Act of 1934, as amended (the “Act”), 47 U.S.C. §214, and Sections 63.04 and 63.24(e) of the Commission’s Rules, 47 CFR §§ 63.04, 63.24(e), to transfer control of YourTel to a new group of shareholders through the issuance of stock. YourTel provides prepaid local, long distance, and wireless services to business and residential customers in Kansas, Missouri, Oklahoma, and Illinois.

Pursuant to Section 63.04(b) of the Commission’s Rules, 47 C.F.R. § 63.04(b), YourTel is filing a combined application for the proposed transfer of control of YourTel. YourTel provides below the information required by Section 63.24(e)(2) of the Commission’s Rules, 47 C.F.R. § 63.24(e)(2). **Exhibit A** provides the additional information requested by Section 63.04(a)(6) through (a)(12) of the Commission’s Rules, 47 C.F.R. § 63.04(a)(6)-(12).

YourTel requests streamlined treatment of this Application pursuant to Sections 63.03 and 63.12 of the Commission’s Rules, 47 C.F.R. §§ 63.03 and 63.12. This

Application is eligible for streamlined processing pursuant to Section 63.03(b)(2) of the Commission's Rules because (i) the proposed transaction will result in YourTel (including its affiliates, as that term is defined in Section 3(1) of the Act) having a market share in the interstate, interexchange market of less than 10 percent; (ii) YourTel (including its affiliates) will provide competitive telephone exchange services or exchange access services exclusively in geographic areas served by a dominant local exchange carrier that is not a party to the transaction; and (iii) neither YourTel nor any of its affiliates is regulated as dominant with respect to any service. This Application qualifies for streamlined treatment under Section 63.12(c) of the Commission's Rules because (i) YourTel is not affiliated with a foreign carrier and will not become affiliated with any foreign carrier as a result of the proposed transaction; (ii) YourTel is not affiliated with any dominant U.S. carrier whose international switched or private line services YourTel seeks authority to resell, nor will YourTel be so affiliated post-close; and (iii) none of the other scenarios outlined in Section 63.12(c) of the Commission's Rules, 47 C.F.R. § 63.12, apply.

I. DESCRIPTION OF YOURTEL, NEW SHAREHOLDERS, AND PROPOSED TRANSACTION

YourTel is corporation organized under the laws of Missouri. Its principal place of business is 2800 East 18th Street, Kansas City, MO 64127.

YourTel provides prepaid local, long distance, and wireless telecommunications services to business and low-income residential customers in Kansas, Missouri, Oklahoma, and Illinois. YourTel uses a combination of its own facilities, leased facilities, and resold facilities to provide basic affordable telecommunications services to its

customers. YourTel holds blanket domestic Section 214 authority, as well as international Section 214 authority, granted in FCC File No. ITC-214-20060608-00309, to operate as a global or limited global facilities-based and resale carrier. In addition, YourTel holds certificates to provide local and intrastate toll services in Kansas, Missouri, Oklahoma, and Illinois. YourTel is not a foreign carrier and is not affiliated with foreign carriers in any market. YourTel has no affiliates that offer domestic or international telecommunications services.

At present, three (3) individuals hold all of the voting and equity interests in YourTel. David A. Garza, the Chairman and President of YourTel, holds an 80 percent ownership interest in YourTel. Mr. Garza is a U.S. citizen whose address is 14435 NW 63rd St., Kansas City, MO 64152. Paul N. Hicks, the Vice President and Chief Information Officer of YourTel, holds a 10 percent ownership interest in YourTel. Mr. Hicks is a U.S. citizen whose address is 1716 Red Barn Rd., Raymore, MO 64083. Dale R. Schmick, the Chief Strategy Officer of YourTel, holds the remaining 10 percent ownership interest in YourTel. Mr. Schmick is a U.S. citizen whose address is 8855 N. Congress Ave. #334, Kansas City, MO 64153. No other entity or individual holds a 10 percent or greater ownership interest in YourTel at present.

YourTel, Mr. Garza, Mr. Hicks, and Mr. Schmick have entered into an agreement to sell stock in YourTel to four (4) additional shareholders. This sale dilutes the interests of Mr. Garza, Mr. Hicks and Mr. Schmick and results in the transfer of control of YourTel. Four (4) shareholders will hold 10 percent or more of the ownership interests in YourTel post-close, as follows.

Yurich Trust. The Richard Paul Yurich Revocable Living Trust dated June 11, 2008, as amended and restated (the “Yurich Trust”), will hold a 34 percent ownership interest in YourTel post-close. The Yurich Trust was formed under the laws of Oklahoma; its address is 1101 Territories Dr., Edmond, OK 73034, and its principal business is investment. Jason Hirzel, a U.S. citizen, is the trustee of the Yurich Trust. The beneficiaries of the Yurich Trust are Jennifer Renee Yurich, Rylee Yurich, Ryan Yurich, and Cruz Yurich, all U.S. citizens.

Hirzel Trust. The Jason G. Hirzel Trust Dated December 20, 2008, as amended and restated (the “Hirzel Trust”), will hold a 19 percent ownership interest in YourTel after consummation of the sale of stock. The Hirzel Trust was formed under the laws of Oklahoma; its address is 2951 S. Post Rd., Guthrie, OK 73044, and its principal business is investment. Richard Yurich, a U.S. citizen, is the trustee of the Hirzel Trust. The beneficiaries of the Hirzel Trust are Kelley Jo Hirzel, Hayden Grant Hirzel, Landen Wayne Hirzel, and Kellen Jase Hirzel, all U.S. citizens.

White Trust. The Jeffrey L. White Revocable Trust dated September 1, 2010, as amended and restated (the “White Trust”), will hold a 10 percent ownership interest in YourTel after closing. The White Trust was formed under the laws of Oklahoma; its address is 13929 Quail Pointe Dr., Oklahoma City, OK 73134, and its principal business is investment. Jeffrey White, a U.S. citizen, is the trustee and the beneficiary of the White Trust.

Mr. Garza. Mr. Garza will hold 27 percent ownership interest in YourTel post-close. The interests of Mr. Hicks and Mr. Schmick in YourTel will each be less than 10 percent.

The trustee of the Yurich Trust, Mr. Hirzel, and the trustee of the Hirzel Trust, Mr. Yurich, each own controlling interests in TerraCom, Inc. (“TerraCom”) and MexTel Corporation d/b/a LifeTel (“LifeTel”). TerraCom provides prepaid local, intrastate, and interstate telecommunications services to low-income residential customers in Oklahoma and Texas. LifeTel provides prepaid local, intrastate, and interstate telecommunications services to low-income residential customers in Oklahoma. TerraCom and LifeTel do not provide international services to their customers, are not foreign carriers, and are not affiliated with foreign carriers on any route. YourTel will be an affiliate of TerraCom and LifeTel post-close.

The transaction will be transparent to YourTel’s customers. All customers of YourTel will continue to be served by YourTel, pursuant to its existing international and domestic Section 214 authorizations, after the sale of stock to the new shareholders is consummated.

II. PUBLIC INTEREST STATEMENT

The sale of stock in YourTel as described herein will serve the public interest. The financial, technical, and managerial resources that YourTel’s new shareholders will bring to YourTel will enhance YourTel’s ability to compete in the telecommunications services marketplace. Most importantly, these resources will strengthen YourTel’s ability to provide high-quality, low-price prepaid telecommunications services to underserved customers in Kansas, Missouri, Oklahoma, and Illinois.

At the same time, the proposed transaction will have no adverse impact on YourTel’s existing customers. These customers will continue to receive their existing services at the same rates, terms and conditions as at present. Any future changes to the

rates, terms and conditions of service will be made consistent with Commission requirements.

Furthermore, the proposed transaction does not present any anti-competitive concerns. As discussed above, YourTel will be affiliated with TerraCom and LifeTel after consummation of the sale of YourTel shares to the new shareholders. While YourTel, TerraCom, and LifeTel each provide prepaid local, intrastate, and interstate telecommunications services to low-income customers in Oklahoma, these companies' share of the local, intrastate, and interstate telecommunications market in Oklahoma (if combined) would be well under one (1) percent. Furthermore, YourTel faces fierce competition in Oklahoma in the lifeline services market from established wireline service providers, including but not limited to AT&T; Cox Oklahoma Telecom; The Telephone Company, Inc.; Budget Phone, Inc.; Nexus Communications; UT Phone; Head Start Telecom; DartPhone; DPI Teleconnect; and New Talk, Inc.

In addition, the proposed transaction poses no risk of anticompetitive impact on the U.S. international telecommunications marketplace. YourTel has a very small share of the international telecommunications market, and provides international services only on a resale basis. YourTel is not a foreign carrier, nor is it affiliated with a foreign carrier in any market. YourTel will not become a foreign carrier or affiliated with a foreign carrier as a result of the proposed transaction.

Finally, the proposed transaction does not raise any national security or law enforcement concerns. All of YourTel's new shareholders are U.S. citizens or organized under U.S. law.

III. INFORMATION REQUIRED BY SECTION 63.24(e) OF THE COMMISSION'S RULES

YourTel submit the following information pursuant to Section 63.24(e) of the Commission's Rules, including the information requested in Section 63.18:

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

YourTel America, Inc. ("YourTel")
2800 East 18th Street
Kansas City, MO 64127
Tel: (816) 388-1000

- (b) YourTel is a Missouri corporation.

- (c) Correspondence concerning this Application should be sent to:

For YourTel:

Dale R. Schmick
Chief Strategy Officer
YourTel America, Inc.
2800 East 18th Street
Kansas City, MO 64127
Tel: (816) 388-1000
dschmick@yourtel.com

with copy to:

Genevieve Morelli
Joan M. Griffin
KELLEY DRYE & WARREN LLP
3050 K Street, N.W.
Washington, D.C. 20007
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gmorelli@kelleydrye.com
jgriffin@kelleydrye.com

- (d) YourTel holds international Section 214 authority, granted in FCC File No. ITC-214-20060608-00309, to operate as a global or limited global facilities-based and resale carrier.
- (h) Post-close, the following individuals or entities hold a 10 percent or greater interest in YourTel:

Yurich Trust. The Richard Paul Yurich Revocable Living Trust dated June 11, 2008, as amended and restated (the “Yurich Trust”), will hold a 34 percent ownership interest in YourTel post-close. The Yurich Trust was formed under the laws of Oklahoma; its address is 1101 Territories Dr., Edmond, OK 73034, and its principal business is investment. Jason Hirzel, a U.S. citizen, is the trustee of the Yurich Trust. The beneficiaries of the Yurich Trust are Jennifer Renee Yurich, Rylee Yurich, Ryan Yurich, and Cruz Yurich, all U.S. citizens.

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Mr. Garza. David A. Garza will hold a 27 percent ownership interest in YourTel post-close. Mr. Garza is currently the Chairman and President of YourTel and a U.S. citizen whose address is 14435 NW 63rd St., Kansas City, MO 64152.

No other persons or entities will hold a 10 percent or greater ownership interest in YourTel post-close pursuant to the Commission’s attribution rules. There will no interlocking directorates with any foreign carrier following consummation of the proposed transaction.

- (i) As evidenced by the signature of YourTel’s representative to this Application, YourTel certifies that (a) YourTel is not a foreign carrier and is not affiliated with a foreign carrier, and (b) YourTel will not become a foreign carrier or become affiliated with a foreign carrier post-close.
- (j) As evidenced by the signature of YourTel’s representative to this Application, YourTel certifies that it does not seek to provide international telecommunications services to any destination country where (i) YourTel is a foreign carrier; (ii) YourTel controls a foreign carrier; (iii) any entity that owns more than 25 percent of YourTel, or that controls YourTel, controls a foreign carrier; or (iv) two or more foreign carriers (or parties that control foreign carriers) own, in the aggregate, more than 25 percent of YourTel and are parties to, or the beneficiaries

of, a contractual relation affecting the provision or marketing or international basic telecommunications services in the United States.

- (k) Not applicable.
- (l) Not applicable.
- (m) Not applicable.
- (n) As evidenced by the signature of YourTel's representative to this Application, YourTel certifies that it 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 it will not enter into such agreements in the future.
- (o) As evidenced by the signature of YourTel's representative to this Application, YourTel certifies that, pursuant to Sections 1.2001 through 1.2003 of the Commission's Rules, no party to this Application is subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988.
- (p) YourTel requests streamlined processing of this Application pursuant to Section 63.12 of the Commission's Rules, 47 C.F.R. § 63.12. This Application qualifies for streamlined treatment under Section 63.12(c) of the Commission's Rules because (i) YourTel is not affiliated with a foreign carrier and will not become affiliated with any foreign carrier as a result of the proposed transaction; (ii) YourTel is not affiliated with any dominant U.S. carrier whose international switched or private line services YourTel seeks authority to resell, nor will YourTel be so affiliated post-close; and (iii) none of the other scenarios outlined in Section 63.12(c) of the Commission's Rules, 47 C.F.R. § 63.12, apply.

IV. INFORMATION REQUIRED BY SECTION 63.04(b) OF THE COMMISSION'S RULES

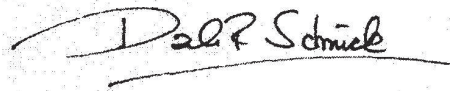
In accordance with the requirements of Section 63.04(b) of the Commission's Rules, the additional information required for the domestic Section 214 transfer of control application is provided in **Exhibit A**.

V. CONCLUSION

Based on the foregoing, YourTel respectfully submit that the public interest, convenience, and necessity would be furthered by grant of this Application.

Respectfully submitted,

YOURTEL AMERICA, INC.



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Its Attorneys

Date: 1/11/11

LIST OF EXHIBITS

EXHIBIT A – Information Required by 47 C.F.R. §63.04

EXHIBIT A

INFORMATION REQUIRED BY 47 C.F.R. §63.04

In accordance with the requirements of Section 63.04(b) of the Commission's Rules, 47 C.F.R. § 63.04, YourTel provides the following information in support of its request.

63.04(b)(6): Description of the Transactions

The proposed transaction is described in Section I of the Application.

63.04(b)(7): Description of Geographic Service Area and Services in Each Area

A description of the geographic service areas and services provided in each area is included in Section I of the Application.

63.04(b)(8): Presumption of Non-Dominance and Qualification for Streamlining

This Application is eligible for streamlined processing pursuant to Section 63.03(b)(2) of the Commission's Rules because (1) the proposed transaction will result in YourTel (including its affiliates, as that term is defined in Section 3(1) of the Act) having a market share in the interstate, interexchange market of less than 10 percent; (2) YourTel (including its affiliates) will provide competitive telephone exchange services or exchange access services exclusively in geographic areas served by a dominant local exchange carrier that is not a party to the transaction; and (3) neither YourTel nor any of its affiliates are regulated as dominant with respect to any service.

63.04(b)(9): Other Pending Commission Applications Concerning the Proposed Transaction

None.

63.04(b)(10): Special Considerations

None.

63.04(b)(11): Waiver Requests (If Any)

None.

63.04(b)(12): Public Interest Statement

Consummation of the proposed transaction will serve the public interest for the reasons detailed in Section II of the Application.