

**Answer to Question 10**

In Attachment 1, please respond to paragraphs (c) and (d) of Section 63.18 with respect to the assignor/transferor and the assignee/transferee.

63.18(c)

Transferor:

**Keystone-Arthur Telephone Company**  
Mr. Kelly R. Gies  
President  
100 Fenwick Street  
P.O. Box 240  
Keystone, Nebraska 69144  
Telephone: 308-726-2281  
Facsimile: 308-726-3642

Transferee:

**Glenwood Telephone Membership Corporation**  
Mr. Stanley Rouse  
General Manager  
510 West Gage  
P.O. Box 97  
Blue Hill, Nebraska 68930  
Telephone: 402-756-3131  
Facsimile: 402-756-3134

Charles W. Hastings  
Dunmire, Fisher & Hastings  
800 W. 3<sup>rd</sup> Street, #202  
P. O. Box 1044  
Hastings, Nebraska 68902-1044  
Telephone: 402-463-1383  
Facsimile: 402-463-0602

Copies of all correspondence, notices, and inquiries should also be addressed to:

Thomas J. Moorman  
Woods & Aitken LLP  
2154 Wisconsin Avenue, NW, Suite 200  
Washington, DC 20007  
Telephone: (202) 944-9502  
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### **Answer to Question 10 (cont'd)**

63.18(d)

KeyArt Comm., Inc. (“KACI”) holds an International Telecommunications Certification for global and/or limited global resale service, File No. ITC-214-19970402-00188, which was granted on May 22, 1997.

### **Answer to Question 11**

Does any entity, directly or indirectly, own at least ten (10) percent of the equity of the assignee/transferee as determined by successive multiplication in the manner specified in the note to Section 63.18(h) of the rules?

If you answered "Yes" to this question, provide in Attachment 1, the name, address, citizenship, and principal businesses of each person or entity that directly or indirectly owns at least ten (10) percent of the equity of the assignee/transferee, and the percentage of equity owned by each of those persons or entities (to the nearest one percent).

While Transferee, Glenwood Telephone Membership Corporation (“Glenwood”) properly responded “No” the referenced question, Glenwood provides the following explanation for that response. Glenwood is a member-owned cooperative membership corporation which had 2068 member-owners as of December 31, 2012, none of whom directly or indirectly owns or controls a 10 percent or greater interest in its equity or voting power. Thus, there are no 10% or greater owners of Glenwood. Operational control of Glenwood rests with its Board of Directors that is elected by the membership, its officers and its General Manager. The names, titles, principal business and addresses of individuals comprising the Board of Directors, the officers and Glenwood’s General Manager are as follows:

1. Gerald Toepfer, President and Director, , Farm Operator, 1659 Road Z, Blue Hill, NE, 68930;
2. Keri Rutt, Director, Farm Operator, 203 40 Road, Upland, NE 68981;
3. Kevin Choquette, Director, Electrical Contractor and Farm Operator, 1815 O Road, Upland NE 68981;
4. Mike Soneson, Farm Operator, 73020 U Road, Holdrege, NE 68949, Secretary/Treasurer and Director;
5. Philip Boyd, Director, Sand and Gravel Business, 410 Railroad Street, Bladen, NE 68928;
6. Ronald Ostdiek, Director, Retired Manager of Lumber and Hardware Store, 102 W Gage Street, Blue Hill, NE 68930;

**Answer to Question 11 (Cont'd)**

7. Walter Buescher, Director, Farm Operator, 1527 Road 2600, Lawrence, NE 68957;
8. Wayne Mousel, Vice President and Director, Cattle Producer, 6410 S Roseland Avenue, Roseland, NE 68973;
9. Stanley Rouse, General Manager, Telecommunications Executive, 510 West Gage, P. O. Box 97, Blue Hill, NE 68930.

Each of these individuals is a United States citizen.

**Answer to Question 13**

Provide in Attachment 1 a narrative of the means by which the proposed assignment or transfer of control will take place. In circumstances of a substantial assignment or transfer of control pursuant to Section 63.24(e), where the assignor seeks authority to assign only a portion of its U.S. international assets and/or customer base, please specify whether the assignor requests authority to continue to operate under any or all of its international Section 214 File Nos. after consummation; and, if so, please specify in Attachment 1 each File No. it seeks to retain in its own name.

Glenwood Telephone Membership Corporation (“Glenwood”), Glenwood Transitory Sub., Inc. (a wholly owned subsidiary of Glenwood, the “Transitory Sub”) and KATC (the parent company of KACI)<sup>1</sup> have entered into a Merger Agreement, which is subject to the approval of shareholders of KATC that own at least a majority of the stock of KATC and compliance by the parties with the other conditions to the obligation to close the merger transaction as specified in the Merger Agreement. Upon consummation of the transaction, KATC and the Transitory Sub will merge and following the effective date of the merger KATC will become a wholly-owned subsidiary of Glenwood. KACI will remain a wholly-owned subsidiary of KATC with KACI’s ultimate parent company being Glenwood.

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<sup>1</sup> KACI has a pending notification of pro forma transfer application that provides the basis for KACI being a wholly-owned subsidiary of KATC. See IB Submission: IB2013002341.

### **Answer to Question 20**

If the applicant desires streamlined processing pursuant to Section 63.12 of the rules, provide in Attachment 1 a statement of how the application qualifies for streamlined processing. (See Section 63.18(p).) Note that, if the application is being filed in connection with a sale of assets or reorganization of a carrier or its parent pursuant to the U.S. bankruptcy laws, the application may not be eligible for streamlined processing until final bankruptcy court approval of the proposed sale or reorganization.

This application qualifies for streamlined processing under Sections 63.12(a) and (b) of the Commission's Rules.

Neither KACI, KATC nor Glenwood is affiliated with any foreign carrier in any destination market.

Neither KACI, KATC nor Glenwood has an affiliation with a dominant U.S. long distance carrier whose international switched or private line services the applicants seek authority to resell.

Rather, KATC and Glenwood propose only to engage in the proposed transaction referenced in the response to the Answer to Question 13 where the ultimate control over KACI will be transferred from the owners of KATC to Glenwood. KACI will continue to operate as a non-dominant carrier that resells the international switched services of one or more U.S. unaffiliated long distance carriers.