

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:

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

Transferee:

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

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

Thomas J. Moorman
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2154 Wisconsin Avenue, NW, Suite 200
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63.18(d)

KeyArt Comm., Inc. 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).

Since the approval of the original international Section 214 authority by the Commission, the owners of KeyArt Comm., Inc. ("KACI") undertook a corporate reorganization that, as explained below, resulted in KACI becoming a wholly-owned subsidiary of Keystone-Arthur Telephone Company ("KATC") which the owners of KACI also controlled. Specifically, on or about October 15, 2002, the four individuals identified in the application -- Martha D. Gies, Lois L. Vath, Mabel C. Statler, and William B. Hill – each an owner of 25% of the then issued and authorized stock of KACI and thus owning the controlling interests in KACI transferred their ownership interests in KACI to KATC. On such date, these same four individuals or their heirs (Ms. Gies has passed away) owned the controlling stock interests in KATC. Thus, the transfer of the controlling interests in KACI to KATC effected a corporate reorganization as provided for as a presumptively *pro forma* change following which KATC owned 91.2% of the issued and outstanding shares of KACI. *See* 47 C.F.R. § 63.24(d) ("Note 2 to Paragraph (d): . . . Corporate reorganization that involves no substantial change in the beneficial ownership of the corporation. . . .").

On September 2, 2009, KATC acquired an additional 1.45% of KACI's issued and outstanding shares. Likewise, on January 14, 2010, KATC also acquired an additional 1.45% of KACI's issued and outstanding shares. Finally, on January 30, 2013 KATC acquire the remaining 5.9% of KACI's issued and outstanding shares causing KACI to become a wholly-owned subsidiary of KATC.

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.

As indicated above, KeyArt Comm., Inc.'s then existing shareholders transferred those shares to Keystone-Arthur Telephone Company ("KATC"), thus effecting a "[c]orporate reorganization that involved no substantial change in the beneficial ownership" of KeyArt Comm., Inc. ("KACI"). With specific reference to Questions 3.d and 22 through 24 of the electronically-filed application, KACI and KATC (the "Companies") also provide this explanation in amplification and support thereof.

Answer to Question 13 (cont'd)

In preparation for a sale of the interests of KATC, it was discovered that notification of this pro forma transfer of control was not submitted to the Commission in the thirty (30) day period provided for 47 C.F.R. §63.24(f)(2). The Companies regret this error. Recognizing the error, the Companies file to correct this inadvertent oversight.