

Application of LigTel Communications, Inc.
for Transfer of Control
International 214 Authority – ITC-214-20000270-00064

Attachment 1

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: Ligonier Telephone Company, Inc.
c/o
Meshell L. Schloss
President
414 South Cavin Street
Ligonier, Indiana 46767
Telephone: (260) 894-7161

Transferee: Heartland Innovations, Inc.
c/o
Donald E. Johnson
Secretary
414 South Cavin Street
Ligonier, Indiana 46767
Telephone: (260) 894-7161

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

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Woods & Aitken LLP
5151 Wisconsin Avenue, NW, Suite 310
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63.18(d)

LigTel Communications, Inc. (“LCT”) holds an International Telecommunications Certification for global and/or limited global resale service, File No. ITC-214-20000207-00064. See Public Notice, Report No. TEL-00205, DA No. 00-664, released March 23, 2000.

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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).

Contemporaneously with this application, LigTel Communications, Inc. ("LCI") is submitting a request for Special Temporary Authority associated with a prior transfer of control and is filing of a notification of a pro forma transfer of control application (concerning a corporate re-organization that occurred on January 1, 2017). The instant application is filed to correct and inadvertent oversight in not submitting a transfer of control application as discussed below. Both the current and prior ownership of LCI as noted herein regret that they failed to notify the Commission of the transfer of control associated with a death of a shareholder.

The following information is provided with respect to the current shareholders of 10% or greater of the equity interests of LCI and the shareholders of 10% or greater of the equity interests of LIC at the time of the prior transfer of control. At all times prior to January 1, 2017, LCI was a wholly-owned subsidiary of LTC.

Current ownership of LCI:

<u>Name</u>	<u>Percentage Ownership</u>	<u>Principal Business</u>
Heartland Innovations, Inc. ("Heartland") ¹	100%	Telecommunications

The 10% or greater derivative owners of Heartland are as follows:

¹ At the time of the transfer of control, LTC was the parent company of LCI and is now, along with LCI, a wholly owned subsidiary of Heartland arising from a January 1, 2017 pro forma transfer of control. As a result of the Companies' planned corporate reorganization, Heartland was formed and, on January 1, 20017, Heartland established LTC and LCI as separate wholly-owned subsidiaries. The ownership of Heartland, an Indiana corporation formed for the purpose of reorganization, is the same as that previously for LTC. Specifically, the former shareholders of LCI's parent company, LTC, exchanged their shares of LTC for shares of Heartland. As a result of the reorganization, both LCI and LTC are wholly owned subsidiaries of Heartland, and the shareholders of Heartland, after the reorganization, are identical to the previous shareholders of LTC.

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Answer to Question 11 (Cont'd)

<u>Name</u>	<u>Percentage Ownership</u>	<u>Principal Business</u>
Meshell L. Schloss (U.S. Citizen)	Approx. 40.6%	Telecommunications
Robert P. Schloss Family Credit Shelter Trust Organized under laws of the State of Indiana, Meshell L. Schloss, Trustee and Sole Beneficiary	Approx. 10.2%	Investments
Phil Schloss Trust Organized under laws of the State of Indiana, IAB Bank, Trustee (Sherri Chaney)	Approx. 28.8%	Investments

Prior ownership of LTC:

At all times prior to January 1, 2017, LCI was a wholly-owned subsidiary of LTC.

As of August, 2000 --

<u>Name</u>	<u>Percentage Ownership</u>	<u>Principal Business</u>
Dr. Robert P. Schloss, U.S. Citizen ²	Approx. 30%	Telecommunications
Meshell L. Schloss, US Citizen	Approx. 17.8%	Telecommunications
The Phil Schloss Family Trust, Organized under the Laws of State of Indiana (Trustee BankOne)	Approx. 28.8%	Investment

² Dr. Robert P. Schloss was President and Chief Executive Office of LTC, and Chairman of the Board. Dr. Schloss controlled the daily operations of LTC and LCI.

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Answer to Question 11 (Cont'd)

<u>Name</u>	<u>Percentage Ownership</u>	<u>Principal Business</u>
BankOne for the benefit of Robert P. Schloss, held by BankOne with periodic partial redemption rights by Dr. Schloss to purchase such shares	Approx. 12.7%	Investment
As of January 1, 2007 -- Dr. Robert P. Schloss dies on January 15, 2005 (Meshell L. Schloss is Executor); Transfer of Stock Held by Dr. Robert P. Schloss Estate on January 1, 2007 to Meshell L. Schloss.		
<u>Name</u>	<u>Percentage Ownership</u>	<u>Principal Business</u>
Meshell L. Schloss, US Citizen (Additional 640 shares transferred on January 1, 2007 arising from the January 15, 2005 death of Dr. Robert P. Schloss who, at the time of his death owned 926 shares of LTC or approx. 33%)	Approx. 40.6%	Telecommunications
Robert P. Schloss Family Credit Shelter Trust Organized under laws of the State of Indiana, Meshell L. Schloss, Trustee and Sole Beneficiary. The trust was funded on January 1, 2007	Approx. 10.2%	Investments
The Phil Schloss Family Trust, Organized under the Laws of the State of Indiana (Trustee BankOne)	Approx. 28.8%	Investments

With Dr. Robert P. Schloss' death, his wife, Meshell L. Schloss, became President of LTC. Ms. Schloss controlled the daily operations of LTC and LCI.

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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.

The need for the instant application arises from the fact that, upon the death of Dr. Robert P. Schloss on January 15, 2005 (who was then a minority shareholder of LTC but controlled the operations of the Companies), his wife, Meshell L. Schloss (who was executor of Dr. Schloss' estate) gained control of over fifty percent (50%) of the issued and outstanding stock of LTC (which, at the time, was the 100% owner of LCI). Approval of this transfer of control was inadvertently overlooked and not sought at that time.

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 LCI, LTC nor Heartland is affiliated with any foreign carrier in any destination market.

Neither LCI, LTC nor Heartland 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, LCI, LTC and Heartland propose only to seek Commission approval of a transfer of control arising from the fact that, upon the death of Dr. Robert P. Schloss on January 15, 2005 (who was then a minority shareholder of LTC but controlled the operations of the Companies), his wife, Meshell L. Schloss, gained control of over fifty percent (50%) of the issued and outstanding stock of LTC (which, at the time, was the 100% owner of LCI).