

August 13, 2020

VIA ELECTRONIC FILING

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

*Re: Application for Consent to Transfer Control of Domestic 214 Authority Holder
from Denis V. Raue to AppDirect, Inc.*

Dear Ms. Dortch:

Through their counsel, Applicant AppDirect, Inc. (“AppDirect”) supplement the above-referenced application (“Application”) to transfer control of AppSmart TGN, Inc. (f/k/a Telegration, Inc.) (“Telegration”) from Denis V. Raue to AppDirect, which application, as amended is attached hereto at Appendix A. At the request of Commission staff, this supplement provides the following information: (1) a statement of interests in U.S. telecommunications services providers held by AppDirect and its affiliates; and (2) identification of the names of intermediate entities through which the individuals holding 10% or greater interest in Telegration hold their equity interest. In addition, this supplement corrects descriptions in the Application relating to the interests in AppDirect held by Nicolas Desmarais and Daniel Saks, and updates the ownership percentages of the holder of 10% or greater interest in Telegration to account for capital-raising that occurred after the initial filing of the application, each as described below. The capital-raising transaction did not result in any new 10% or greater interest holder in Telegration.

A. Interests Held by Affiliates in U.S. Telecommunications Service Providers

AppDirect provides the following statement of its affiliates’ interests in U.S. telecommunications service providers.

1. Entities controlled by AppDirect

No entity controlled by AppDirect, Inc. and identified in Exhibit B of the Application holds any direct or indirect interest in a U.S. telecommunications service provider, other than AppSmart Services, Inc.’s ownership of Telegration as explained in the Application.

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2. Indirect non-controlling investment interests

Except as stated below, AppDirect is not aware of any direct or indirect 10-percent-or-greater interests in U.S. telecommunications service providers held by any of the holders of non-controlling interests in AppDirect, including Nicolas Desmarais, Paul Desmarais, Daniel Saks, PEG Digital Growth Fund II, and Mithril Capital Management, LLC. AppDirect emphasizes that its knowledge is based on a review of publicly available information (including a review of information available in the ECFS, EDOCS, ULS, and EDGAR databases) as of the date of this letter and not on information provided directly by such entities. Such entities may or may not hold other non-controlling equity interests in telecommunications assets in their investment portfolios or provide financing for transactions in the telecommunications sector; however, based on the searches conducted to date, AppDirect is aware of the following direct or indirect 10-percent-or-greater interest in a U.S. telecommunications service provider: JPMorgan Chase & Co., an affiliate of PEG Digital Growth Fund II, indirectly controls 21.25% of the common units of Ligado Networks, LLC.¹

B. Identification of Intermediate Entities

Paul Desmarais Jr. holds an indirect 16% equity interest in AppDirect through the following investment entities, none of which individually holds 10% or greater interest in AppDirect: Belvoir Investments Corporation, a Canadian federal corporation (8.4%); Desfam Holdings Inc., a Canadian federal corporation (4.8%); and Belvoir Canada Inc., a Canadian federal corporation (2.8%).

Mithril Capital Management holds its 13% equity interest (5 percent voting interest) through two Delaware limited partnerships, Mithril LP (10.35%) and Mithril II LP (2.35%).

C. Correction of Application

Nicolas Desmarais holds a direct 13% equity interest in AppDirect, and does not hold any interest in AppDirect through any investment entity. This supplement corrects the statement in the Application, which erroneously stated that Nicolas Desmarais's interest in AppDirect was held directly and through investment entities.

Daniel Saks holds a direct 10% equity interest in AppDirect, and does not hold any interest in AppDirect through any investment entity. This supplement corrects the statement in

¹ See *Application of LightSquared Subsidiary LLC, Debtor-in-Possession, and LightSquared Subsidiary LLC for Consent to Assign and Transfer Licenses and Other Authorizations*, Order, DA 19-66 (rel. Feb. 8, 2019).

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the Application, which erroneously stated that Daniel Saks's interest in AppDirect was held directly and through investment entities.

D. Updated Ownership Percentages

Since the initial filing of the Application on July 10, 2020, AppDirect has completed an additional capital-raising transaction that has resulted in minor reductions to the ownership percentages of the holders of 10% or greater ownership interest in Telegration. The updated ownership information is as follows:

Nicolas Desmarais

Address: AppDirect, 650 California Street, Floor 25, San Francisco, CA 94108
Citizenship: Canada
Principal Business: Founder and co-CEO of AppDirect
Ownership Interest: 12-percent economic (equity) interest and 41-percent voting interest in AppDirect.

Paul Desmarais Jr. (through investment entities)

Address: AppDirect, 650 California Street, Floor 25, San Francisco, CA 94108
Citizenship: Canada
Principal Business: Investor
Ownership Interest: 15-percent economic (equity) interest and 6-percent voting interest in AppDirect.

Mithril Capital Management (through investment entities)

Address: 600 Congress Avenue, Suite 3100, Austin, TX 78701,
Place of Organization: Delaware
Principal Business: Investment company
Ownership Interest: 13-percent economic (equity) interest and 5-percent voting interest in AppDirect.

PEG Digital Growth Fund II

Address: JP Morgan Asset Management, Private Equity Group, 320 Park Avenue, 15th Floor, NY1-U016, New York, NY 10022
Place of Organization: Delaware
Principal Business: Investment company
Ownership Interest: 12-percent economic (equity) interest and 5-percent voting interest in AppDirect.

Daniel Saks

Address: Daniel Saks, c/o AppDirect, 650 California Street, Floor 25, San Francisco, CA 94108

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Citizenship: Canada

Principal Business: President and co-CEO of AppDirect

Ownership Interest: 9-percent economic (equity) interest and 32-percent voting interest in AppDirect.

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Should you have any questions regarding the information provided above, please contact Stephanie Weiner by telephone at 202-730-1344 or by email at sweiner@hwglaw.com; or Henry Shi by telephone at 202-730-1308 or by e-mail at hshi@hwglaw.com.

Yours sincerely,

/s/ Stephanie Weiner

Stephanie Weiner

Henry Shi

Counsel for AppDirect, Inc.

Attachment

cc: Jodie May
Dennis Johnson
Gregory Kwan
Denise Coca
David Krech

APPDIRECT, INC.

I, Mark Liu, General Counsel of AppDirect, Inc. hereby declare under penalty of perjury under the laws of the United States of America that the information set forth in the foregoing supplement related to AppDirect, Inc. and its affiliates is true and correct to the best of my knowledge and belief.

A handwritten signature in blue ink, appearing to read "Mark Liu", written over a horizontal line.

Mark Liu
General Counsel
AppDirect, Inc.
650 California Street, 25th Floor
San Francisco, CA 94108
mark.liu@appdirect.com
415-852-3919

Dated: August 13, 2020