

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554**

In the Matter of

Magna5 Holdings LLC, Transferor, and
International Telcom, LLC, Transferee,

Joint Application for Consent to Transfer
Control of Domestic and International
Authorizations Pursuant to Section 214 of the
Communications Act of 1934, as Amended,
Held by Magna5 LLC

WC Docket No. 21-____

ITC-T/C-2021____-____

**JOINT APPLICATION FOR CONSENT TO TRANSFER CONTROL OF
DOMESTIC AND INTERNATIONAL AUTHORIZATIONS PURSUANT TO
SECTION 214 OF THE COMMUNICATIONS ACT OF 1934, AS AMENDED,
HELD BY MAGNA5 LLC**

Pursuant to Section 214 of the Communications Act of 1934, as amended, 47 U.S.C. § 214 (“Section 214”), and Sections 63.04 and 63.24 of the Commission’s rules,¹ Magna5 Holdings LLC (“Transferor”) and International Telcom, LLC (“Transferee”), hereby request the Commission’s consent to transfer control of the domestic and international authorizations held by Magna5 LLC (“Licensee”) from the current owners of Transferor to the owners of Transferee. The parties seek approval of this transaction so that the Transferee may strengthen the operations of the Licensee and invest in its network.

In support of this application, the parties provide the following information.

¹ 47 C.F.R. §§ 63.04, 63.24.

I. DESCRIPTION OF THE APPLICANTS

A. Transferor:

Licensee is a Delaware limited liability company. Transferor, the parent company of Licensee, is a holding company that does not itself hold any communications licenses or provide any communications services. In addition to providing non-regulated IT products and services, Licensee provides local telecommunications, long distance, and/or interconnected VoIP services almost exclusively to business customers, on both a retail and wholesale basis. Licensee’s services include local exchange service, point-to-point private line service, Multiprotocol Label Switching service, local area network service, direct inward dialing service, and Integrated Services Digital Network, including both Basic Rate Interface and Primary Rate Interface service. Licensee provides the following services (subject to the Section 214 process) in the following jurisdictions:

States	Types of Service(s)
Alabama	VoIP and long distance
Alaska	VoIP and long distance
Arizona	Long distance
Arkansas	VoIP
California	VoIP, long distance, and local exchange
Colorado	VoIP, long distance, and local exchange
Connecticut	VoIP and local exchange
Delaware	VoIP, long distance, and local exchange
Florida	VoIP, long distance, and local exchange
Georgia	VoIP, long distance, and local exchange
Idaho	VoIP, long distance, and local exchange
Illinois	VoIP, long distance, and local exchange
Indiana	VoIP, long distance, and local exchange
Iowa	VoIP and long distance
Kansas	VoIP, long distance, and local exchange
Kentucky	VoIP, long distance, and local exchange
Louisiana	VoIP, long distance, and local exchange
Maine	VoIP, long distance, and local exchange
Maryland	VoIP, long distance, and local exchange
Massachusetts	VoIP, long distance, and local exchange
Michigan	VoIP, long distance, and local exchange
Minnesota	VoIP, long distance, and local exchange
Mississippi	VoIP

Missouri	VoIP, long distance, and local exchange
Montana	VoIP, long distance, and local exchange
Nebraska	VoIP
Nevada	VoIP, long distance, and local exchange
New Hampshire	VoIP, long distance, and local exchange
New Jersey	VoIP, long distance, and local exchange
New Mexico	VoIP
New York	VoIP, long distance, and local exchange
North Carolina	VoIP and long distance
North Dakota	VoIP, long distance, and local exchange
Ohio	VoIP, long distance, and local exchange
Oklahoma	VoIP and long distance
Oregon	VoIP, long distance, and local exchange
Pennsylvania	VoIP, long distance, and local exchange
South Carolina	VoIP
South Dakota	VoIP and long distance
Tennessee	VoIP, long distance, and local exchange
Texas	VoIP, long distance, and local exchange
Utah	VoIP, long distance, and local exchange
Vermont	VoIP, long distance, and local exchange
Virginia	VoIP and long distance
Washington	VoIP, long distance, and local exchange
Washington, D.C.	VoIP, long distance, and local exchange
West Virginia	VoIP, long distance, and local exchange
Wisconsin	VoIP, long distance, and local exchange
Wyoming	VoIP and long distance

Nationwide, licensee has fewer than 100 residential customers, all of whom are located either in New York or Massachusetts.

Licensee is also authorized by the Commission to provide interstate and international telecommunications services under blanket domestic 214 authority pursuant to 47 C.F.R. § 63.01, and the following international 214 authorizations:

- ITC-214-19991019-00660 (global or limited facilities-based and resale),
- ITC-214-20010719-00393 (global facilities-based or global resale),
- ITC-214-20110131-00021 (global or limited facilities-based and resale), and
- ITC-214-20150605-00136 (global or limited facilities-based and resale).

Licensee, and its affiliate Magna5 International LLC (also a Delaware limited liability company), which operates under Licensee’s international section 214 authorizations, provide communications services between the U.S. and permissible international points.

B. Transferee:

International Telecom LLC is a Delaware limited liability company. Transferee provides local exchange, long distance, and international telecommunications services in the following jurisdictions:

States	Types of Service(s)
Alabama	Long distance
Arkansas	Long distance
California	Local exchange
Colorado	Long distance
Connecticut	Long distance
Florida	Long distance
Georgia	Local exchange
Hawaii	Long distance
Iowa	VoIP and long distance
Idaho	Long distance
Illinois	Long distance
Indiana	Long distance
Kansas	Long distance
Louisiana	Long distance
Massachusetts	Local exchange
Maryland	Long distance
Maine	Long distance
Minnesota	Long distance
Missouri	Long distance
Mississippi	Local exchange
North Carolina	Long distance
North Dakota	Long distance
Nebraska	Long distance
New Hampshire	Long distance
New Jersey	Long distance
New Mexico	Long distance
Nevada	Long distance
New York	Long distance

Oklahoma	Long distance
Pennsylvania	Long distance
Rhode Island	Local exchange
South Carolina	Long distance
Texas	VoIP
Washington	Local exchange and long distance
Wisconsin	Local exchange
West Virginia	Long distance
Wyoming	Local exchange

Transferee is also authorized by the Commission to provide interstate and international telecommunications services under blanket domestic 214 authority pursuant to 47 C.F.R. § 63.01, and international 214 authorization ITC-214-19961031-00548 (global facilities-based service).²

II. PUBLIC INTEREST STATEMENT

The proposed transaction is in the public interest because consummation will allow the Transferee to leverage its decades of experience in the telecommunications industry to invest in the Licensee’s operations and consolidate its systems with Transferee’s, resulting in an enhanced service experience for consumers. Transferee intends to offer various new services to the customers of Licensee, such as enhanced 8XX services, as well as to provide a more robust customer service experience and an enhanced billing platform. In addition, after the transaction has closed, the overall increased number of customers will permit Transferee to more economically deploy newer technologies (*e.g.*, call routing software, “follow me” services, etc.) that would not be as economically viable with its smaller, existing customer base.

² Transferee, International Telcom, LLC, is the successor to International Telcom, Ltd., which is the entity currently listed in the Commission’s records as the holder of the noted Section 214 authorizations. International Telcom, LLC came into existence in connection with a *pro forma* change of control in which International Telcom, Ltd., a C-corporation, was converted into International Telcom, LLC, a limited liability company. The notice required by 47 C.F.R. § 63.24(f) for this *pro forma* transaction was filed on July 21, 2021.

The Transaction also ensures continuity of operations for Licensee, to the ultimate benefit of customers who will continue to receive uninterrupted access to telecommunications and information services. The Transaction will only alter the ownership of Licensee, and will not affect any of Licensee's operations—except to the extent it enhances those operations due to the investments described above. Licensee's customers will continue to have the same service providers and will continue to receive substantially the same services and the same rates, terms and conditions of service. There will be no disruption to any customer-facing operations such as ordering, service installation, customer service, and billing, which will continue to be provided as before. Any future changes affecting customers will result from the normal course of business operations, as was the case prior to the Transaction. No assignment of licenses, assets, or customers by Licensee will occur as a consequence of the Transaction. Accordingly, this Transaction will be, for all practical purposes, imperceptible to Licensee's customers.

The Transaction, therefore, will have no adverse effects on the quality of service enjoyed by Licensee's customers. Once the Transaction is completed, Transferee will continue to be technically, managerially and financially well-qualified to be the ultimate owner of Licensee. Likewise, the Licensee will continue to have the managerial, technical, financial, and customer care qualifications to provide high quality telecommunications services to consumers across the United States. For additional detail on Licensee's financial, technical and managerial qualifications, please see www.magna5global.com.

Moreover, the proposed Transaction will not adversely affect competition because the market for providing telecommunications and interconnected VoIP services is highly competitive in the United States, and both Licensee and Transferee play sufficiently small roles within that market that there will be no material concentration of market share in the Licensee and its affiliates

post-closing. Indeed, in many jurisdictions, Transferee and Licensee do not provide the same services, so no concentration in those markets could occur. Neither Transferee nor Transferor, considered individually or in combination, possess any market power in any geographic or product market. To the contrary, in every market in which they operate, much larger firms, with much more extensive networks and access to capital, operate as robust competitors. Moreover, even in the jurisdictions where Transferee and Licensee currently offer competing services, they will continue to do so as separate companies after the Transaction. In fact, due to the investments described above, approval of the transaction will actually increase competition by enhancing Licensee's capabilities.

Accordingly, approval of the Transaction will serve the public interest.

III. DESCRIPTION OF THE TRANSACTION REQUIRED BY SECTION 63.04(a)(6)

Pursuant to a Unit Purchase Agreement dated July 8, 2021, between Transferor and Transferee, Transferee will acquire all the ownership units of Licensee, and indirectly, Licensee's 100% direct subsidiary, Magna International LLC. As a result, upon closing the ultimate control of Licensee and its subsidiary will be held by Transferee. As noted above, immediately following closing, Licensee will continue to operate as before; none of its service, prices, or billing systems will be changed. As a result, the transaction will be entirely transparent to Licensee's end users. Any changes in service offerings, prices, etc. will occur over time, in the normal course of business.

For the Commission's convenience, a post-Transaction organization chart is provided as **Attachment 1**. The Transaction is expected to occur before October 22, 2021, contingent upon

obtaining all necessary regulatory approvals and the satisfaction or waiver of other customary closing conditions.³

IV. INFORMATION REQUIRED BY SECTIONS 63.24(e)(2) AND 63.04(b)

Pursuant to 47 C.F.R. §§ 63.24(e)(2), 63.04(b), and 63.18, the parties provide the following information to support their application.

A. Transferor/Licensee and Transferee Name, Address, Telephone Number, State of Organization (§§ 63.18(a), (b), 63.04(a)(1)-(2))

Transferor/Licensee

Name: Magna5 Holdings LLC, Transferor
Magna 5 LLC, Licensee
Magna 5 International LLC, wholly owned subsidiary
Address: 3001 Dallas Parkway, Suite 610
Frisco, Texas 75034

Tel. Number: (844) 462-4625

State of Organization: Delaware

FRNs: 0030115380
0024178360
0025608332

Transferee

Name: International Telcom, LLC
Address: 14 Industrial Avenue, Suite 4
Mahwah, New Jersey 07430

Tel. Number: (206) 479-2600

State of Organization: Delaware

FRN: 0004337432

B. Transferor/Licensee and Transferee Contact Information (§§ 63.18(c), 63.04(a)(3))

Transferor/Licensee

Name: Robert Farina
Title: Chief Executive Officer
Address: 3001 Dallas Parkway, Suite 610

³ Applicants state that in addition to seeking the approval of the Commission, they are in the process of obtaining the necessary regulatory approvals of the Transaction in the appropriate state jurisdictions from the state utilities regulators in all states where such approval is required. Applicants also will provide notice to the appropriate regulatory bodies in those states that require such notice.

Frisco, Texas 75034
Tel. Number: (844) 462-4625

Name: *With copies to:*
Title: Danielle Frappier
Address: Partner, Davis Wright Tremaine LLP
1301 K Street NW, Suite 500 East
Tel. Number: Washington, DC 20005
Email Address: (202) 973-4242
daniellefrappier@dwt.com

Name: Christopher W. Savage
Title: Partner, Davis Wright Tremaine LLP
Address: 1301 K Street NW, Suite 500 East
Washington, DC 20005
Tel. Number: (202) 973-4211
Email Address: chrissavage@dwt.com

Transferee
Name: Kevin Alward
Title: Chief Executive Officer
Address: 14 Industrial Avenue, Suite 4
Mahwah, New Jersey 07430
Tel. Number: (206) 479-2600
Email Address: kevin.alward@dial800.com

With a copy to:

Name: Leon Nowalsky
Title: Partner, Nowalsky & Gothard
Address: 1420 Veterans Memorial Blvd
Metairie, LA 70005
Tel. Number: (504) 832-1984
Email Address: lnowalsky@nbglaw.com

C. Transferor/Licensee and Transferee Prior 214 Authorizations and Services Provided (§§ 63.18(d), 63.04(a)(7))

Please see Section I above for a description of the parties' prior 214 authorizations, services provided, and the geographic areas in which such services are provided.

D. Transferee Name, Address, Citizenship, and Principal Business of 10%+ Interest Holders (§§ 63.18(h), 63.04(a)(4))

Upon closing of the proposed transaction, the Licensee will be 100% directly owned by Transferee. The following persons and entity hold a 10% or greater direct interest in Transferee:

Name: Kevin Alward
Address: 14 Industrial Avenue, Suite 4
Mahwah, New Jersey 07430
Citizenship: U.S.
Principal Business: International telecommunications
Percent Interest: 38%

Name: Nicholas Felmlee
Address: 14 Industrial Avenue, Suite 4
Mahwah, New Jersey 07430
Citizenship: U.S.
Principal Business: International telecommunications
Percent Interest: 12%

Name: Afognak Holdings, LLC
Address: 14 Industrial Avenue, Suite 4
Mahwah, New Jersey 07430
Citizenship: U.S.
Principal Business: Holding company
Percent Interest: 50%

The following persons hold a 10% or greater direct interest in Afognak Holdings, LLC:

Name: 2015 Alward Children's Trust, of which U.S. citizen Belinda Alward is its sole trustee
Address: 14 Industrial Avenue, Suite 4
Mahwah, New Jersey 07430
Citizenship: U.S.
Principal Business: International telecommunications
Percent Interest: 36.5%

Name: Nicholas Felmlee
Address: 14 Industrial Avenue, Suite 4
Mahwah, New Jersey 07430
Citizenship: U.S.
Principal Business: International telecommunications
Percent Interest: 24%

Name: Jeffrey Alward
Address: 14 Industrial Avenue, Suite 4
Mahwah, New Jersey 07430
Citizenship: U.S.
Principal Business: International telecommunications
Percent Interest: 36.5%

The parties provide a post-close organizational chart at Attachment 1.

E. Interlocking Directorates (§ 63.18(h))

Transferee does not have any interlocking directorates with any foreign carriers.

F. Certifications (§§ 63.18(i), (j), (n), (o), 63.04(a)(5))

As evidenced by the declaration provided at **Attachment 2**, Transferee certifies that:

- Transferee is not a foreign carrier and is not affiliated with a foreign carrier;
- Transferee does not seek to provide international telecommunications services to any country in which (i) Transferee is a foreign carrier, (ii) Transferee controls a foreign carrier, (iii) an entity that owns more than 25% of Transferee or that controls Transferee controls a foreign carrier in that country, or (iv) two or more foreign carriers (or parties that control foreign carriers) own, in the aggregate, more than 25% of the Transferee and are parties to or are beneficiaries of, a contractual relation affecting the provision or marketing of international basic telecommunications in the United states;
- Transferee has not agreed to accept any 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 Transferee will not enter into such agreements in the future; and
- Transferee is not subject to a denial of federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988.

G. Streamlined Processing and Non-Dominance (§§ 63.18(p), 63.04(8), 63.12(c), 6303(b))

Transferee qualifies for streamlined processing pursuant to 47 C.F.R. § 63.12(c) with respect to its international Section 214 authorizations because it is not a foreign carrier and is not affiliated with any foreign carriers, and therefore, qualifies for a presumption of non-dominance under 47 C.F.R. § 63.10(a)(1) and (a)(3). It also qualifies for streamlined processing pursuant to

47 C.F.R. § 63.03(b)(2) with respect to its domestic Section 214 authorizations, because, immediately following the Transaction, Transferee (and its affiliates, as defined in the Act) will have a market share in the interstate, interexchange market of less than 10%, and Transferee (and its affiliates) will provide competitive telephone exchange services or exchange access services (if at all) exclusively in geographic areas served by a dominant local exchange carrier that is not a party to the Transaction, and no party (*i.e.*, Transferor, Transferee, or any affiliate of either of the foregoing) is dominant with respect to any service.

H. No Other Commission Applications for the Transaction (§ 63.04(a)(9))

Other than the Section 214 authorizations described above, Licensee does not hold any other authorizations or licenses from the Commission. Therefore, no other applications are being filed with the Commission with respect to this transaction.

I. No Imminent Business Failure or Waivers (§ 63.04(a)(10), (a)(11))

The parties are not seeking special consideration on the ground that any party faces imminent business failure, nor do they seek any waivers in conjunction with this application.

J. Public Interest (§ 63.04(a)(12))

Please see Section II above.

V. CONCLUSION

For the reasons stated above, the parties respectfully submit that the public interest, convenience, and necessity would be furthered by a grant of this application for the transfer of ownership and control of Magna5 LLC to International Telcom, LLC.

Respectfully submitted,



Danielle Frappier
Christopher W. Savage
Davis Wright Tremaine LLP
1301 K Street NW, Suite 500 East
Washington, D.C. 20005
Telephone: (202) 973-4242
Email: daniellefrappier@dwt.com
chrissavage@dwt.com

Attorneys for Magna5 LLC

July 27, 2021

Leon Nowalsky
Partner, Nowalsky & Gothard
1420 Veterans Memorial Blvd
Metairie, LA 70005
Telephone: (504) 832-1984
Email: lnowalsky@nbglaw.com


Attorney for International Telcom, LLC.

Respectfully submitted,

Danielle Frappier
Christopher W. Savage
Davis Wright Tremaine LLP
1301 K Street NW, Suite 500 East
Washington, D.C. 20005
Telephone: (202) 973-4242
Email: daniellefrappier@dwt.com
chrissavge@dwt.com

Attorneys for Magna5 LLC

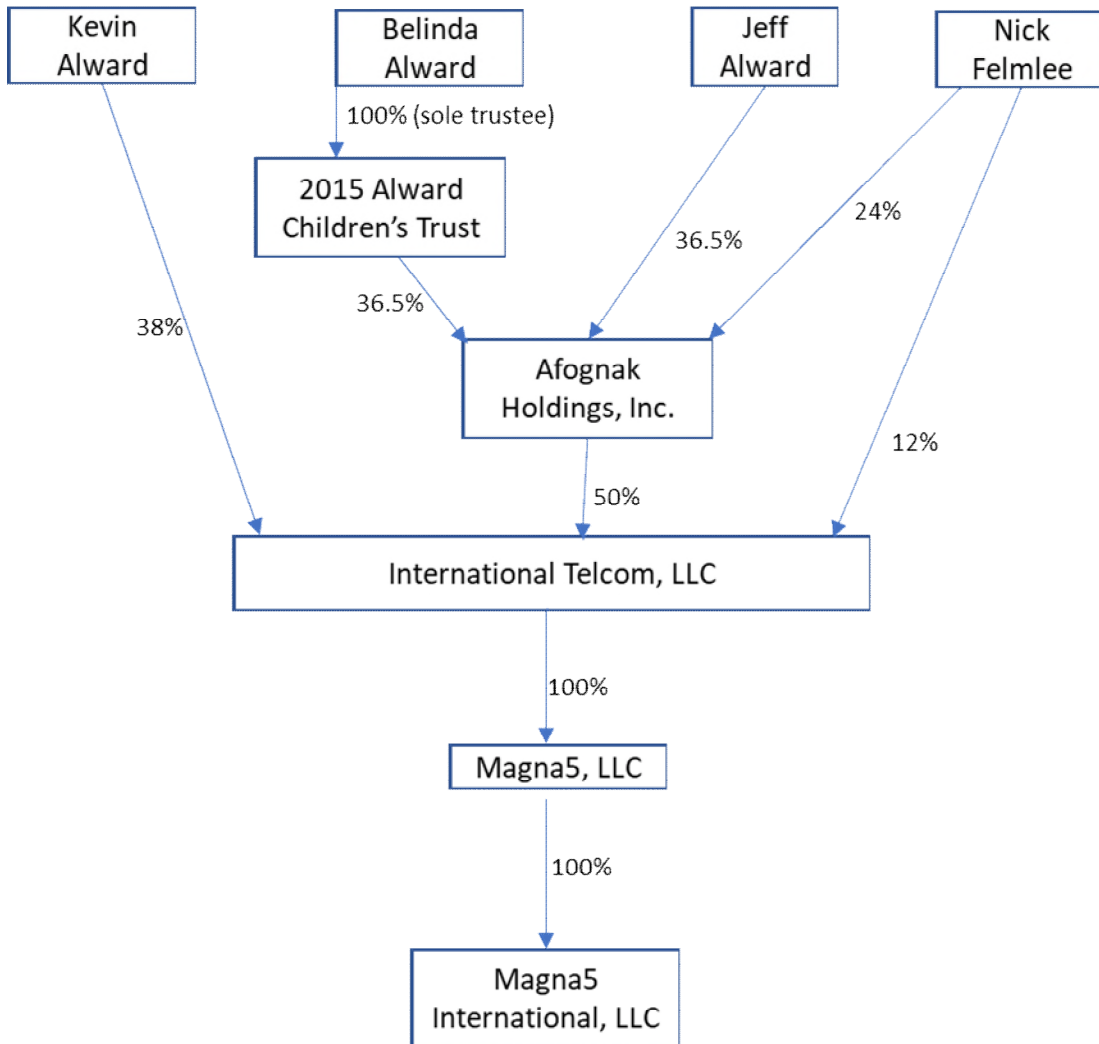
July 27, 2021



Leon Nowalsky
Partner, Nowalsky & Gothard
1420 Veterans Memorial Blvd
Metairie, LA 70005
Telephone: (504) 832-1984
Email: lnowalsky@nbglaw.com

Attorney for International Telcom, LLC.

ATTACHMENT 1 – Post-Closing Organizational Chart



No other person or entity directly or indirectly holds 10% or greater interest in Licensee

ATTACHMENT 2

**CERTIFICATIONS IN SUPPORT OF THE JOINT APPLICATION FOR CONSENT TO
TRANSFER CONTROL OF DOMESTIC AND INTERNATIONAL AUTHORIZATIONS
PURSUANT TO SECTION 214 OF THE COMMUNICATIONS ACT OF 1934, AS
AMENDED, HELD BY MAGNA5 LLC**

I, Kevin Alward, under penalty of perjury, certify:

1. I am over the age of 18 years.
2. I am the Manager/CEO of International Telcom, LLC (Transferee).
3. Transferee is not a foreign carrier and is not affiliated with a foreign carrier;
4. Transferee does not seek to provide international telecommunications services to any country in which (i) Transferee is a foreign carrier, (ii) Transferee controls a foreign carrier, (iii) an entity that owns more than 25% of Transferee or that controls Transferee controls a foreign carrier in that country, or (iv), two or more foreign carriers (or parties that control foreign carriers) own, in the aggregate, more than 25% of the Transferee and are parties to or are beneficiaries of, a contractual relation affecting the provision or marketing of international basic telecommunications in the United States;
5. Transferee has not agreed to accept any 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 Transferee will not enter into such agreements in the future; and
6. Transferee is not subject to a denial of federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988.

I certify under penalty of perjury under the laws of the United States that the foregoing is true and correct to the best of my knowledge, information, and belief this and that these Certifications were executed on this 26th day of July, 2021 at Mahwah, NJ.

By:



Kevin Alward
Manager/CEO