

**SIERRA TEL COMMUNICATIONS GROUP – VARCOMM-SIERRATEL, INC.
International Section 214 for Global Resale – Transfer of Control Application**

**Attachment 1
Response to Item 24**

The proposed transaction consists of the sale of all of the issued and outstanding stock (consisting of all of the equity and all of the voting rights) of Authorization Holder Sierra Telephone Long Distance by Transferor Sierra Tel Communications Group to Transferee Varcomm-SierraTel, Inc.

As indicated in the ownership diagrams submitted as Attachments 3 and 4, this transaction is part of a larger transaction comprised of the sale of five Sierra Tel Communications Group subsidiaries to Varcomm-SierraTel, Inc.

The current Sierra Tel Communications Group ownership and management has long provided quality and reliable telecommunications, broadband and other services – including resold international toll calling services – to their rural California service area and customers. However, at this time, a number of key management and operational employees have reached stages of life where they wish to retire and/or pursue other interests.

Transferee Varcomm-SierraTel, Inc.'s ownership and management is also experienced in providing quality and reliable telecommunications and broadband services to rural California service areas and customers. The company is very interested in expanding and upgrading its operations to provide state-of-the-art voice and broadband services to its existing service areas and to the Sierra Tel Communications Group's service areas. Among other things, the proposed transaction will serve the public interest by ensuring the continued availability of the quality and reliable resold international toll calling service provided by Sierra Telephone Long Distance to its customers.