

The instant filing is to notify the Federal Communications Commission (“Commission”) of a *pro forma* transfer of control with respect to the international 214 authorization, File No. ITC-214-20160210-00101, held by Schaller Telephone Company (“STC” or “Company”), a family-owned corporation incorporated in the state of Iowa.

This *pro forma* transfer of control occurred as the result of a family and corporate planning redemption event whereby the Company redeemed all of the non-controlling shares held by: (a) Joann L. Reimers (“Joann”) who, in effect, retired from the Company,¹ and (b) Matthew G. Reimers (“Matthew,” and Joann and Matthew collectively the “Transferors”), who was the beneficiary of a portion of shares held by the Steven S. Reimers Family Trust (“Trust”). As a result of the share redemption, the total percentage of ownership interest held, directly and indirectly, by the remaining shareholder, Melissa M. Kestel (“Missy” or “Transferee”), increased to 100%. Transferors and Transferee are all U.S. citizens domiciled in Iowa.

For purposes of this notification, the redemption event and resulting *pro forma* transfer of control occurred on August 28, 2018.

Answer to Question 10

In response to 47 C.F.R. § 63.18(c), please direct all correspondence concerning this application to the following counsel for STC:

Tony S. Lee
Cheng-yi Liu
Fletcher, Heald & Hildreth, PLC
1300 N. 17th Street, Suite 1100
Arlington, VA 22209
Phone: 703-812-0400
Fax: 703-812-0486
lee@fhhlaw.com
liu@fhhlaw.com

In response to 47 C.F.R. § 63.18(d), neither Transferee nor Transferors, all individual shareholders of STC, have previously received authority under Section 214 of the Act as individuals. STC was granted its international 214 authorization on March 11, 2016.² STC is also authorized to provide domestic interstate service by virtue of blanket domestic Section 214 authority.³

¹ See 47 C.F.R. § 63.24(d), Note 2 (categorizing as presumptively *pro forma* transfers “by which certain stockholders retire and the interest transferred is not a controlling one.”)

² See International Authorizations Granted, Public Notice, Report No. TEL-01780, DA 16-282 (rel. March 17, 2016).

³ See 47 C.F.R. § 63.01.

Answers to Questions 11 and 12

The Transferee is an individual. No entity, directly or indirectly, owns at least ten percent of the equity of the Transferee. The Transferee does not have any interlocking directorates with a foreign carrier.

Answer to Question 13

This *pro forma* transfer of control occurred in accordance with a Letter of Intent Related to Family and Corporate Planning executed on June 14, 2018 (the “LOI”). The redemption event contemplated by the LOI occurred on August 28, 2018.

Prior to the redemption event, the Company’s shares were held as follows:

- Joann directly held 40 shares, an approximate 14.23% interest.
- Matthew indirectly held 68.5 shares, an approximate 24.38% interest, as a beneficiary of the Trust.
- Missy indirectly held 68.5 shares, an approximate 24.38% interest, as a beneficiary of the Trust.
- Missy directly held 104 shares, an approximate 37.01% interest.
- In aggregate, Missy held, directly and indirectly, an approximate 61.39% interest.

Pursuant to the LOI, the Company redeemed all of the non-controlling shares held by Joann and Matthew as follows:

- The Company redeemed the 40 shares held by Joann for cash and other consideration.
- The Company redeemed the 68.5 shares held indirectly by Matthew as a beneficiary of the Trust for cash and other consideration.

As a result, the remaining shares of the Company are currently held as follows:

- Missy directly holds 104 shares in the Company, an approximate 60.29% interest.
- Missy indirectly holds 68.5 shares in the Company, an approximate 39.71% interest, as a beneficiary of the Trust.
- In aggregate, Missy holds, directly and indirectly, 100% of the Company’s stock.

Both before and after the redemption event, Missy served as the General Manager of STC, and at all relevant times was responsible for and in control of the day-to-day operations of the Company. The transaction was completely *pro forma* in nature as it did not involve any change to (a) the controlling ownership of STC; (b) the relevant management or key personnel of the Company; or (c) the rates, terms, or conditions of services provided to customers. The redemption event was completely transparent to Company’s customers.