Federal Communications Commission 445 12th Street, S.W. Washington, D.C. 20554

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DA 06-1288

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DOMESTIC SECTION 214 APPLICATION FILED FOR TRANSFER OF CONTROL OF NOS COMMUNICATIONS, INC., NOSVA LIMITED PARTNERSHIP, AND AFFINITY NETWORK INCORPORATED

STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 06-115

Comments Due: June 30, 2006 Reply Comments Due: July 7, 2006

On June 5, 2006, NOS Communications, Inc. ("NOS"), NOSVA Limited Partnership ("NOSVA"), and Affinity Network Incorporated ("Affinity," together "Applicants") filed an application pursuant to sections 63.03 and 63.04 of the Commission's rules¹ seeking authority to transfer control of the Applicants as a result of the acquisition of the shares of Robert A Lichtenstein by Samuel P. Delug.²

Applicants assert that this transaction is entitled to presumptive streamlined treatment under section 63.03(b)(2)(i) of the Commission's rules because: (a) upon completion of the proposed transaction, the Applicants will continue to have less than ten percent market share in the interstate, interexchange market; (b) none of the Applicants, nor any of their affiliates are dominant with respect to any service; and (c) Applicants and their affiliates will provide local exchange service only in areas served by dominant local exchange carriers.³

NOS is a Maryland corporation that provides local and long distance services (including 1+, toll free, international, and calling card services) under the names International Plus, 011 Communications, INETBA, iVANTAGE Network Solutions, and Blue Ridge Telecom Systems to small and medium business customers throughout the United States. NOS provides all of its services by reselling the

¹ 47 C.F.R §§ 63.03, 63.04; see 47 U.S.C. § 214.

² Applicants are also filing applications for transfer of control associated with authorization for international services. Any action on this domestic 214 application is without prejudice to Commission action on other related, pending applications. *See* Application for Consent to Transfer of Control of Companies Holding International Authorizations and Blanket Domestic Authorizations Pursuant to Section 214 of the Communications Act of 1934, As Amended, of NOS Communications, Inc., NOSVA Limited Partnership, and Affinity Network Incorporated, WC Docket No. 06-115 (filed June 5, 2006).

³ 47 C.F.R. § 63.03(b)(2)(i).

services of other telecommunications carriers. NOS has only one wholly-owned subsidiary, Optic Communications Canada, Inc. ("Optic Canada"), that provides telecommunications services. Optic Canada is a Delaware corporation that provides local and long distance services in Canada by reselling the services of other telecommunications carriers.

NOSVA is a Maryland limited partnership. NOSVA provides similar services as NOS to small and medium business customers in the United States under its own name and the name CierraCom Systems. NOSVA provides all of its services by reselling the services of other telecommunications carriers.

Affinity is a California corporation that provides the same services as NOS and NOSVA to small and medium business customers in the United States under the names HorizonOne Communications, QuantumLink Communications, VoiP Communications, Optic Communications, and ANI Networks. Affinity provides all of its services by reselling the services of other telecommunications carriers.

All shares of NOS, NOSVA, and Affinity are held by three U.S. citizens: Samuel P. Delug (25%), Rosette Delug (25%), and Robert A Lichtenstein (50%). All three of these stockholders also hold the same levels of ownership in Blue Ridge Telecom Systems, LLC ("Blue Ridge"). Blue Ridge, a Delaware corporation, provides local and long distance service in the U.K., Ireland, and Australia.

On June 1, 2006, Samuel P. Delug and Robert A. Lichtenstein entered into a Purchase Agreement pursuant to which Samuel P. Delug will purchase all ownership interests of Robert A. Lichtenstein in return for a cash payment following receipt of all necessary regulatory approvals. Following consummation of the transactions, Samuel P. Delug will hold a 75 percent interest in NOS and Affinity, and 74.25 percent of NOSVA as a limited partner. Rosette Delug will hold the remaining ownership interests in NOS and Affinity, and 24.75 percent of NOSVA as a limited partner.

The Applicants state that the transfer of control from Mr. Lichtenstein to Mr. Delug will serve the public interest and will enable the Applicants to continue to participate in the highly competitive market for telecommunications services. Additionally, the Applicants state that the proposed transaction does not present any anticompetitive issues since the proposed transaction entails simply the sale of ownership interests from one stockholder to another.

GENERAL INFORMATION

The transfer of control identified herein has been found, upon initial review, to be acceptable for filing as a streamlined application. The Commission reserves the right to return any transfer of control application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Pursuant to sections 1.415 and 1.419 of the Commission's rules, 47 CFR §§ 1.415, 1.419, interested parties may file **comments on or before June 30, 2006** and **reply comments on or before July 7, 2006**. Unless otherwise notified by the Commission, Applicants are permitted to transfer the assets and related control on the 31st day after the date of this notice. Comments may be filed using: (1) the Commission's Electronic Comment Filing System (ECFS), (2) the

⁴ See 47 C.F.R. § 63.03(a).

Such authorization is conditioned upon receipt of any other necessary approvals from the Commission in connection with the proposed transaction.

Federal Government's eRulemaking Portal, or (3) by filing paper copies. See Electronic Filing of Documents in Rulemaking Proceedings, 63 FR 24121 (1998).

- Electronic Filers: Comments may be filed electronically using the Internet by accessing the ECFS: http://www.fcc.gov/cgb/ecfs/ or the Federal eRulemaking Portal: http://www.regulations.gov. Filers should follow the instructions provided on the website for submitting comments.
- For ECFS filers, if multiple docket or rulemaking numbers appear in the caption of this proceeding, filers must transmit one electronic copy of the comments for each docket or rulemaking number referenced in the caption. In completing the transmittal screen, filers should include their full name, U.S. Postal Service mailing address, and the applicable docket or rulemaking number. Parties may also submit an electronic comment by Internet e-mail. To get filing instructions, filers should send an e-mail to ecfs@fcc.gov, and include the following words in the body of the message, "get form." A sample form and directions will be sent in response.
- Paper Filers: Parties who choose to file by paper must file an original and four copies of each filing. If more than one docket or rulemaking number appears in the caption of this proceeding, filers must submit two additional copies for each additional docket or rulemaking number.

Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail (although we continue to experience delays in receiving U.S. Postal Service mail). All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

The Commission's contractor will receive hand-delivered or messenger-delivered paper filings for the Commission's Secretary at 236 Massachusetts Avenue, N.E., Suite 110, Washington, D.C. 20002. The filing hours at this location are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes must be disposed of <u>before</u> entering the building. Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743. U.S. Postal Service first-class, Express, and Priority mail should be addressed to 445 12th Street, S.W., Washington D.C. 20554.

People with Disabilities: To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an e-mail to fcc504@fcc.gov or call the Consumer & Governmental Affairs Bureau at 202-418-0530 (voice), 202-418-0432 (tty).

You may submit comments, identified by the above noted docket number, by any of the following methods:

- Federal eRulemaking Portal: http://www.regulations.gov. Follow the instructions for submitting comments.
- Federal Communications Commission's Web Site: http://www.fcc.gov/cgb/ecfs/. Follow the instructions for submitting comments.
- People with Disabilities: Contact the FCC to request reasonable accommodations (accessible format documents, sign language interpreters, CART, etc.) by e-mail: FCC504@fcc.gov or phone: 202-418-0530 or TTY: 202-418-0432.

In addition, one copy of each pleading must be sent to each of the following:

- (1) The Commission's duplicating contractor, Best Copy and Printing, Inc., 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554, www.bcpiweb.com; phone: (202) 488-5300 fax: (202) 488-5563;
- (2) Cecilia Seppings, Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-C230, Washington, D.C. 20554; email: Cecilia.seppings@fcc.gov;
- (3) Gail Cohen, Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-C111, Washington, D.C. 20554; e-mail: gail.cohen@fcc.gov; and
- (4) Jim Bird, Office of General Counsel, 445 12th Street, S.W., Room 8-C824, Washington, D.C. 20554; e-mail: jim.bird@fcc.gov.

Filings and comments are also available for public inspection and copying during regular business hours at the FCC Reference Information Center, Portals II, 445 12th Street, S.W., Room CY-A257, Washington, D.C. 20554. They may also be purchased from the Commission's duplicating contractor, Best Copy and Printing, Inc., Portals II, 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554, telephone: (202) 488-5300, fax: (202) 488-5563, or via e-mail www.bcpiweb.com.

For further information, please contact Cecilia Seppings at (202) 418-1588, or Gail Cohen at (202) 418-0939.