

# Morgan Lewis

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October 28, 2019

## VIA ELECTRONIC FILING

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

Re: CC Docket No. 00-257: *In the Matter of 2000 Biennial Review - Review of Policies and Rules Concerning Unauthorized Changes of Consumers' Long Distance Carriers.*

### **Notification of NTS Communications, LLC Pursuant to 47 C.F.R. § 64.1120(e)**

Dear Ms. Dortch:

On behalf of NTS Communications, LLC ("NTS-Comm"), and pursuant to Section 64.1120(e) of the Commission's Rules, 47 C.F.R. § 64.1120(e), this letter notifies the Commission of the planned *pro forma* intra-company consolidation affecting NTS-Comm and its affiliates NTS Telephone Company, LLC ("NTS-Tel"), PRIDE Network, LLC ("PRIDE") and XFone USA, LLC ("XFone") (together with NTS-Comm, the "Parties"). Specifically, NTS-Tel, PRIDE and XFone will consolidate into NTS-Comm, with NTS-Comm surviving the consolidations (the "*Pro Forma Consolidation*"). As a result, NTS-Comm will become the provider of records for the customers of NTS-Tel, PRIDE and XFone.

**Names of the Parties to the *Pro Forma Consolidation*:** NTS-Comm plans to complete a *pro forma* intra-corporate consolidation wherein NTS-Tel, PRIDE and XFone will be consolidated into NTS-Comm. As a result, NTS-Comm will acquire the customer bases and other assets associated with the telecommunications services operations of NTS-Tel, PRIDE and XFone's. NTS-Comm and XFone currently are direct, wholly owned subsidiaries of NTS Clarity, LLC (formerly known as NTS, Inc.) ("NTS Clarity"), a Delaware limited liability company.<sup>1</sup> NTS-Tel and PRIDE are direct, wholly owned subsidiaries of NTS-Comm. The Parties are indirect subsidiaries of Clarity Telecom, LLC d/b/a Vast Broadband ("Clarity"), a Delaware limited liability company. The *Pro Forma Consolidation* will result in the change of

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<sup>1</sup> As part of the *Pro Forma Consolidation*, NTS Clarity also will consolidate into NTS-Comm. As a result NTS-Comm will be a direct wholly owned subsidiary of Clarity Telecom, LLC d/b/a Vast Broadband.

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the carrier of record for the customers of NTS-Tel, PRIDE and XFone to NTS-Comm. For the Commission's convenience, a chart depicting the *Pro Forma* Consolidation is provided as **Attachment A**.

**Types of Telecommunications Services Provided to Affected Customers:** The customers affected by the *Pro Forma* Consolidation receive the following telecommunications services, in some cases in addition to other communications or information services: local exchange, long distance and/or data services, such as private line, Ethernet and wavelengths.

**Date of the Transfer:** The Parties anticipate that customers of NTS-Tel, PRIDE and XFone will become customers of NTS-Comm on or around December 31, 2019, or as soon as possible thereafter following receipt of regulatory approvals.

**Certification of Compliance:** Provided as **Attachment B** is a certification from NTS-Comm required under Section 64.1120(e)(1) of the Commission's rules.

**Copy of Notice Sent to Affected Subscribers:** Notice was provided to the customers of NTS-Tel, PRIDE and XFone by an insert in their October bills sent between October 1 and October 28.<sup>2</sup> Attached hereto as **Attachment C** is a copy of the notice sent to all affected customers. Immediately following completion of the *Pro Forma* Consolidation, all customers will receive identical service from NTS-Comm, at the same rates, terms and conditions as they currently receive from PRIDE and/or XFone. The affected customers will not be confused by the change in provider since their invoices already contain the NTS Communications logo, which is used by all the Parties.

\* \* \* \*

Should there be any questions regarding this notification, please do not hesitate to contact the undersigned.

Very truly yours,

/s/Patricia Cave

Catherine Wang  
Brett P. Ferencak  
Patricia Cave

Counsel for the Parties

Attachments

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<sup>2</sup> Depending on the individual customer's bill cycle, the bill and insert were sent on one of the following dates: October 1, 3, 5, 8, 11, 15, 20, 23, 25, and 28.

**ATTACHMENT A**

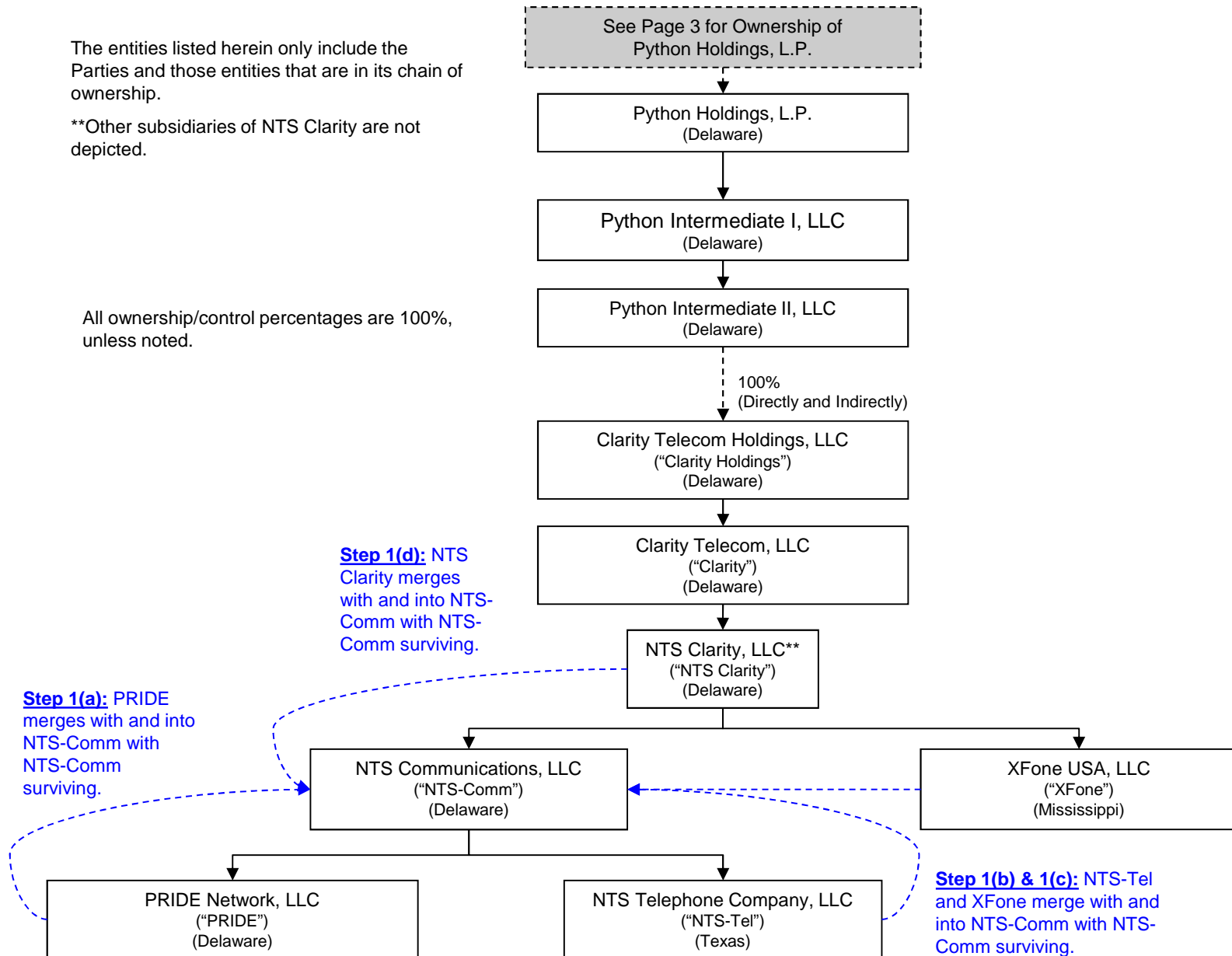
**Depiction of the *Pro Forma* Consolidation**

## Depiction of *Pro Forma* Consolidation\*

The entities listed herein only include the Parties and those entities that are in its chain of ownership.

\*\*Other subsidiaries of NTS Clarity are not depicted.

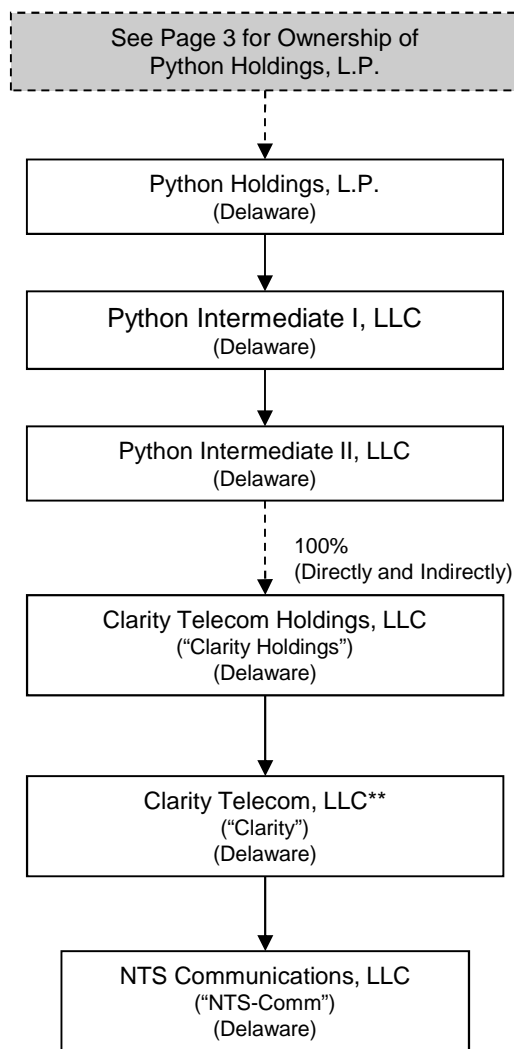
All ownership/control percentages are 100%, unless noted.



## Post-Pro Forma Consolidation Corporate Ownership Structure of NTS-Comm\*

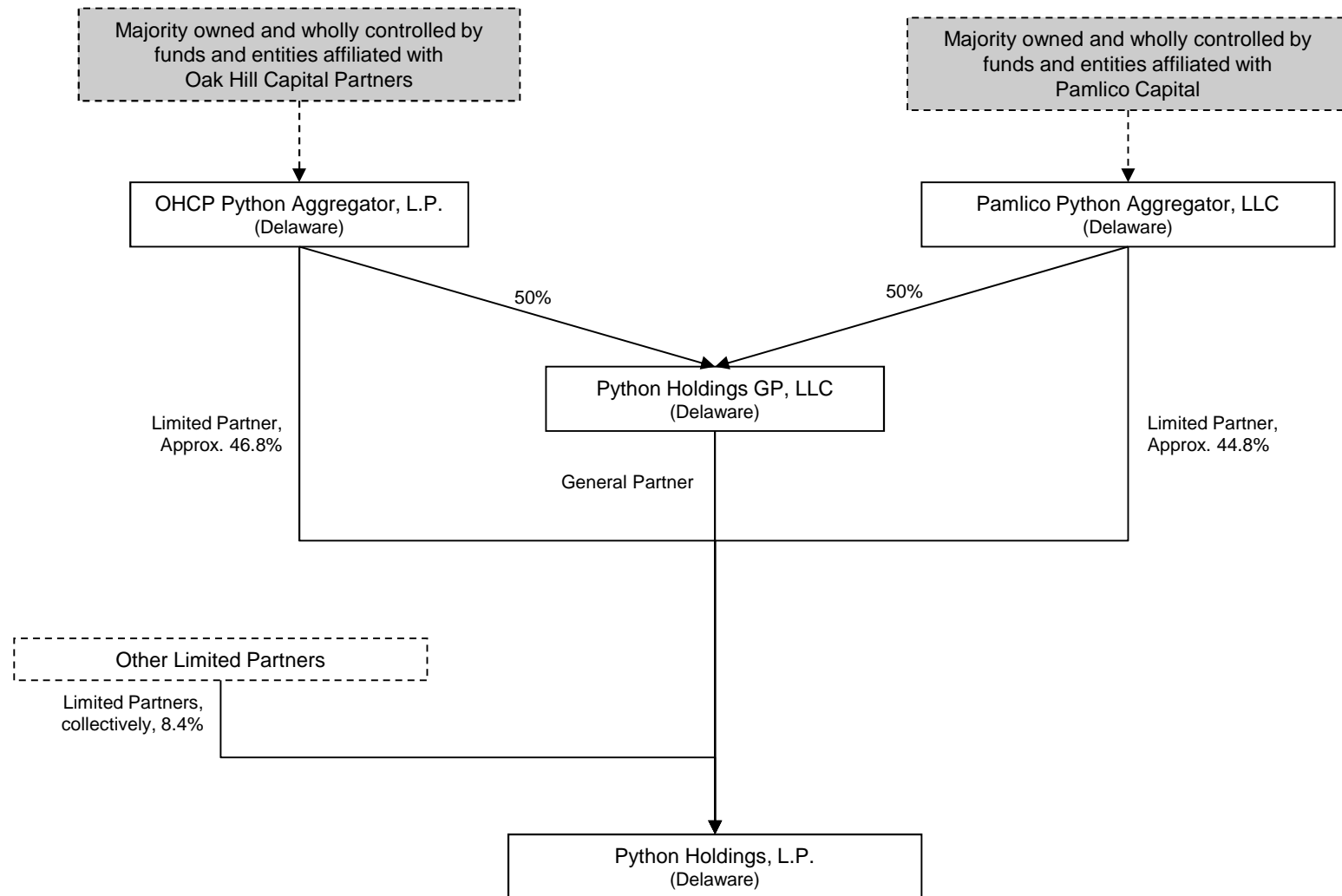
\* The entities listed herein only include NTS-Comm and those entities that are in its chain of ownership.

\*\* Other subsidiaries of Clarity are not depicted.



All ownership/control percentages are 100%, unless noted.

## Current Corporate Ownership Structure of Python Holdings



All ownership/control percentages are 100%, unless noted.

**ATTACHMENT B**

**Certification of NTS Communications, LLC**

## CERTIFICATION

On behalf of NTS Communications, LLC ("NTS-Comm") and in accordance with Section 64.1120 of the Commission's rules, 47 C.F.R. § 64.1120, I hereby certify under penalty of perjury that I have read the foregoing notification and the statements contained therein are true, complete and correct to the best of my knowledge. I further certify that, with respect to the transfer of the customers of NTS Telephone Company, LLC, PRIDE Network, LLC and XFone USA, LLC to NTS-Comm, NTS-Comm has complied with the Commission's requirements to provide advance customer notice in accordance with Section 64.1120(e)(3), with the obligations specified in that notice, and with other statutory and Commission requirements that apply to this streamlined process.

I certify under penalty of perjury that the foregoing is true and correct.

By: 

Name: J. Keith Davidson

Title: Chief Financial Officer

Date: October 28, 2019



**ATTACHMENT C**

**Sample Notice to Affected Customers**



[DATE]

[NAME AND ADDRESS]

Dear Valued Customer,

As an NTS Communications customer, we want to thank you for your valued business. On or about December 31, 2019, subject to receipt of any necessary regulatory approvals, NTS Communications, LLC will implement an intra-company consolidation. As a result, NTS Communications, LLC will become the legal entity that provides the services that you currently receive from its subsidiaries and affiliates listed below, all of which operate using the “NTS” brand.

- NTS Telephone Company, LLC
- PRIDE Network, LLC doing business in Louisiana as NTS of Louisiana and doing business in Texas as NTS Communications
- XFone USA, LLC

The intra-company consolidation is part of a continuing effort to provide an excellent customer experience and to eliminate confusion relating to having numerous service-providing affiliates. Your services and the associated pricing and terms and conditions of service, including any service contract(s), will not change as a result of the intra-corporate consolidation. You will continue to receive telecommunication services from NTS Communications, LLC with the same features and at the same rates, terms, and conditions as you currently enjoy. There is no charge associated with the change in your provider and any preferred carrier freeze you have will remain in place. Your billing and account information will not change, and we will continue to resolve any issues you may have with your account or service using the same customer service number: 800-658-2150.

We recognize that you always have a choice in telecommunication carriers and believe that this intra-company consolidation will enhance our ability to serve you. NTS Communications, LLC looks forward to continuing to provide you with the superior service you are accustomed to receiving and to the opportunity to provide you additional services.

Sincerely,

NTS Communications, LLC  
NTS Telephone Company, LLC  
PRIDE Network, LLC  
XFone USA, LLC