

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of the Joint Application of)	
)	
Wyverd Group LLC, Transferee)	WC Docket No. 19-_____
)	
and)	IB File Nos. ITC-T/C-2019_____
)	
Pinpoint Holdings, Inc., Transferor)	
)	
For Grant of Authority Pursuant to Section 214)	
of the Communications Act of 1934, as)	
amended, and Sections 63.04 and 63.24 of the)	
Commission’s Rules to Transfer Control of Ac-)	
cipiter Communications, Inc. d/b/a Zona Com-)	
munications, a Holder of Domestic and)	
International Section 214 Authorizations, to)	
Wyverd Group, LLC)	

JOINT APPLICATION

Wyverd Group LLC (“Transferee”) and Pinpoint Holdings, Inc. (“Transferor”) (together, “Applicants”), pursuant to Section 214 of the Communications Act of 1934, as amended (the “Act”), 47 U.S.C. § 214, and Sections 63.04 and 63.24 of the Commission’s Rules, 47 C.F.R. §§ 63.04 & 63.24, request Commission approval to transfer control of Accipiter Communications, Inc. d/b/a Zona communications (“Zona” or “Licensee”), a holder of domestic and international Section 214 authorizations, from Transferor to Transferee.

In support of this Application, Applicants provide the following information:

I. DESCRIPTION OF THE APPLICANTS

A. Wyverd Group LLC – Transferee

Transferee is a Delaware limited liability company whose business is acquiring and owning telecommunications networks and providers of telecommunications services. John Scarano is the

managing member of Transferee. Through its subsidiaries AFN Wyverd, LLC d/b/a Wyverd Connect, LLC (“Wyverd Connect”) and Atlantic Fiber Networks LLC (“Atlantic Fiber Networks” and together with Transferee and Wyverd Connect, “Wyverd”), Wyverd provides low-cost, high-quality fiber-based internet services to residential, business and government customers. Wyverd’s goal is to become the cornerstone partner for internet connectivity, fiber and facilities interconnection, smart community enablement, and sustainable community growth one community at a time across the United States and Canada. Wyverd currently owns facilities and serves customers in Atlanta, Georgia, and has limited facilities in Indiana and Texas.

B. Pinpoint Holdings, Inc. – Transferor

Transferor is a diversified communications company organized under the laws of Nebraska, with its principal place of business located at 611 Patterson Street, Cambridge, Nebraska 69022. Transferor is a privately-held corporation, over 70% of the stock of which is owned by four individuals, all of whom are U.S. citizens.¹ Pinpoint does not directly provide telecommunications services but rather, through its telecommunications subsidiaries, provides local and long distance telephone services, internet services, and broadband and wireless communication services.

C. Accipiter Communications, Inc. d/b/a Zona Communications

Licensee currently is a direct, wholly owned subsidiary of Transferor. Licensee is an incumbent local exchange carrier that exclusively serves the Phoenix, Arizona metropolitan area. Licensee provides state-of-the-art high-speed internet, telephone and digital television services to residents and businesses within an 1,100 square mile area of north Phoenix.

¹ These individuals are William E. Shoemaker (13.21%); J. Richard Shoemaker (25.88%); Eric B. Eisenhart (21.23%) and G. Franklin Shoemaker (12.69%). Other than the four aforementioned shareholders, no other individual or entity owns a 10% or greater interest in Transferor.

II. DESCRIPTION OF THE TRANSACTION

Pursuant to the Stock Purchase Agreement, dated June 14, 2019, by and among Transferee, Transferor, and Licensee, Transferee will acquire control of Licensee through a series of concurrent transactions (the “Transaction”). Upon completion of the Transaction, Licensee will become a direct, wholly-owned subsidiary of Transferee. The Section 214 authorizations currently held by Licensee will continue to be held by Licensee following consummation of the Transaction, and the Transaction will be transparent to customers.

Diagrams depicting the pre- and post-Transaction corporate ownership structures of Licensee are appended hereto as Exhibit A.

III. PUBLIC INTEREST CONSIDERATIONS

Under 47 U.S.C. § 214(a), the Commission must determine whether a proposed transfer of control of a provider of interstate or international telecommunications services is consistent with the public interest, convenience, and necessity.² In making such a determination, the Commission first assesses “whether the proposed transaction complies with the specific provisions of the Act, other applicable statutes, and the Commission’s rules.”³ Second, if a proposed transaction would not violate the Act, any other applicable statute, or any of the Commission’s rules, the Commission

² See, e.g., *Applications of Level 3 Communications, Inc. and CenturyLink, Inc. for Consent to Transfer Control of Licenses and Authorizations*, Memorandum Opinion and Order, 32 FCC Rcd. 9581, 9585 ¶ 8 (2017) (“*Level 3-CenturyLink Order*”); *Applications of AT&T Inc. and DIRECTV For Consent to Assign or Transfer Control of Licenses and Authorizations*, Memorandum Opinion and Order, 30 FCC Rcd. 9131, 9139-40 ¶ 18 (2015) (“*AT&T-DIRECTV Order*”); *Applications of XO Holdings and Verizon Communications Inc. For Consent to Transfer Control of Licenses and Authorizations*, Memorandum Opinion and Order, 31 FCC Rcd. 12,501, 12,504-05 ¶ 7 (Wireline Comp., Int’l, and Wireless Tel. Burs. 2016) (“*Verizon-XO Order*”).

³ See *Level 3-CenturyLink Order*, 32 FCC Rcd. at 9585 ¶ 8; *AT&T-DIRECTV Order*, 30 FCC Rcd. at 9139-40 ¶ 18 (citations omitted); *Verizon-XO Order*, 31 FCC Rcd. at 12,504-05 ¶ 7 (citations omitted); *Applications of SoftBank Corp., Starburst II, Inc., Sprint Nextel Corp., and Clearwire Corp.*, Memorandum Opinion and Order, Declaratory Ruling, and Order on Reconsideration, 28 FCC Rcd. 9642, 9650 ¶ 23 (citations omitted) (“*Softbank-Sprint-Clearwire Order*”); *Applications Filed by Qwest Communications International Inc. and CenturyTel, Inc. d/b/a CenturyLink For Consent to Transfer Control*, Memorandum Opinion and Order, 26 FCC Rcd. 4194, 4198-99 ¶ 7 (citation omitted) (“*Qwest-CenturyLink Order*”).

then considers whether a proposed transaction “could result in public interest harms by substantially frustrating or impairing the objectives or implementation of the [Communications] Act or related statutes.”⁴ Third, where a transaction raises no public interest harms or where any such harms can be ameliorated by narrowly tailored conditions, the Commission considers the transaction’s public interest benefits, with the applicants bearing the burden of proving those benefits by a preponderance of the evidence.⁵ Finally, if the Commission finds that narrowly tailored, transaction-specific conditions would ameliorate any public interest harms for a transaction that is otherwise in the public interest, it may approve the transaction as so conditioned.⁶

The proposed Transaction would not violate any provision of the Communications Act of 1934, as amended (the “Act”) or any Commission rule, nor would it substantially frustrate or impair the Commission’s implementation or enforcement of the Act or interfere with the objectives of the Act or other statutes. To the contrary, as detailed below, the proposed Transaction will offer substantial public interest benefits without any material countervailing harms. In the absence of any such harms, the Applicants believe that transaction-specific conditions are unnecessary.

Consummation of the proposed Transaction will serve the public interest. The financial, technical, and managerial resources that Transferee will bring to Licensee are expected to enhance the ability of Licensee to compete in the communications marketplace. Immediately following the Transaction, Licensee will continue to provide service at the same rates, terms, and conditions, as

⁴ See *Level 3-CenturyLink Order*, 32 FCC Rcd. at 9585 ¶ 9; *AT&T-DIRECTV Order*, 30 FCC Rcd. at 9140 ¶ 18 (citation omitted); *Verizon-XO Order*, 31 FCC Rcd. at 12,504-05 ¶ 7 (citation omitted); *SoftBank-Sprint-Clearwire Order*, 28 FCC Rcd. at 9651 ¶ 23 (citation omitted); *Qwest-CenturyLink Order*, 26 FCC Rcd. at 4199 ¶ 7.

⁵ See *Level 3-CenturyLink Order*, 32 FCC Rcd. at 9586 ¶ 10. In earlier transactions, the Commission weighed any potential public interest harms of the proposed transaction against any potential public interest benefits. See *AT&T-DIRECTV Order*, 30 FCC Rcd. at 9140 ¶ 18 (citation omitted); *Verizon-XO Order*, 31 FCC Rcd. at 12,504-05 ¶ 7 (citation omitted); *SoftBank-Sprint-Clearwire Order*, 28 FCC Rcd. at 9650-51 ¶ 23 (citation omitted).

⁶ See *Level 3-CenturyLink Order*, 32 FCC Rcd. at 9586 ¶ 11.

governed by existing contracts. The Transaction will be transparent to customers because the only change immediately following the closing from a customer's perspective is that ultimately Transferee will be the new direct owner of Licensee. Moreover, the addition of Licensee's facilities into Wyverd's portfolio will enable Wyverd to serve a broader customer set and better take advantage of its investments. Transferee and its affiliates will seek to build on Licensee's existing assets, support investment in new infrastructure and continue to offer innovative and high-quality services to existing customers.

The proposed Transaction will have no adverse impact on customers and will not alter the manner of service delivery or billing. Licensee's managerial, technical and operational standards will be maintained and supplemented by management of Transferee. Licensee will continue to comply with existing contracts and tariffs, as applicable, subject to change in the ordinary course of business and in accordance with applicable law.

The proposed Transaction would create no new combinations that would adversely affect competition in any domestic market or on any U.S.-international route. There is no overlap where both Licensee and the domestic telecommunications service provider affiliate of Transferee offers lit services. Transferee does not currently control, and is not affiliated with, any foreign carrier regulated as dominant on any U.S.-international route.

IV. INFORMATION REQUIRED BY SECTION 63.24(e)

Pursuant to Section 63.24(e)(2) of the Commission's Rules, the Applicants submit the following information requested in Section 63.18 (a)-(d) and (h)-(p) in support of this Application:

(a) Name, address and telephone number of each Applicant:

Transferee:

Wyverd Group, LLC
5600 Arapahoe Avenue
Suite 200

FRN: 0027092774

Boulder, CO 80303
Tel: 720-262-3863

Transferor:

Pinpoint Holdings, Inc.
611 Patterson St.
Cambridge, NE 69022
Tel: (308) 697-3375

FRN: 0001566967

Licensee:

Accipter Communications, Inc.
d/b/a Zona Communications
28620 N. El Mirage Road
Suite 101
Peoria, AZ 85383
Tel: (623) 455-4555

FRN: 0004269833

(b) Jurisdiction of Organizations:

Transferee: Transferee is a limited liability company formed under the laws of Delaware.

Transferor: Transferor is a corporation formed under the laws of Nebraska.

Licensee: Licensee is a corporation formed under the laws of Nevada.

(c) (Answer to Question 10) Correspondence concerning this Application should be

sent to:

For Transferee:

Tamar E. Finn
Patricia Cave
Morgan, Lewis & Bockius LLP
1111 Pennsylvania Ave, N.W.
Washington, DC 20004-2541
202-739-3000 (tel)
202-739-3001 (fax)
tamar.finn@morganlewis.com
patricia.cave@morganlewis.com

For Licensee and Transferor:

Paul Halbur
Fraser Stryker PC LLO
500 Energy Plaza
409 South 17th Street
Omaha, NE 68102
402-341-8290 (tel)
402-968-5342 (fax)
PHALBUR@FraserStryker.com

With copies for Transferee to:

Scott Beer
Chief Legal Officer
Wyyerd Group, LLC
5600 Arapahoe Avenue
Suite 200
Boulder, CO 80303
scott.beer@wyyerd.com

With copies for Licensee to:

Mike Urdahl
President
Accipiter Communications, Inc., dba
Zona Communications
28620 N El Mirage Road, Suite 101
Peoria, AZ 85383
murdahl@teamzona.com

With copies for Transferor to:

Pinpoint Holdings, Inc.
P.O. Box 490
611 Patterson St.
Cambridge, NE 69022

(d) Section 214 Authorizations

Transferee: Transferee does not hold international or domestic (interstate) Section 214 authorization.

Transferor: Transferor does not hold international or domestic (interstate) Section 214 authorization.

Licensee: Licensee holds international Section 214 authority to provide global or limited global facilities-based and resale services granted in IB File No. ITC-214-20061026-00491. Licensee also is authorized to provide interstate service by virtue of blanket domestic Section 214 authority. 47 C.F.R. § 63.01.

(h) (Answer to Questions 11 & 12) Upon completion of the Transaction, Licensee will become a direct, wholly-owned subsidiary of Transferee. The following entities will hold, directly or indirectly, a ten percent (10%) or greater interest in Transferee upon completion of the Transaction as calculated pursuant to the Commission's ownership attribution rules for wireline and international telecommunications carriers:

(1)	Name:	Wyyerd Select Investors LLC ("WSI")
	Address:	9460 Owl Lane Boulder, CO 80301
	Citizenship:	U.S. (Delaware)
	Principal Business:	Investments
	% Interest:	Approx. 19.20% (directly)

- (2) Name: ESU Zona LLC
 Address: 9460 Owl Lane
 Boulder, CO 80301
 Citizenship: U.S. (Delaware)
 Principal Business: Investments
 % Interest: Approx. 58.27% (directly)
- (3) Name: Pinpoint Holdings, Inc. (“Transferor”)
 Address: 611 Patterson St.
 Cambridge, NE 69022
 Citizenship: U.S. (Nebraska)
 Principal Business: Investments
 % Interest: Approx. 19.20% (indirectly)

The following entity will hold 10% or greater ownership interest in WSI:

- (1) Name: Pinpoint Holdings, Inc. (“Transferor”)
 Address: 611 Patterson St.
 Cambridge, NE 69022
 Citizenship: U.S. (Nebraska)
 Principal Business: Investments
 % Interest: Approx. 61.73% (directly in WSI)

The following individual will hold 10% or greater interest in ESU Zona, LLC:

- (1) Name: John Scarano
 Address: 9460 Owl Lane
 Boulder, CO 80301
 Citizenship: U.S.
 Principal Business: Telecommunications
 % Interest: 100% (directly in ESU Zona, LLC)

The following individuals will hold 10% or greater interest in Transferor:

- (1) Name: J. Richard Shoemaker
 Address: c/o Pinpoint Holdings, Inc.
 611 Patterson Street
 Cambridge, Nebraska 69022
 Citizenship: U.S.
 Principal Business: Telecommunications
 % Interest: Approx. 25.88%
- (2) Name: Eric B. Eisenhart
 Address: c/o Pinpoint Holdings, Inc.
 611 Patterson Street
 Cambridge, Nebraska 69022

Citizenship: U.S.
Principal Business: Attorney
% Interest: Approx. 21.23%

(3) Name: William E. Shoemaker
Address: c/o Pinpoint Holdings, Inc.
611 Patterson Street
Cambridge, Nebraska 69022
Citizenship: U.S.
Principal Business: Retired Banker
% Interest: Approx. 13.21%

(4) Name: G. Franklin Shoemaker
Address: c/o Pinpoint Holdings, Inc.
611 Patterson Street
Cambridge, Nebraska 69022
Citizenship: U.S.
Principal Business: Attorney
% Interest: Approx. 12.69%

To Applicants' knowledge, other than the individuals set forth above, no other person or entity, directly or indirectly, owns or controls a 10% or greater interest in Transferee.

Transferee does not have any interlocking directorates with a foreign carrier.

(i) **(Answer to Question 14)** Transferee certifies that it is not a foreign carrier or affiliated (as defined in 47 C.F.R. § 63.09) with any foreign carriers. Currently, neither Transferor nor Licensees are foreign carriers or affiliated with any foreign carrier(s).

(j) **(Answer to Question 15)** Applicants certify that they do not seek to provide international telecommunications services to any destination country where (1) an Applicant is a foreign carrier in that country, (2) an Applicant controls a foreign carrier in that country, (3) any entity that owns more than 25 percent of an Applicant, or that controls an Applicant, controls a foreign carrier in that country; or (4) two or more foreign carriers (or parties that control foreign carriers) own in the aggregate more than 25 percent of an Applicant and are parties to, or the beneficiaries of, a contractual relation affecting the provision or marketing of international basic telecommunications services in the United States.

(k) Not applicable.

(m) Not applicable.

(n) Applicants certify that they have not agreed to accept 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 will not enter into such agreements in the future.

(o) Applicants certify that they are not subject to denial of federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1998. *See* 21 U.S.C. § 853a; *see also* 47 C.F.R. §§ 1.2001-1.2003.

(p) Applicants respectfully submit that this Application is eligible for streamlined processing pursuant to Section 63.12(a)-(b) of the Commission's Rules, 47 C.F.R. § 63.12(a)-(b). In particular, Section 63.12(c) is inapplicable because none of the Applicants is or is affiliated with any foreign carriers, and none of the scenarios outlined in Section 63.12(c) of the Commission's Rules applies.

V. INFORMATION REQUIRED BY SECTION 63.04

Pursuant to Commission Rule 63.04(b), 47 C.F.R. § 63.04(b), Applicants submit the following information in support of their request for domestic Section 214 authority to transfer control of Licensee to Transferee in order to address the requirements set forth in Commission Rule 63.04(a)(6)-(12):

(a)(6) A description of the proposed Transaction is set forth in **Section II** above.

(a)(7) (i) Licensee operates as an incumbent local exchange carrier in portions of Maricopa County, Arizona and Yavapai County, Arizona, pursuant to a Certificate of Convenience and Necessity granted by the Arizona Corporation Commission in 1995. In these areas, Licensee provides local exchange and long distance telephone services, with approximately 4,047 access

lines. In addition to regulated telephone services, Licensee also provides deregulated services, including broadband Internet access and DirecTV® television services in the aforementioned geographic areas.

(ii) Transferor does not itself offer any domestic telecommunications services. Its subsidiaries, Cambridge Telephone Company, Pinpoint Communications, Inc. and Pinpoint Wireless offer domestic telecommunications services as follows:

(a) Pursuant to a certificate of public convenience and necessity to provide telecommunications services in the State of Nebraska, Cambridge Telephone Company is a rural, incumbent local exchange carrier and, in this capacity, provides local exchange voice services and long distance telephone services in the communities of Cambridge and Bartley, Nebraska, with approximately 979 access lines. Cambridge Telephone Company also offers a variety of broadband voice and data services, including broadband Internet access and IPTV, in the communities of Bartley and Cambridge, Nebraska

(b) Pursuant to a certificate of public convenience and necessity to operate as a competitive local exchange carrier in the State of Nebraska and, in this capacity, Pinpoint Communications, Inc. provides local exchange carrier and long distance telephone services in the communities of Gothenburg, McCook, and Oxford, Nebraska, with approximately 818 access lines. Pinpoint Communications, Inc. provides DSL services in McCook and Oxford, Nebraska, and offers a variety of broadband voice and data services, including broadband Internet access and IPTV, in the communities of Bartley, Beaver City, Cambridge, Gothenburg,

Indianola, McCook and Oxford, Nebraska.⁷

(c) Pinpoint Wireless provides fixed and mobile wireless voice and data services in the communities of McCook, Cambridge, Indianola, Arapahoe, Danbury, Hendley, Lebanon, and Wilsonville, Nebraska

(iii) Transferee is a holding company that does not provide telecommunications services directly. Transferee's subsidiary Wyyerd Connect provides internet access services in Georgia and is authorized to provide competitive local exchange services in Georgia. Transferee's subsidiary Atlantic Fiber Networks does not provide regulated telecommunications services or hold authorization(s) to provide telecommunications services in any state. Transferee currently does not own or control a 10% or greater, direct or indirect interest in any other domestic telecommunications carrier. To Transferee's knowledge, Transferee currently is not affiliated with any domestic telecommunications carriers through the persons or entities that own or control a 10% or greater, direct or indirect interest in Transferee.

(a)(8) Applicants respectfully submit that this Application is eligible for streamlined processing pursuant to Sections 63.03 of the Commission's Rules, 47 C.F.R. §63.03. In particular, with respect to domestic authority, this Application is eligible for streamlined processing pursuant to Section 63.03(b)(2)(ii) because, immediately following the Transaction, (i) Transferee will have a market share in the interstate, interexchange market of less than ten percent (10%), (ii) the Transferee will provide competitive telephone exchange services or exchange access services (if at all) exclusively in geographic areas served by a dominant local exchange carrier (other than Licensee) that is not a party to the transaction; and (iii) Transferee does not provide telecommunications services in Arizona where Licensee is an incumbent local exchange carrier. Moreover, Licensee has fewer

⁷ The specific services offered vary on a community-by-community basis. Pinpoint Communications also offers cable television service to the communities of Beaver City, Indianola and Oxford, Nebraska.

than two (2) percent of the nation's subscriber lines, and there will be no overlapping or adjacent service areas following completion of the Transaction.

(a)(9) Applicants will file an application seeking Commission approval for the transfer of control of Licensee's common carrier wireless microwave license associated with call sign WQIC640.

(a)(10) No party is requesting special consideration because it is facing imminent business failure.

(a)(11) Not applicable.

(a)(12) A statement showing how grant of the application will serve the public interest, convenience and necessity is provided in **Section III**, above.

VI. CONCLUSION

For the reasons stated above, Applicants respectfully submit that the public interest, convenience and necessity would be furthered by a grant of this Application to transfer ownership and control of Licensee to Transferee.

Respectfully submitted,

/s/Paul Halbur

Paul Halbur

FRASER STRYKER PC LLO

500 Energy Plaza

409 South 17th Street

Omaha, NE 68102

402-341-8290 (tel)

402-968-5342 (fax)

PHALBUR@FraserStryker.com

Counsel for Transferor and Licensee

/s/Tamar E. Finn

Tamar E. Finn

Patricia Cave

MORGAN, LEWIS & BOCKIUS LLP

1111 Pennsylvania Avenue, N.W.

Washington, DC 20004

202-739-3000 (tel)

202-739-3001 (fax)

tamar.finn@morganlewis.com

patricia.cave@morganlewis.com

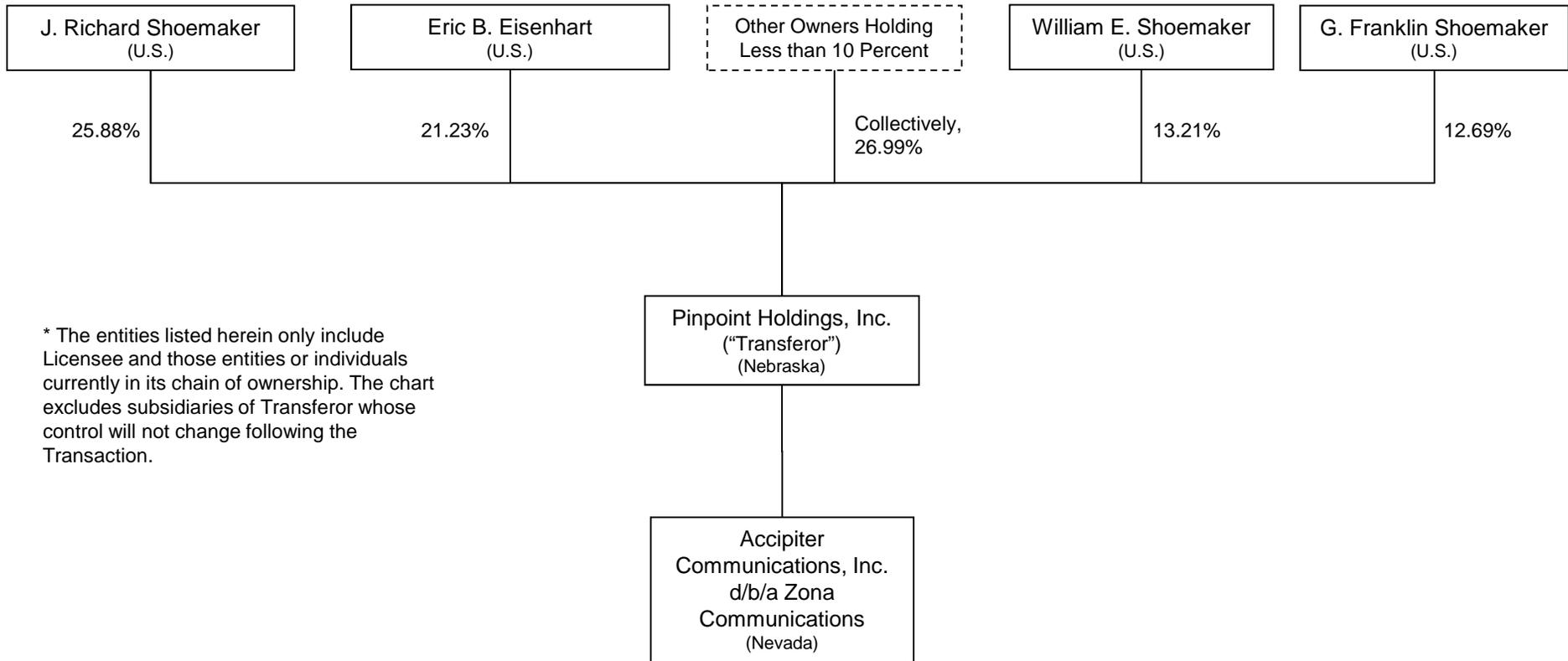
Counsel for Transferee

Dated: June 20, 2019

EXHIBIT A

Pre- and Post-Transaction Corporate Ownership Structure Charts

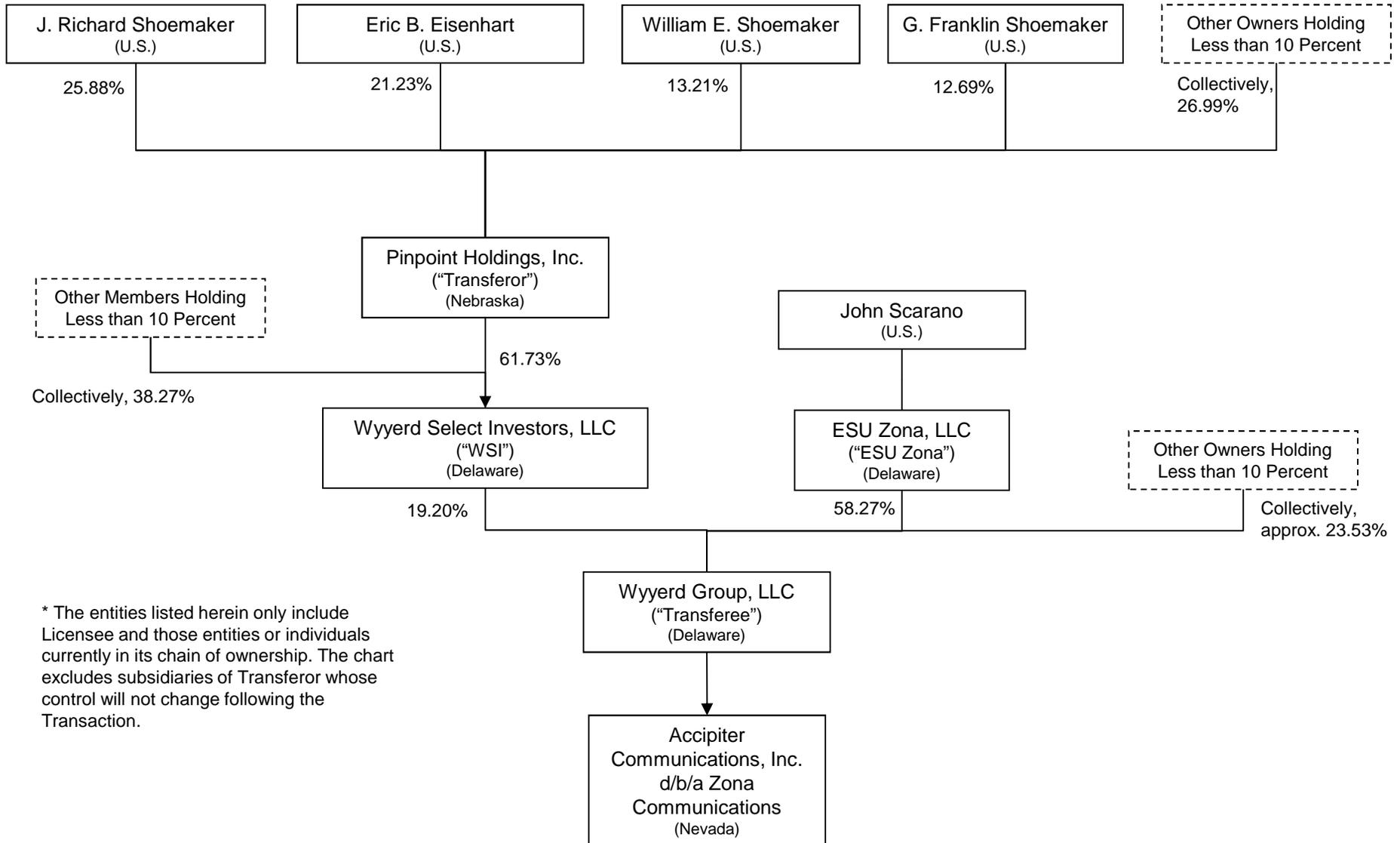
Current Corporate Ownership Structure of Licensee*



* The entities listed herein only include Licensee and those entities or individuals currently in its chain of ownership. The chart excludes subsidiaries of Transferor whose control will not change following the Transaction.

Unless otherwise indicated, all ownership percentages are 100%.

Post-Transaction Corporate Ownership Structure of Licensee*



* The entities listed herein only include Licensee and those entities or individuals currently in its chain of ownership. The chart excludes subsidiaries of Transferor whose control will not change following the Transaction.

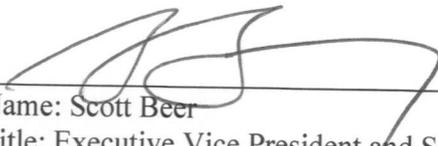
Unless otherwise indicated, all ownership percentages are 100%.

VERIFICATIONS

VERIFICATION

I, Scott Beer, state that I am Executive Vice President and Secretary of Wyverd Group LLC (the "Company"); that I am authorized to make this Verification on behalf of the Company; that the foregoing filing was prepared under my direction and supervision; and that the contents thereof and the certifications contained therein regarding the Company and its affiliates, are true and correct to the best of my knowledge, information, and belief.

I declare under penalty of perjury that the foregoing is true and correct. Executed this 20th day of June 2019.



Name: Scott Beer
Title: Executive Vice President and Secretary
Wyverd Group LLC

VERIFICATION

I, Michael Urdahl, state that I am President and Chief Executive Officer of Pinpoint Holdings, Inc., the parent company of Accipiter Communications Inc. d/b/a Zona Communications (the “Company”); that I am authorized to make this Verification on behalf of the Company; that the foregoing filing was prepared under my direction and supervision; and that the contents thereof and the certifications contained therein regarding the Company and its affiliates, are true and correct to the best of my knowledge, information, and belief.

I declare under penalty of perjury that the foregoing is true and correct. Executed this 20th day of June 2019.



Name: Michael Urdahl
Title: President and Chief Executive Officer
Pinpoint Holdings, Inc.