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## Proceeding

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| INBOX-63.04 | Section 214 Domestic Transfer of Control Application |

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**Type of Filing:** APPLICATION

## Document(s)

| File Name | Custom Description | Size |
|---|---|---|
| KCLAGIDomestic214June2015.pdf | | 689 KB |

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

| | | |
|---|---|---|
| In the Matter of | ) | |
| | ) | |
| **American Georgetown, Inc.** | ) | WC Docket No. _____ |
| Transferor | ) | |
| | ) | |
| **KCL Enterprises, Inc.** | ) | |
| Transferee | ) | |
| | ) | |
| For the Transfer of Control of Georgetown Telephone Company, which provides interstate interexchange and exchange access services in Mississippi pursuant to a blanket domestic Section 214 authorization | ) | |

TO: Wireline Competition Bureau

## STREAMLINED APPLICATION FOR TRANSFER OF CONTROL OF DOMESTIC BLANKET SECTION 214 AUTHORIZATION

American Georgetown, Inc. ("AGI" or "Transferor"; FRN: 0008-7112-10) and KCL Enterprises, Inc. ("KCL" or "Transferee"; FRN: 0023-7558-95) (AGI and KCL collectively referred to as "Applicants") hereby request Commission authorization for the transfer of control of Georgetown Telephone Company, Inc. ("GTC"; FRN: 0004-2737-51), a rural incumbent local exchange carrier ("ILEC") which provides interstate interexchange and exchange access services in the State of Mississippi pursuant to blanket domestic Section 214 authorizations, from AGI to KCL.

GTC is a Mississippi corporation that provides local exchange service and exchange access service as an ILEC, as well as resold domestic long distance toll services, pursuant to a blanket domestic Section 214 authorization, in and around the Town of Georgetown in Copiah and Simpson Counties in rural south central Mississippi.

KCL is a Texas corporation that owns and operates the Dunnell Telephone Company Incorporated, which provides local exchange service and exchange access service as an ILEC in Minnesota.

The proposed transaction is a stock purchase and sale. AGI, which presently owns 100 percent of the issued and outstanding stock of GTC, proposes to transfer all of its stock in GTC to KCL. By acquiring all of the issued and outstanding stock of GTC, KCL and its 100 percent owner Charles D. Mattingly, Jr. will acquire control of GTC's blanket Section 214 authorization.

KCL and its affiliates do not presently have any operations in Mississippi. Therefore, this application qualifies for streamlined processing pursuant to Section 63.03(b)(1)(ii) and/or 63.03(b)(2)(iii) of the Commission's Rules.

In accordance with the requirements of Section 63.04(a) of the Commission's Rules, the Applicants submit the following information:

**(1) Name, address and telephone number of each applicant:**

**Transferor:**
American Georgetown, Inc.
c/o Charles T. Lake, II
Signal Equity Partners, II, L.P.
805 Third Avenue, Suite 1202
New York, NY 10022
Telephone: (646) 580-3195
Facsimile: (212) 208-4433

**Transferee :**
KCL Enterprises, Inc.
235 Dennard Street
Longview, Texas 75605
Telephone: (903) 663-0099
Facsimile: (713) 634-2643

**(2) Government, state or territory under the laws of which each corporate or partnership applicant is organized:**

AGI is a Delaware corporation.

KCL Enterprises, Inc. is a Texas corporation.

**(3) Name, title, post office address, and telephone number of the officer or contact person to whom correspondence concerning the application is to be addressed:**

**For Transferor:**
Charles T. Lake, II
Signal Equity Partners, II, L.P.
805 Third Avenue, Suite 1202
New York, NY 10022
Telephone: (646) 580-3195
Facsimile: (212) 208-4433

With a copy to Counsel::

Thomas J. Moorman
Woods & Aitken LLP
5151 Wisconsin Ave., N.W., Suite 310
Washington, D.C. 20016
Telephone: (202) 944-9502
Facsimile: (202) 944-9501

**For Transferee:**
Charles D. Mattingly, Jr.
KCL Enterprises, Inc.
235 Dennard Street
Longview, Texas 75605
Telephone: (903) 663-0099
Facsimile: (713) 634-2643

With a copy to Counsel:
Gerard J. Duffy
Blooston, Mordkofsky, Dickens, Duffy & Prendergast, LLP
2120 L Street, N.W. (Suite 300)
Washington, D.C. 20037
Telephone: (202) 659-0830
Facsimile: (202) 828-5568

**(4) Name, address, citizenship and principal business of any person or entity that directly owns at least ten (10) percent of the equity of the applicant, and the percentage of equity owned by each of those entities:**

**Georgetown Telephone Company (Before Transaction)**

The names, addresses, citizenship and principal businesses of the entities that own at least ten (10) percent of the equity and voting power of GTC before the proposed transaction are:

| Name & Address | % Voting & Equity | Citizenship | Principal Business |
|---|---|---|---|
| American Georgetown, Inc.<br>P.O. Box 137<br>Georgetown, Mississippi 39078 | 100.00% | DE | Telecommunications |

The 10% or greater shareholders of AGI are American Broadband Communications, Inc. ("ABCI") (49%) (a U.S. corporation organized under the laws of the State of Delaware) and Signal Equity Partners II, L.P. ("Signal") (51%) (a U.S. limited partnership organized under the laws of the State of Delaware). Signal controls AGI.

ABCI's only 10% or greater shareholder is the Estate of Patrick L. Eudy (the "Estate"). Signal understands that Ms. Jane R. Eudy is the Personal Representative of the Estate and a U.S. citizen.

Signal's operations are controlled by its General Partner, Signal Equity Advisors, II, LLC ("SEA-II"). SEA-II owns a 2.94 percent interest in Signal. SEA-II owners of 10% or greater are Timothy P. Bradley (22.3%); Alfred J. Puchala, Jr. (22.3%); Christian Nolen (19.6%); Malcom C. Nolen (19.6%) and Charles T. Lake, II (11.2%), each a citizen of the United States.

The only persons or entities in Signal with a derivative interest of 10% or greater in AGI are as follows: (1) Each of Mr. Malcom C. Nolen, and Mr. Christian Nolen, both United State citizens, whose direct interests in Signal, when coupled with each of these individuals' ownership interest in Signal's General Partner (as indicated above), results in each owning approximately 20.2% in Signal and thus approximately 10.3% of AGI;[1] and (2) Signal Secondary Fund, L.P. ("SSF") (a U.S. limited partnership organized under the laws of the State of Delaware and whose principal business is investments), which owns a 23.5% interest in Signal and thus approximately 12% of AGI. No owner of SSF owns a derivative interest of 10% or greater in AGI.

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[1] In previous filings related to Signal, Signal reported that Garden House LLC owned a non-controlling 58.9% interest in Signal. Garden House LLC was dissolved in December 2014 and the interest then held by Ms. Eliot Nolen was evenly distributed to each of her three children, all United States citizens, two of whom are Malcom C. Nolen and Christian Nolen. This action neither affected control of Signal, nor triggered the 50% threshold filing requirement found in 47 C.F.R. § 63.24 (c) of the Commission's rules.

No other individual or entity directly or indirectly owns an interest of ten (10) percent of the equity and voting power of GTC prior to the proposed transaction.

**Georgetown Telephone Company (After Transaction)**

The name, address, citizenship and principal business of the only entity that will own at least ten (10) percent of the equity and voting power of GTC after the proposed transaction are:

| Name & Address | % Voting & Equity | Citizenship | Principal Business |
|---|---|---|---|
| KCL Enterprises, Inc.<br>235 Dennard Street<br>Longview, TX 76503 | 100.00% | Texas Corporation | Telecommunications |

In turn, the name, address, citizenship and principal business of the only entity that will own at least ten (10) percent of the equity and voting power of KCL Enterprises, Inc. both before and after the proposed transaction are:

| Name & Address | % Voting & Equity | Citizenship | Principal Business |
|---|---|---|---|
| Charles D. Mattingly, Jr.<br>P.O. Box 733<br>Judson, TX 75660 | 90.00% | U.S.A. | Telecommunications |
| Kimberly Starr<br>235 Dennard Street<br>Longview, TX 76503 | 10.00% | U.S.A. | Telecommunications |

No other individual or entity will directly or indirectly own or control an interest of ten (10) percent of the equity and voting power of GTC after the proposed transaction.

**(5) Certification pursuant to 47 C.F.R. §§1.2001 through 1.2003 that no party to the application is subject to denial of Federal benefits pursuant to section 5301 of the Anti-Drug Abuse Act of 1988.**

AGI and KCL hereby certify, pursuant to 47 C.F.R. §§1.2001 through 1.2003, that no party to the present application is subject to denial of Federal benefits pursuant to section 5301 of the Anti-Drug Abuse Act of 1988.

**(6) Description of the transaction:**

KCL is acquiring all of GTC's issued and outstanding common stock from AGI. Purchase of this stock will give KCL control of GTC and its assets, including GTC's blanket domestic Section 214 authorization.

**(7) Description of the geographic areas in which the transferor and transferee (and their affiliates) offer domestic telecommunications services, and what services are provided in each area:**

**Areas and Services of Georgetown Telephone Company and Affiliates.**

GTC provides local exchange service and exchange access service as an ILEC (approximately 200 access lines) in and around the Town of Georgetown in Copiah and Simpson Counties in rural south central Mississippi. GTC also offers Internet access services, long distance calling plans, and custom calling services to Georgetown area households and businesses.

GTC has no ownership interests in any other entity that offers domestic telecommunications services.

**Areas and Services of Other AGI Affiliates**

In addition to its current ownership interest in GTC, AGI is also currently affiliated with the following entities that provide domestic telecommunications services: (1) Gridley Telephone Company, which provides local exchange telephone and exchange access services, and high-speed Internet access in and around Gridley, Illinois; (2) Gridley Communications, Inc., which resells intrastate, interstate and international long distance toll services in and around Gridley, Illinois; (3) Oregon Farmers Mutual Telephone Company, which provides local exchange telephone and exchange access services, and high-speed Internet access in and around Oregon, Missouri and (4) Oregon Farmers Mutual Long Distance, Inc., which resells intrastate, interstate and international long distance toll services in and around Oregon, Missouri.

Further, principals of Signal and ABCI also have indirect ownership interests in the following telecommunications carriers and entities: (1) Miller Telephone Company ("Miller"), which provides local exchange telephone and exchange access services in and around Miller, Missouri; (2) Zenda Telephone Company ("Zenda"), which provides local exchange telephone and exchange access services in and around Zenda, Kansas; (3) West Side Telephone Company ("West Side"), which provides local exchange telephone and exchange access services in West Virginia; (4) Communications Plus, Inc., which provides competitive local exchange services in West Virginia; (5) Westco Internet Company, which provides Internet access services in West Virginia; and (6) Tel-Atlantic Communications, Inc. (which, through various dba's provides resold interstate interexchange and international long distance services in and around the service areas of Zenda, West Side, and Miller).

**Areas and Services of Other ABCI Affiliates**

To the best of the knowledge, information and belief of the Applicants, ABCI is affiliated with American Broadband Communications, LLC ("American Broadband"). To the best of the knowledge, information and belief of Signal, American Broadband is also the indirect

10% or greater owner of the following telecommunications carriers operating in discrete areas of the United States that are outside of the State of Mississippi: (1) Arlington Telephone Company, a Nebraska corporation and incumbent local exchange carrier, that provides local exchange and exchange access services in and around Arlington, Nebraska; (2) The Blair Telephone Company, a Nebraska corporation and incumbent local exchange carrier, that provides local exchange and exchange access services in and around Blair, Kennard and Fort Calhoun, Nebraska; (3) Eastern Nebraska Telephone Company, a Nebraska corporation and incumbent local exchange carrier, that provides local exchange and exchange access services in and around Walthill, Macy, Winnebago, Rosalie, Osmond, Meadow Grove, Carroll and Belden, Nebraska; (4) Rock County Telephone Company, a Nebraska corporation and incumbent local exchange carrier, that provides local exchange and exchange access services in and around Bassett and Newport, Nebraska; (5) HunTel Cablevision d/b/a HunTel Communications, a Nebraska corporation and competitive local exchange carrier, that provides local exchange and exchange access services in and around Lyons, Oakland and Tekamah, Nebraska; and an interexchange carrier that resells intrastate and interstate long distance toll services throughout the Nebraska areas served by HunTel's subsidiaries; (6) Huntel.net, Inc., a Nebraska corporation that provides Internet access services throughout the Nebraska areas served by HunTel's subsidiaries; (7) Holway Telephone Company, a Missouri corporation and incumbent local exchange carrier, that provides local exchange and exchange access services in and around Maitland, Missouri; (8) K.L.M. Telephone Company, a Missouri corporation and incumbent local exchange carrier, that provides local exchange and exchange access services in and around Rich Hill, Missouri; (9) Holway Long Distance Company, a Missouri corporation and interexchange carrier that resells intrastate and interstate long distance toll services in and around Maitland, Missouri; (10) KLM Long Distance Company, a Missouri corporation and interexchange carrier that resells intrastate and interstate long distance toll services in and around Rich Hill, Missouri; (11) N.W. Communications Co., a Missouri corporation that provides cable television services in Missouri; (12) Interior Telephone Company, an Alaska corporation and incumbent local exchange carrier, that provides local exchange and exchange access services in Alaska; (13) Mukluk Telephone Company, Inc., an Alaska corporation and incumbent local exchange carrier, that provides local exchange and exchange access services in Alaska; (14) TelAlaska Long Distance, Inc., an Alaska corporation that provides long distance toll services and Internet access services in Alaska, and is the licensee of Common Carrier Fixed Point-to-Point Microwave Service Stations WQHK883 and WQHK884, Anchorage, Alaska; (15) Eyecom, Incorporated, an Alaska corporation that provides cable television services in Alaska; (16) TelAlaska Cellular, Inc., an Alaska corporation that provides mobile voice and data services in Alaska, and is the licensee of Cellular Radio Service Stations WQIQ306, Alaska Rural Service Area 2 – Bethel (Cellular Market Area 316) and WQIQ308, Alaska Rural Service Area 1 – Wade (Cellular Market Area 315); (17) Cameron Communications, LLC ("Cameron Communications"), a Louisiana limited liability company that: (a) resells intrastate, interstate and international long distance toll services under the trade name of Cameron Long Distance in the ILEC and CLEC exchanges served by Cameron Telephone, Elizabeth and LBH in Cameron, Allen, Vernon, Rapides and Beauregard Parishes in southwestern Louisiana, and in Jefferson, Chambers, Liberty and Galveston Counties in southeastern Texas; (b) provides asymmetric digital subscriber line ("ADSL") Internet access services and video programming services in the exchanges served by Cameron

Telephone and Elizabeth in southwestern Louisiana, and ADSL Internet access services in the exchanges served by Cameron Telephone in southeastern Texas; and (c) provides broadband Voice over Internet Protocol ("VoIP") local and long distance phone services under the trade name Mercury Broadband Phone Service in Lake Charles, Sulphur, Moss Bluff, Westlake and Vinton in Calcasieu Parish in southwestern Louisiana; (18) Cameron Telephone Company, LLC ("Cameron Telephone"), a Louisiana limited liability company and incumbent local exchange carrier that provides: (a) local exchange telephone and exchange access services in the Cameron, Carlyss, Creole, Grand Chenier, Hackberry, Holly Beach and Johnson Bayou exchanges in Cameron and Calcasieu Parishes in southwestern Louisiana; and (b) local exchange telephone and exchange access services in the Nome and High Island exchanges in Jefferson, Chambers, Liberty and Galveston counties in southeastern Texas; (20) Elizabeth Telephone Company, L.L.C., a Louisiana limited liability company and incumbent local exchange carrier that provides local exchange telephone and exchange access services in the Elizabeth, Pitkin and Sugartown exchanges in Allen, Vernon, Rapides and Beauregard Parishes in southwestern Louisiana; and (21) LBH, L.L.C., a Louisiana limited liability company that provides broadband voice, video and data services as a competitive local exchange carrier ("CLEC") using fiber-to-the-home ("FTTH") networks in Grand Lake and Sweetlake in Cameron Parish, and in Moss Bluff in Calcasieu Parish, in southwestern Louisiana.

To the best of the knowledge, information and belief of the Applicants, American Broadband has no other subsidiaries or affiliates that offer telecommunications services.

Dialog Telecom LLC ("Dialog"), which has some common ownership with American Broadband, is a holding company that does not directly provide telecommunications services owns 100% of (1) Dialog Telecommunications, Inc., which provides voice and data services as a competitive local exchange carrier ("CLEC") in Kentucky, Mississippi and North Carolina; (2) Acorn Telephone LLC, which provides voice and data services as a CLEC in Kentucky; (3) AMA Communications LLC, which provides voice and data services as a CLEC in Texas; (4) Mesa Wireless, LLC, which has no current operations; and (5) Mesa Broadband, LLC, which is the licensee of 3650-3700 MHz Service station WQKW948.

To the best of the knowledge, information and belief of the Applicants, Dialog has no other subsidiaries or affiliates that offer telecommunications services.

**Areas and Services of KCL Enterprises, Inc. and Affiliates**

KCL owns 100 percent of the issued and outstanding stock of Dunnell Telephone Company, Incorporated ("DTC"), which provides local exchange service and exchange access service as an ILEC in the Dunnell exchange (approximately 175 access lines) in Martin County in rural south central Minnesota. In addition to local telephone service and custom calling features, DTC offers resold long distance toll services, and dial-up and digital subscriber line ("DSL") Internet access services to Dunnell area customers.

KCL's sole member, Charles D. Mattingly, Jr., is also the sole member of VNC Enterprises, LLC, a Texas limited liability company that owns Nova Telephone Company, an incumbent

local exchange carrier that provides local exchange and exchange services (less than 1,000 access lines) in and around Nova in Ashland County in north central Ohio

KCL has no other affiliates that offer domestic telecommunications services.

**(8) Statement as to how the application fits into one or more of the presumptive streamlined categories in section 63.03 or why it is otherwise appropriate for streamlined treatment:**

This application fits within the presumptive streamlined categories in Section 63.03(b) of the Commission's Rules, and streamlined treatment is requested. Even assuming that Mr. Mattingly's interest in Nova Telephone Company ("Nova") is attributed to KCL, the proposed transaction fits within Section 63.03(b)(2)(iii) because (a) GTC, DTC and Nova together have a market share in the interstate, interexchange market of less than 10 percent; (b) GTC, DTC and Nova have together less than 1,375 access lines which constitute far fewer than two (2) percent of the nation's subscriber lines installed in the aggregate nationwide; and (c) there are no overlapping or adjacent service areas between GTC's south central Mississippi service area with either DTC's central Minnesota service area or Nova's north central Ohio service area.

**(9) Identification of all other Commission applications related to the same transaction:**

Applicants will also be filing an application for assignment to KCL of the International Section 214 authorization for global resale held by AGI (File No. ITC-214-20061017-00476).

**(10) Statement of whether the applicants are requesting special consideration because either party to the transaction is facing imminent business failure:**

No party to the transaction is facing imminent business failure at this time. Therefore, the Applicants are not requesting special consideration because a party to the transaction is facing imminent business failure.

**(11) Identification of any separately filed waiver requests being sought in conjunction with the transaction:**

No separately filed waivers or waiver requests are being sought in conjunction with the proposed transaction.

**(12) Statement showing how grant of the application will serve the public interest, convenience and necessity, including any additional information that may be necessary to show the effect of the proposed transaction on competition in domestic markets:**

The proposed transaction entails the acquisition of GTC by a limited liability company that owns and operates a rural telephone company in the State of Minnesota and whose owner also owns and operates a rural telephone company in the state of Ohio. Since 2010, Mr. Mattingly has reorganized the management and finances of both rural telephone companies. Given Mr. Mattingly's proven record of success in operating rural telephone companies, the proposed transaction will ensure that Georgetown area customers will continue to receive quality and affordable telecommunications services during the foreseeable future.

## Conclusion

In light of the foregoing facts and public interest considerations, the Commission is respectfully requested to authorize the transfer of control of the blanket domestic Section 214 authorization of Georgetown Telephone Company, Inc. from AGI to KCL Enterprises, Inc.

AGI and KCL Enterprises, Inc. reiterate that they certify, pursuant to 47 C.F.R. §§1.2001 through 1.2003, that no party to the present application is subject to denial of Federal benefits pursuant to section 5301 of the Anti-Drug Abuse Act of 1988.

Respectfully submitted,

**AMERICAN GEORGETOWN, INC.**

By: Timothy P. Bradley
President

Date: 6/10/15

**KCL ENTERPRISES, INC.**

By: _____
Charles D. Mattingly, Jr.
President

Date: _____

## Conclusion

In light of the foregoing facts and public interest considerations, the Commission is respectfully requested to authorize the transfer of control of the blanket domestic Section 214 authorization of Georgetown Telephone Company, Inc. from AGI to KCL Enterprises, Inc.

AGI and KCL Enterprises, Inc. reiterate that they certify, pursuant to 47 C.F.R. §§1.2001 through 1.2003, that no party to the present application is subject to denial of Federal benefits pursuant to section 5301 of the Anti-Drug Abuse Act of 1988.

Respectfully submitted,

| **AMERICAN GEORGETOWN, INC.** | **KCL ENTERPRISES, INC.** |
|---|---|
| By:_____ | By:_____ |
| Timothy P. Bradley | Charles D. Mattingly, Jr. |
| President | President |
| Date:_____ | Date: 10/10/15 |