

WC 07-87

32-1051

READ INSTRUCTIONS CAREFULLY
BEFORE PROCEEDING

FEDERAL COMMUNICATIONS COMMISSION
REMITTANCE ADVICE

Approved by OMB
30609589

Page 1 of 0

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|--|---------------------------------------|----------------------------|---|------------------------------|--|
| (1) LOCKBOX # 358145 | | APR 12 2007 | | SPECIAL USE ONLY | |
| | | | | FCC USE ONLY | |
| SECTION A - PAYER INFORMATION | | | | | |
| (2) PAYER NAME (if paying by credit card enter name exactly as it appears on the card) Matrix Telecom, Inc. | | | (3) TOTAL AMOUNT PAID (US Dollars and cents) \$965.00 | | |
| (4) STREET ADDRESS LINE NO. 1 7171 Forest Lane | | | | | |
| (5) STREET ADDRESS LINE NO. 2 Suite 700 | | | | | |
| (6) CITY Dallas | | | (7) STATE TX | (8) ZIP CODE 75230 | |
| (9) DAYTIME TELEPHONE NUMBER (include area code) (214) 432-1468 | | | (10) COUNTRY CODE (if not in U.S.A.) | | |
| FCC REGISTRATION NUMBER (FRN) REQUIRED | | | | | |
| (11) PAYER (FRN) 0004333068 | | | (12) FCC USE ONLY | | |
| IF MORE THAN ONE APPLICANT, USE CONTINUATION SHEETS (FORM 159-C) COMPLETE SECTION BELOW FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET | | | | | |
| (13) APPLICANT NAME | | | | | |
| (14) STREET ADDRESS LINE NO. 1 | | | | | |
| (15) STREET ADDRESS LINE NO. 2 | | | | | |
| (16) CITY | | | (17) STATE | (18) ZIP CODE | |
| (19) DAYTIME TELEPHONE NUMBER (include area code) | | | (20) COUNTRY CODE (if not in U.S.A.) | | |
| FCC REGISTRATION NUMBER (FRN) REQUIRED | | | | | |
| (21) APPLICANT (FRN) | | | (22) FCC USE ONLY | | |
| COMPLETE SECTION C FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET | | | | | |
| (23A) CALL SIGN/OTHER ID | (24A) PAYMENT TYPE CODE CUT | (25A) QUANTITY 1 | | | |
| (26A) FEE DUE FOR (PTC) \$965.00 | (27A) TOTAL FEE \$965.00 | FCC USE ONLY | | | |
| (28A) FCC CODE 1 | | (29A) FCC CODE 2 | | | |
| (23B) CALL SIGN/OTHER ID | (24B) PAYMENT TYPE CODE | (25B) QUANTITY | | | |
| (26B) FEE DUE FOR (PTC) | (27B) TOTAL FEE | FCC USE ONLY | | | |
| (28B) FCC CODE 1 | | (29B) FCC CODE 2 | | | |
| SECTION D - CERTIFICATION | | | | | |
| CERTIFICATION STATEMENT I, _____, certify under penalty of perjury that the foregoing and supporting information is true and correct to the best of my knowledge, information and belief. | | | | | |
| SIGNATURE _____ | | | DATE _____ | | |
| SECTION E - CREDIT CARD PAYMENT INFORMATION | | | | | |
| MASTERCARD _____ VISA _____ AMEX _____ DISCOVER _____ | | | | | |
| ACCOUNT NUMBER _____ | | | EXPIRATION DATE _____ | | |
| I hereby authorize the FCC to charge my credit card for the service(s) authorization herein described. | | | | | |
| SIGNATURE _____ | | | DATE _____ | | |

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

| | | |
|---|---|-----------------------------|
| | | |
| In the Matter <i>of the</i> Joint Application of |) | |
| |) | |
| Trinsic Communications, Inc., |) | |
| Touch 1 Communications, Inc., and |) | |
| any Successor in Interest, Including a Chapter 7 |) | |
| Bankruptcy Trustee, Assignors |) | File No. ITC-ASG-2007 _____ |
| |) | WC Docket No. 07- _____ |
| and |) | |
| |) | |
| Matrix Telecom, Inc. Assignee |) | |
| |) | |
| For Consent to Assign Domestic and International |) | |
| Section 214 Authority From Trinsic |) | |
| Communications, Inc. and Touch 1 |) | |
| Communications, Inc. to Matrix Telecom, Inc. |) | |
| | | |

JOINT APPLICATION

I. INTRODUCTION

A. Summary of Transaction

Trinsic Communications, Inc. (“Trinsic Communications”), Touch 1 Communications, Inc. (“Touch 1”), and any successor in interest of either, including a Chapter 7 bankruptcy trustee (collectively, “Trinsic” or “Assignors”), and Matrix Telecom, Inc. (“Matrix” or “Assignee”) (and, together with Trinsic, the “Applicants”), through their undersigned counsel and pursuant to Section **214** of the Communications Act of **1934**, as amended (“Communications Act”), **47** U.S.C. § **214**, and Sections **63.04**, **63.18** and **63.24** of the Commission’s rules, **47** C.F.R. §§ **63.04**, **63.18**, **63.24**, respectfully request Federal Communications Commission (“Commission”) consent to the assignment of blanket domestic Section **214** authority and

international Section 214 authorizations, File Nos. ITC-214-19980507-00300 (old File Number ITC-98-349), ITC-214-19940830-00266, to **Matrix** as owned and controlled by **Trinsic**.

Pursuant to the proposed transaction, Matrix will **acquire** control of Trinsic's assets used to provide local and long distance telecommunications services.

B. Request for Streamlined Processing

Applicants respectfully submit that this Application is eligible for presumptive streamlined processing pursuant to Section 63.03 and 63.12 of the Commission's rules, 47 C.F.R. §§ 63.03 & 63.12. With respect to domestic authority, this Application is eligible for streamlined processing pursuant to Section 63.03(b)(2)(i) because, immediately following the transactions, (1) Applicants and their affiliates combined will hold less than a ten percent (10%) share of the interstate, interexchange market; (2) Applicants and their affiliates will provide local exchange service only in areas served by dominant local exchange carriers (none of which is a party to the proposed transactions) and; (3) none of the Applicants or their affiliates is dominant with respect to any service.

With respect to international authority, **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, none of the exclusionary criteria set forth in Section 63.12(c) apply **as** described more **fully** in Section **V below**. Accordingly, this Application qualifies for streamlined processing pursuant to Section 63.12 of the Commission's rules.

B. Request for Expedited Consideration

If for any reason, the Commission denies streamlined processing, the parties hereby request expedited review and processing of this Application before June 4, 2007. On

¹ 47 U.S.C. § 153(1); 47 C.F.R. § 63.03(b)(3).

February 7, 2007, Trinsic and its affiliates filed a petition for relief under Chapter 11 of the United States Bankruptcy Code in the United States Bankruptcy Court for the Southern District of Alabama (the "Bankruptcy Court"). Trinsic ultimately determined that a successful business reorganization would not be possible and, following a Court-supervised auction, entered into an Asset Purchase Agreement,² (the "APA") with Tide Acquisition Corporation ("Tide") providing for the sale of its assets to Tide. Tide subsequently assigned its rights under the APA to Matrix. The APA requires the sale to be complete on or before June 4, 2007, and this deadline has been approved by the Bankruptcy Court. Accordingly, the Applicants respectfully request that the Commission approve this application as expeditiously as possible in advance of that date in order to allow them to meet their contractual obligations.

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

II. DESCRIPTION OF THE APPLICANTS

A. **Trinsic**

Trinsic Communications is a Delaware corporation with its principal place of business located at 601 South Harbour Island Blvd., Suite 220, Tampa, Florida 33602. Touch 1 is an Alabama corporation with its principal place of business located at 100 Brookwood Road, Altdore, Alabama 36502. Both entities are wholly owned subsidiaries of Trinsic, Inc., a Delaware corporation, which was founded in January 1998 as Z-Tel Technologies, Inc. Trinsic provides circuit-switched local and long-distance telephony services in 49 states and the District of Columbia. Trinsic Communications is authorized to provide interstate long distance service pursuant to blanket domestic Section 214 authority and international long distance service

² Asset Purchase Agreement by and among Tide Acquisition Corporation, as Purchaser, and Trinsic, Inc., Trinsic Communications, Inc., Touch 1 Communications, Inc., Z-Tel Network Services, Inc., and Z-Tel Consumer Services, LLC, as Sellers, dated as of March 21, 2007.

pursuant to Section 214 authorizations granted by the Commission in ITC-214-19980507-00300 (old File Number ITC-98-349).³ Touch 1 is authorized to provide interstate long distance service pursuant to blanket domestic Section 214 authority and international long distance service pursuant to Section 214 authorizations granted by the Commission in ITC-214-19940830-00266.⁴

Trinsic provides residential and business local and long distance telecommunications services in combination with enhanced communications features accessible through the telephone, the Internet, and certain personal digital assistants. These Trinsic services include a suite of proprietary Internet-based and voice-activated functions called “Trinsic Center,” which feature voicemail, “Find Me,” “Notify Me,” caller identification, call forwarding, three-way calling, call waiting, and speed dialing services, as well as a “Personal Voice Assistant,” which utilizes voice-recognition technology so that users can access secure, online personal address books from any phone using simple voice commands in order to send voice e-mails, find contact information and dial numbers, among other things.

At the end of 2006, Trinsic served approximately 150,000 residential and business customers, in addition to approximately 23,000 stand-alone presubscribed long distance customers, primarily by reselling wholesale long distance services and “local wholesale” services purchased from the Bell Operating Companies and other large incumbent local exchange carriers (“ILECs”). In addition, in 2004, Trinsic began offering “voice over Internet protocol,” or

³ See also ITC-ASG-20040302-00088 (application for consent to assign certain customers in the state of Texas from ICG Telecom Group, Inc. and its wholly-owned subsidiary, ICG ChoiceCom, L.P. to Z-Tel Communications, Inc.); ITC-ASG-20031224-00564 (application for consent to assign certain customers in the states of California and Ohio from ICG Telecom Group, Inc. to Z-Tel Communications, Inc).

⁴ See also ITC-T/C-20000207-00073 (application for consent to transfer control of Touch 1 Communications, Inc. from its shareholders to Z-Tel Technologies, Inc.); ITC-T/C-19940906-00270.

“VoIP” services as an alternative to its other traditional circuit-switched service offerings.

As a result of changes to its cost structure resulting from, among other factors, the elimination of ILEC unbundled network element platform (“UNE-P”) offerings, Trinsic was forced to seek relief from the Bankruptcy Court on February 7, 2007. The proposed sale of its assets to Matrix provides an opportunity to ensure continuity of service to Trinsic’s customers

B. Matrix

Matrix is a Texas corporation with offices located at 7171 Forest Lane, Suite 700, Dallas, Texas 75230. Since 1999, Matrix has been an indirect wholly owned subsidiary of Platinum Equity, LLC (“Platinum Equity”), a Delaware limited liability company headquartered in Beverly Hills, California. Platinum Equity is a global firm specializing in the merger, acquisition, and operation of companies that provide services and solutions to customers in a broad range of business markets, including telecommunications, information technology, logistics, manufacturing, and entertainment distribution. Since its founding in 1995, Platinum Equity has acquired more than 60 businesses with more than \$12 billion in aggregate revenue at the time of acquisition.

Matrix provides competitive integrated communications services, including local, long distance, and toll-free voice services plus a wide range of data services, such as dedicated Internet access, frame relay, and point-to-point transmission services, chiefly to enterprise customers throughout the United States. Matrix is authorized to provide competitive telecommunications services across the nation on a resale or facilities basis. In 2005, Matrix completed the acquisition of certain assets from Global Crossing Telecommunications, Inc. (“GC”) primarily consisting of the customer base of GC’s Small Business Group.

Matrix also is affiliated with Americatel Corporation (“Americatel”) and soon **will be** affiliated with Startec Global Operating Company (“Startec”), both Delaware corporations. Platinum Equity **has** indirectly controlled Americatel since it acquired indirect ownership of 95 percent of its equity in July 2006. Americatel provides international and domestic facilities-based and resold long distance services, including “dial around” casual calling (i.e., 1010XXX) service and presubscribed 1+ calling services, in each of the 48 contiguous states, with a particular emphasis on serving the needs **of** United States customers with connections to Latin America and the Caribbean. In addition, Platinum Equity will soon obtain indirect control of Startec, which provides long distance, Internet, and other communications services in over 45 states and internationally. The parties expect the Startec merger to close later this year, following receipt of necessary regulatory approvals. Platinum Equity, **through** its ownership of these companies, and **Matrix**, based on its history of successful operation, have amply demonstrated their qualifications to purchase and operate Trinsic’s assets.

III. DESCRIPTION OF THE TRANSACTION

As described above, on February 7, 2007, Trinsic and its affiliates sought relief from creditors before the Bankruptcy Court. During the Bankruptcy Court proceedings, Trinsic ultimately determined that a successful business reorganization would not be possible. Tide, a newly formed subsidiary of Platinum Equity, was the winning bidder in an auction conducted **under** the supervision of the Bankruptcy Court, and entered into the **APA** with Trinsic on March 21, 2007. Tide subsequently assigned its rights and obligations under the **APA** to **Matrix**. The **APA** requires the sale to be completed within 75 days, or on or before June 4, 2007, and has been approved by the Bankruptcy Court.

The Applicants anticipate that this sale will be seamless and transparent to Trinsic’s customers. Under the terms of the **APA**, **Matrix** will acquire Trinsic’s entire local and

long distance customer base, together with its rights and responsibilities under contracts necessary to operate Trinsic's business, Trinsic's *real* and personal property, equipment, *fixtures*, intellectual property, trademarks, and most other Trinsic assets. **Thus**, the proposed sale of Trinsic's assets to Matrix **will** Cause no interruption in service to customers. No existing service will be discontinued, reduced, or impaired **as** a result of the sale of these assets. Furthermore, this transaction will not affect rates for, or terms or conditions of, any service being provided by Trinsic. Further, Matrix **will** continue to provide service to these customers using the Trinsic names, possibly on a co-branded basis.

IV. PUBLIC INTEREST STATEMENT

Applicants submit that the transaction will **serve** the public interest. **First**, the sale of Trinsic's assets to Matrix **will** ensure that Trinsic's customers continue to receive high-quality telecommunications services without interruption or disruption that would otherwise be caused by their originally chosen carrier's bankruptcy. Trinsic is in liquidation, and can no longer continue to provide service to its customers. In the absence of a sale of its assets and customer base to another carrier, such **as** Matrix, each Trinsic customer would lose service and be forced to seek out a carrier independently that can replicate its existing services.

Second, the transaction will strengthen competition by helping Matrix's business to grow. As Matrix's presence in the telecommunications market expands, Matrix will be better able to achieve economies of scale and **scope**, which will permit it to offer lower prices, maintain **and** improve service quality, and launch new services. As a result, Matrix will become a stronger competitor, bringing more of the well-recognized benefits of vigorous competition to telecommunications customers nationwide.

Third, the transaction will benefit customers by permitting Matrix to integrate Trinsic's proprietary technologies, described above, into its own services to create new, "best-of-

class” offerings. In this way, the sale will ensure that the benefits Trinsic’s customers currently enjoy remain available to them, **and** also may become available to Matrix’s existing customers, benefiting the entire merged customer base

V. INFORMATION REQUIRED BY SECTION 63.24(e)

Pursuant to Section 63.24(e)(3) of the Commission’s rules, 47 C.F.R. § 63.24(e)(3), 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:

Trinsic Communications (Assignor):

Trinsic Communications, Inc. **FRN: 0004328332**
601 ~~South Harbour~~ Island Blvd., Suite 220
Tampa, Florida 33602
Tel: (813) 233-4628

Touch 1 (Assignor):

Touch 1 Communications, Inc. **FRN: 003709813**
100 Brookwood Road
Altmore, Alabama 36502
Tel: (813) 233-4628

Matrix (Assignee):

Matrix Telecom, Inc. **FRN: 0004296596**
7171 Forest Lane, Suite 700
Dallas, Texas 75230
Tel: (214) 432-1447

(b) Jurisdiction of Organizations:

Trinsic: Trinsic Communications is corporation formed under the laws of Delaware. Touch 1 ~~is~~ a corporation formed under the laws of Alabama.

Matrix: Matrix is a corporation formed under the laws of Texas.

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

For Trinsic:

Peggy Rubino
Senior Vice President, Regulatory and Legal
Affairs
Trinsic, Inc.
601 S. Harbour Island Blvd., Suite 220
Tampa, Florida 33602

Tel: (813) 233-4628
Fax: (813) 233-4620

With copies to:

Christopher S. Strickland, Esq.
Levine, Block & Strickland LLP
945 E. Paces Road
2270 Resurgens Plaza
Atlanta, Georgia 30326

Tel: (404) 231-4567
Fax: (404) 231-4618

For Matrix:

Scott Klopack
Vice-president of Regulatory Affairs and
General Counsel
Matrix Telecom, Inc.
7171 Forest Lane, Suite 700
Dallas, Texas 75230

Tel: (214) 432-1468
Fax: (214) 432-1576

With copies to:

Eva Kalawski
Executive Vice President, General Counsel
and Secretary
Platinum Equity, LLC
360 North Crescent Drive, South Building
Beverly Hills, California 90210
Tel: (310) 712-1850
Fax: (310) 712-1863

Matthew A. Brill
Richard R. Cameron
Latham & Watkins LLP
555 Eleventh Street, N.W., Suite 1000
Washington, D.C. 20004-1304
Tel: (202) 637-2225
Fax: (202) 637-2201

(d) **Section 214 Authorizations**

Trinsic holds blanket domestic authority to provide interstate services. 47 C.F.R. § 63.01. Trinsic Communications holds global resale Section 214 authority to provide international services pursuant to authority granted in FCC File No. ITC-214-19980507-00300 (old File Number ITC-98-349).⁵ Touch 1 holds global

⁵ See also ITC-ASG-20040302-00088(application for consent to assign certain customers in the state of Texas from ICG Telecom Group, Inc. and its wholly-owned subsidiary, ICG ChoiceCom, L.P. to Z-Tel Communications, Inc); ITC-ASG-20031224-00564(application for consent to assign certain customers in the states of California and Ohio from ICG Telecom Group, Inc. to Z-Tel Communications, Inc).

resale **Section 214** authority to provide international services pursuant to authority granted in FCC File No. **ITC-214-19940830-00266**.⁶

Matrix holds blanket domestic Section 214 authority and global facilities-based and resale Section 214 authority to provide international services pursuant to authority granted in FCC File No. **ITC-214-19980915-00644**.⁷

- (h) (***Answer to Questions 11 & 12***) The following entities own directly or indirectly 10 percent or more of the Assignee, Matrix, **as** calculated pursuant to the Commission ownership attribution rules for wireline and international telecommunications carriers:

The following entities holds a ten percent (10%) or greater, direct or indirect, interest in **Matrix Telecom, Inc.**

Name: MTAC Holding Corporation
Address: 360 North Crescent Drive, South Building
Beverly Hills, CA 90210
Citizenship: U.S.
Principal Business: Holding Company
Interest: 100% Voting and Equity (directly)

Name: EnergyTRACS Acquisition Corp.
Address: 360 North Crescent Drive, South Building
Beverly Hills, CA 90210
Citizenship: U.S.
Principal Business: Holding Company
Interest: 100% Voting and Equity (indirectly as sole owner of MTAC Holding Corporation)

Name: Platinum Equity, LLC
Address: 360 North Crescent Drive, South Building
Beverly Hills, CA 90210
Citizenship: U.S.
Principal Business: Investing
Interest: 100% Voting and Equity (indirectly **as** sole owner of EnergyTRACS Acquisition Corp.)

⁶ See also ITC-T/C-20000207-00073 (application for consent to transfer control of Touch 1 Communications, Inc. from its shareholders to Z-Tel Technologies, Inc.); ITC-T/C-19940906-00270.

⁷ See FCC File Nos. ITC-214-19980915-00644, ITC-ASG-2040303-00200; ***Matrix Telecom Application for Authority to Operate as an International Resale Carrier***, Order, Authorization and Certificate, FCC File No. ITC-91-176, DA 91-1192, 6 FCC Rcd 5571 (1991). In 1999, the Commission approved the transfer of control of Matrix to Platinum Equity. See FCC File No. ITC-T/C-19991018-00664.

The following individual ultimately owns or controls 100 percent of the membership units (**equity and voting interest**) in **Platinum Equity, LLC**:

Name: Tom T. Gores
Address: **360** North Crescent Drive, South Building
Beverly Hills, CA 90210
Citizenship: U.S.
Principal Business: Individual

Applicants **do** not have any interlocking directorates with a foreign carrier.

- (i) (**Answer to Question 14**) Assignee certifies that it is not a foreign carrier within the meaning of Section 63.09(d) of the Commission's rules, 47 C.F.R. § 63.09(d). In addition, Assignee is or will be affiliated, within the meaning of Section 63.09(e) of the Commission's rules, 47 C.F.R. § 63.09(e), with the following foreign carriers?

Company

Americatel Corporation

Startec Global Communications U.K. Ltd.⁹

(Country) License(s) Held

(Canada) Class B License

(U.K.) General Conditions of
Entitlement Authorization
(Ireland) General Telecom License
(Austria) License for the provision of
voice telephone by self-operated
telecommunications network
(Australia) License not required
(New Zealand) Registered **as** an
operator under the Telecom
(International Services)
Regulations 1994

⁸ On March 28, 2007, Platinum Equity filed a Joint Application together with Startec Global Communications Corporation and Startec Global Operating Company for Commission consent for the parties to consummate a transaction whereby Platinum Equity will acquire indirect control of Startec Global Operating Company, an authorized domestic and international Section 214 carrier. Pursuant to the proposed transaction, Matrix will become affiliated with the following foreign carriers listed above: Startec Global Communications U.K. Ltd., **Startec** Global Communications Company (Canada) and Vancouver Telephone Company Limited (Canada).

⁹ Startec Global Communications U.K. Ltd. is currently in liquidation proceedings and will be dissolved, possibly prior to the completion of the transaction that is the subject of this Application.

Startec Global Communications Company (Canada) (Canada) Class A License

Vancouver Telephone Company Limited (Canada) (Canada) Class A License

- (j) **(Answer to Question 15)** Matrix certifies that, through its acquisition of Trinsic's assets, Matrix does not seek to provide international telecommunications services to any destination country where:
- (1) Assignee is a foreign carrier in that country; or
 - (2) Two or more foreign carriers (or parties that control foreign carriers) own, in the aggregate more than **25** percent of Assignee and are parties to, or the beneficiaries of, a contractual relation affecting the provision or marketing or international basic telecommunications services in the United States; or
 - (3) Assignee controls a foreign carrier in that country.

However, Assignee certifies that its parent, Platinum Equity, indirectly controls a foreign carrier (Americatel) and, through its proposed acquisition of control of Startec Global Operating Company and Startec Global Communications Corporation, will indirectly control additional foreign carriers (Startec Global Communications U.K. Ltd., Startec Global Communications Company (Canada), and Vancouver Telephone Company Limited (Canada)). Startec Global Communications U.K. Ltd. does not currently provide telecommunications services and Americatel does not currently provide any telecommunications services in Canada. The other foreign carriers identified above provide telecommunications services in Canada.

- (k) Assignee certifies that all of the countries referenced in paragraph (j) above are Members of the World Trade Organization ("WTO"). None of the affiliated foreign carriers listed in paragraph (j) are listed on the Commission's List of Foreign Telecommunications that are presumed to Possess Market Power in Foreign Telecommunications Markets, released on January 26, 2007. In addition, the foreign carriers listed in paragraph (j) offer services in competition with dominant foreign carriers and others.
- (l) Assignee may resell international switched services of unaffiliated U.S. carriers in order to provide telecommunications services to countries where it will have a foreign carrier affiliation. As demonstrated above and because they lack 50 percent market share in the international transport and the local access markets on the foreign end of the route, the affiliated foreign carriers listed in paragraph (j) should be presumptively found to be non-dominant pursuant to Section 63.10(a)(3) of the Commission's rules, 47 C.F.R. § 63.10(a)(3).
- (m) Assignee qualifies for a presumption of non-dominance under Section 63.10(a)(1) and (3) of the Commission's rules, 47 C.F.R. § 63.10(a)(1,3), because it is not a foreign carrier and, as demonstrated above in paragraph (k), its current and

proposed affiliations will be with non-dominant foreign carriers in countries which are Members of the WTO.

- (n) Assignee certifies that it **has** 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). Assignee is affiliated, and will become affiliated, with foreign carriers that provide telecommunications services in Canada. Nevertheless, Transferee qualifies for **streamlined** treatment under Section 63.12(c) because Transferee qualifies for a presumption of non-dominance under Section 63.10(a)(1) and (3) for the reasons detailed in response to paragraphs (k) and (m) above.

VI. INFORMATION REQUIRED BY SECTION 63.04

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

- (a)(6) A description of the proposed Transaction is set forth in **Section III** above.
- (a)(7) Trinsic provides circuit-switched local and long-distance telephony services in 49 states and the District of Columbia.

Matrix provides local exchange and interstate and intrastate long distance and exchange access throughout the United States. Matrix provides integrated communications services including local, 1+ long distance and toll-free voice services plus a wide range of data services, such as dedicated Internet access, frame relay and point-to-point transmission services, chiefly to enterprise customers.

- (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)(i) because, immediately following the transaction, (1) Applicants and their affiliates combined will hold less

than a ten percent (10%) share of the interstate, interexchange market; (2) Applicants and their affiliates will provide local exchange service only in areas served by dominant local exchange carriers (none of which is a party to the proposed transaction) and; (3) none of the Applicants or their affiliates is dominant with respect to any service.

(a)(9) By this Application, Applicants seek authority with respect to both international and domestic Section 214 authorizations (this Application is being separately and concurrently filed with respect to both types of authorities in compliance with Commission Rule 63.04(b), 47 C.F.R. § 63.04(b)). No other applications are being filed with the Commission with respect to this transaction.

(a)(10) Applicants are requesting expedited review and processing of the Application in the event that the Commission denies streamlined processing. Because Trinsic has filed for bankruptcy, approval is necessary to ensure the continuation of service to Trinsic's customers.

(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 IV* 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 for approval to assign the blanket domestic Section 214 authority and international Section 214 authorizations to Matrix as owned and controlled by Trinsic. Applicants respectfully request expedited treatment to permit Applicants to complete the transaction as soon as possible.

* * * * *

TRINSIC COMMUNICATIONS, INC.,
TOUCH 1 COMMUNICATIONS, INC.,

Respectfully Submitted,

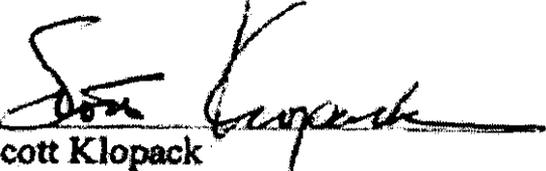
MATRIX TELECOM, INC.

By:



Peggy Rubino
Senior Vice President, Regulatory and
Legal Affairs
Trinsic, Inc.
601 S. Harbour Island Blvd., Suite 220
Tampa, Florida 33602

By:



Scott Klopach
Vice-President of Regulatory Affairs
and General Counsel
Matrix Telecom, Inc.
7171 Forest Lane, Suite 700
Dallas, Texas 75230

Matthew A. Brill
Richard R Cameron
Latham & Watkins LLP
555 Eleventh Street, N.W., suite 1000
Washington, D.C. 20004-1304

Its Attorneys

Dated April 12, 2007