

READ INSTRUCTIONS CAREFULLY  
BEFORE PROCEEDING

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Approved by OMB 3060-0589  
Page 1 of 2

FEDERAL COMMUNICATIONS COMMISSION  
**Received US Bank**  
REMITTANCE ADVICE  
AUG 11 2008  
Gov't. LBX Operations

(1) LOCKBOX #  
979091  
DOCKET FILE COPY ORIGINAL

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)  
Bingham McCutchen LLP  
(3) TOTAL AMOUNT PAID (U.S. Dollars and cents)  
\$965.00  
(4) STREET ADDRESS LINE NO. 1  
c/o Jeffrey Strenkowski  
(5) STREET ADDRESS LINE NO. 2  
2020 K Street, NW  
(6) CITY  
Washington  
(7) STATE  
DC  
(8) ZIP CODE  
20006  
(9) DAYTIME TELEPHONE NUMBER (include area code)  
202-373-6000  
(10) COUNTRY CODE (if not in U.S.A.)

FCC REGISTRATION NUMBER (FRN) REQUIRED

(11) PAYER (FRN)  
0004353900  
(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  
Smart City Finance LLC  
(14) STREET ADDRESS LINE NO. 1  
28 West Grand Avenue  
(15) STREET ADDRESS LINE NO. 2  
Suite 10  
(16) CITY  
Montvale  
(17) STATE  
NJ  
(18) ZIP CODE  
07645  
(19) DAYTIME TELEPHONE NUMBER (include area code)  
201-930-9000  
(20) COUNTRY CODE (if not in U.S.A.)

FCC REGISTRATION NUMBER (FRN) REQUIRED

(21) APPLICANT (FRN)  
0017986399  
(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, M. Renee Britt, 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 M. Renee Britt DATE 8/8/2008

SECTION E - CREDIT CARD PAYMENT INFORMATION

PAID BY CREDIT CARD

FEDERAL COMMUNICATIONS COMMISSION  
**REMITTANCE ADVICE (CONTINUATION SHEET)**  
 Page No 2 of 2

SPECIAL USE

FCC ONLY

**USE THIS SECTION ONLY FOR EACH ADDITIONAL APPLICANT  
 SECTION BB - ADDITIONAL APPLICANT INFORMATION**

(13) APPLICANT NAME

**Hargray-Smart City Acquisition Co. LLC**

(14) STREET ADDRESS LINE NO. 1

**856 William Hilton Parkway, Bldg. C**

(15) STREET ADDRESS LINE NO. 2

(16) CITY

**Hilton Head Island**

(17) STATE

**SC**

(18) ZIP CODE

**29938**

(19) DAYTIME TELEPHONE NUMBER (include area code)

**843-686-1275**

(20) COUNTRY CODE (if not in U.S.A.)

**FCC REGISTRATION NUMBER (FRN) REQUIRED**

(21) APPLICANT (FRN)

**0017985649**

(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

(25A) QUANTITY

(26A) FEE DUE FOR (PTC)

(27A) TOTAL FEE

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

(23C) CALL SIGN/OTHER ID

(24C) PAYMENT TYPE CODE

(25C) QUANTITY

(26C) FEE DUE FOR (PTC)

(27C) TOTAL FEE

FCC USE ONLY

(28C) FCC CODE 1

(29C) FCC CODE 2

(23D) CALL SIGN/OTHER ID

(24D) PAYMENT TYPE CODE

(25D) QUANTITY

(26D) FEE DUE FOR (PTC)

(27D) TOTAL FEE

FCC USE ONLY

(28D) FCC CODE 1

(29D) FCC CODE 2

(23E) CALL SIGN/OTHER ID

(24E) PAYMENT TYPE CODE

(25E) QUANTITY

(26E) FEE DUE FOR (PTC)

(27E) TOTAL FEE

FCC USE ONLY

(28E) FCC CODE 1

(29E) FCC CODE 2

(23F) CALL SIGN/OTHER ID

(24F) PAYMENT TYPE CODE

(25F) QUANTITY

(26F) FEE DUE FOR (PTC)

(27F) TOTAL FEE

FCC USE ONLY

(28F) FCC CODE 1

(29F) FCC CODE 2

# BINGHAM

Jean L. Kiddoo  
Jeffrey R. Strenkowski  
jean.kiddoo@bingham.com  
jeffrey.strenkowski@bingham.com

August 8, 2008

Via Overnight Mail

Marlene H. Dortch, Secretary  
Federal Communications Commission  
Wireline Competition Bureau Applications  
P.O. Box 979091  
St. Louis, MO 63197-9000

**Re: *In the Matter of the Joint Application of Hargray-Smart City Acquisition Co., LLC, ("Transferee") and Smart City Finance LLC, ("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 Complete a Transfer of Control of Smart City Finance LLC, Authorized Domestic and International Section 214 Carrier, to Hargray-Smart City Acquisition Co., LLC***

Dear Ms. Dortch:

On behalf of Smart City Finance LLC ("Smart City") and Hargray-Smart City Acquisition Co., LLC ("Hargray-Smart City") (collectively, the "Applicants"), enclosed please find an original and six (6) copies of an application for Section 214 authority to transfer control of Smart City Telecommunications LLC ("SCT") and Smart City Solutions ("SCS") ("Licensees"). Pursuant to Section 63.04(b) of the Commission's Rules, Applicants submit this filing as a combined international section 214 transfer of control application and domestic section 214 transfer of control application ("Combined Application").

Also enclosed is a completed Fee Remittance Form 159 containing a valid credit card number and expiration date for payment, in the amount of \$965.00, to the Federal Communications Commission, which satisfies the filing fee required for this Combined Application under line 2.b of Section 1.1105 of the Commission's Rules. Applicants are simultaneously submitting for filing the Combined Application with the International Bureau through the MyIBFS Filing System.

Please date-stamp the enclosed extra copy of this filing and return it in the envelope provided. Please direct any questions regarding this filing to the undersigned.

Respectfully submitted,



Jean L. Kiddoo  
Jeffrey R. Strenkowski ✓

Counsel for Applicants

Boston  
Hartford  
Hong Kong  
London  
Los Angeles  
New York  
Orange County  
San Francisco  
Santa Monica  
Silicon Valley  
Tokyo  
Walnut Creek  
Washington

Bingham McCutchen LLP  
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20006-1806

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

\_\_\_\_\_ )  
In the Matter of the Application of )  
 )  
**SMART CITY FINANCE LLC** ) ITC-T/C-2008 \_\_\_\_\_ )  
 )  
and ) WC Docket No. 08- \_\_\_\_\_ )  
 )  
**HARGRAY-SMART CITY** )  
**ACQUISITION CO. LLC** )  
 )  
And Their Operating Subsidiaries, )  
For Grant of Authority Pursuant to )  
Section 214 of the Communications Act of )  
of 1934 and Section 63.04 and 63.18 of the )  
Commission's Rules to Complete a )  
Transfer of Control of Smart City Finance LLC )  
to Hargray-Smart City Acquisition Co. LLC )  
\_\_\_\_\_ )

**JOINT APPLICATION FOR TRANSFER OF CONTROL**

**I. INTRODUCTION**

Smart City Finance LLC ("Smart City" or "Transferor") and Hargray-Smart City Acquisition Co. LLC ("Hargray-Smart City" or "Transferee") (collectively, the "Applicants"), pursuant to Section 214 of the Communications Act, as amended, 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, respectfully request authority for Smart City to transfer its membership interests in Smart City Telecommunications LLC, and Smart City Solutions, LLC ("Licensees") to Hargray-Smart City, as more fully described below.<sup>1</sup>

<sup>1</sup> In connection with the proposed transaction, Applicants have filed with the Commission FCC Forms 603 to transfer control of a wireless radio license. That application is currently being processed by the Wireless Telecommunications Bureau.

### **A. Statement Concerning Streamlined Processing**

As described in further detail below, Hargray-Smart City is wholly owned by Hargray-Smart City Holdings LLC ("HSCH"). HSCH and its subsidiaries provide local and interexchange telecommunications service in South Carolina and Georgia.<sup>2</sup> These service areas do not overlap and are not adjacent to the local exchange service areas of Smart City. As such, Applicants respectfully submit that this Application is eligible for presumptive streamlined processing pursuant to Sections 63.03 and 63.12 of the Commission's rules, 47 C.F.R. §§ 63.03 and 63.12. With respect to domestic authority, this Application is eligible for streamlined processing pursuant to Section 63.03(b)(2)(ii) because Smart City and its subsidiaries do not provide telecommunications service in the geographic areas where HSCH provides dominant ILEC service. As a result of this transaction, HSCH and its subsidiaries together will have a less than ten percent market share in the interstate interexchange market, will provide competitive telephone exchange services or exchange access services only in geographic areas served by a dominant local exchange carrier that is not a party to the transaction, and will serve fewer than two percent (2%) of the nation's subscriber lines.

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.

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

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<sup>2</sup> HSCH does not currently own, directly or indirectly, the subsidiaries providing service in South Carolina and Georgia, but will indirectly own 98.5% of those subsidiaries following consummation of a pending corporate restructuring.

## II. THE APPLICANTS

### A. Smart City Finance LLC

Smart City is a limited liability company organized under the laws of Delaware. Smart City's current principal place of business is at 28 West Grand Avenue, Suite 10, Montvale, New Jersey 07645. Smart City is the sole member of several subsidiaries including Smart City Telecommunications LLC, Smart City Solutions, LLC, Smart City Information Services, LLC, Smart City/mpiNET, LLC and Smart City Television LLC (individually, "Company", collectively, "Companies").

Smart City Telecommunications LLC ("SCT") is a limited liability company organized under the laws of Delaware with a current principal place of business at 28 West Grant Avenue, Montvale, New Jersey 07645. SCT has provides telephone service to business and residential customers in central Florida. SCT provides local exchange, interexchange and high-speed data services to residential and business voice services in Celebration, Lake Buena Vista, Little Lake Bryan, and Bay Lake, Florida. SCT provides domestic interstate services pursuant to blanket domestic Section 214 authority and holds an international Section 214 authorization to provide international resale services pursuant to File No. ITC-214-19940830-00265, which was originally granted to Vista-United Telecommunications ("Vista-United"). Pursuant to a transfer of control application, the FCC granted a transfer from Vista-United to SCT on November 29, 2000. *See* File No. ITC-T/C-20001025-00656. To the extent necessary, Smart City, on behalf of SCT, requests that the Commission update its records with regard to these authorizations to reflect the name: "Smart City Telecommunications LLC."

Smart City Solutions, LLC ("SCS") is a limited liability company organized under the laws of Delaware with a current principal place of business at 3100 Bonnet Creek Road, Lake

Buena Vista, Florida. SCS provides domestic interstate services pursuant to blanket domestic Section 214 authority.

Smart City Television LLC ("SCTV") is a limited liability company organized under the laws of Delaware with a current principal place of business at 3100 Bonnet Creek Road, Lake Buena Vista, Florida. SCTV has authority to provide cable television service to Celebration, Florida under Cable Community Registration CB26851206.

SCTV, Smart City Information Services, LLC and Smart City/mpiNET, LLC ("MPI/SC") do not hold any domestic or international Section 214 authorizations.

**B. Hargray-Smart City Acquisition Co. LLC**

Hargray-Smart City is a limited liability company organized under the laws of Delaware. Hargray-Smart City's current principal place of business is 856 William Hilton Parkway, Building C, P.O. Box 5986, Hilton Head Island, South Carolina. Hargray-Smart City is wholly owned by HSCH. HSCH indirectly owns substantially all of the equity interest of Hargray Communications Group, Inc. ("HCG"). HCG is a privately held telecommunications provider serving southeastern South Carolina and portions of Georgia. HCG began operation in the 1940s and, through its subsidiaries and affiliates, provides local and long distance telephone services as well as cable television, wireless telephone, data services and telephone directory publishing services.

HSCH also indirectly owns several subsidiaries and affiliates, Hargray, Inc., Hargray of Georgia, Inc., Hargray Telephone Company, Inc., Bluffton Telephone Company, Inc., and Low Country Carriers, Inc.

Hargray, Inc. holds blanket domestic and international<sup>3</sup> Section 214 authorizations and provides competitive local exchange service, including voice, internet and high-speed video services in South Carolina.

Hargray of Georgia, Inc. holds blanket domestic and international<sup>4</sup> Section 214 authorizations and provides competitive local exchange services, including voice and data services to business in portions of Georgia.

Hargray Telephone Company, Inc. holds blanket domestic Section 214 authorization and is an incumbent local exchange carrier providing local exchange, interexchange and high-speed data service to residential and business customers in Hilton Head Island and Hardeeville, South Carolina.

Bluffton Telephone Company, Inc. holds blanket domestic Section 214 authorization and is an incumbent local exchange carrier providing local exchange, interexchange and high-speed data service to residential and business customers in Bluffton, South Carolina.

Low Country Carriers, Inc. holds blanket domestic and international<sup>5</sup> Section 214 authorizations and provides interexchange services in South Carolina and Georgia.

Upon closing, HSCH will be wholly owned by Quadrangle (AIV) Capital Partners II LP, Quadrangle Capital Partners II-A LP and Quadrangle (AIV) Select Partners II LP (collectively, "Quadrangle"). Quadrangle is a private equity fund managed by affiliates in the New York-based investment firm, Quadrangle Group LLC. Quadrangle invests in media and communications companies through separate private and public investment vehicles. Since

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<sup>3</sup> File No. ITC-214-20010815-00430.

<sup>4</sup> File No. ITC-214-20011022-00534.

<sup>5</sup> File No. ITC-89-043.

2000, Quadrangle has completed over 20 investments in the communications industry, including investment in rural local exchange carriers, competitive local exchange carriers, cable operators and wireless providers.

### **III. DESCRIPTION OF THE TRANSACTION (ANSWER TO QUESTION 13)**

In order to consummate the proposed transaction, Applicants have entered into a Purchase Agreement ("Agreement") dated as of July 11, 2008. Pursuant to the Agreement Smart City will transfer all of its limited liability company membership interests in each of the Companies to Hargray-Smart City. After the acquisition, Hargray-Smart City will be the sole member of each Company. For the Commission's convenience, pre- and post-transaction corporate organizational charts are provided as Exhibit A attached hereto.

Although the proposed transaction will result in a change in the ownership of the Companies, the proposed transaction will not adversely affect any of the customers who receive service in connection with the Companies' on-going operations. Immediately following the consummation of the transaction, those customers will continue to receive service under the same tariffs, rates, terms and conditions of service. The proposed transfer of control of the Companies to Hargray-Smart City, therefore, is expected to be seamless and virtually transparent to consumers in terms of the services they receive.

### **IV. PUBLIC INTEREST STATEMENT**

Applicants respectfully submit that the transaction described herein will serve the public interest. The proposed transaction will provide the Applicants with access to each other's network capabilities, technical and financial strengths and complementary services, which together are expected to strengthen the Applicants' ability to expand their offerings and provide more advanced telecommunications services to a broader customer base. Applicants expect

that the proposed acquisition will enable the Companies to continue to offer innovative products and to further strengthen their marketplace positions to the benefit of consumers and the national telecommunications marketplace.

Further, the transaction will be conducted in a manner that will be virtually transparent to customers of the Companies. The transfer of control of the Companies will not result in a change of carrier for end user customers. Following consummation of the proposed transaction, the Companies will continue to provide high-quality communications services to their customers without interruption and without immediate changes in tariffs, rates, terms or conditions. The instant transaction will permit the Applicants to sharpen their focus on the areas where they are best able to provide their customers with innovative and value added services, and the combined size and depth of expertise of the Companies will enhance their abilities to provide these services in additional areas.

The operational areas of the Companies and Hargray-Smart City work well together and the combined size and depth of expertise of the Companies will help create synergies between employees, customers and technology. Hargray-Smart City is committed to meeting the needs and telecommunications requirements of residents and business in the southeast and the combination of the Companies with HCG will give them an increased ability to focus on growing their customer base through new business opportunities.

Given the increasingly competitive nature of the interstate and international telecommunications markets, Applicants are seeking to complete the proposed transaction as soon as possible in order to ensure that Applicants can rapidly obtain the benefits of the proposed transaction. Accordingly, Applicants respectfully request that the Commission process, consider and approve this Application as expeditiously as possible.



Hargray-Smart City:

Hargray-Smart City Acquisition Co. LLC is a limited liability company organized under the laws of Delaware.

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

For Smart City:

Jean L. Kiddoo  
Jeffrey R. Strenkowski  
Bingham McCutchen LLP  
2020 K Street, NW  
Washington, DC 20006  
Tel: (202) 373-6000  
Fax: (202) 373-6001  
Email: [jean.kiddoo@bingham.com](mailto:jean.kiddoo@bingham.com)  
[jeffrey.strenkowski@bingham.com](mailto:jeffrey.strenkowski@bingham.com)

James D. Pearson  
Smart City Finance LLC  
28 West Grand Avenue  
Suite 10  
Montvale, NJ 07645  
Tel: 201-930-9000  
Fax: 201-930-9704  
Email: [jpearson@uscable.com](mailto:jpearson@uscable.com)

For Hargray-Smart City:

Raymond A. Kowalski  
Troutman Sanders LLP  
401 9th Street, N.W., Suite 1000  
Washington, D.C. 20004-2134  
Tel: (202) 274-2927  
Fax: (202) 654-5677  
Email: [raymond.kowalski@troutmansanders.com](mailto:raymond.kowalski@troutmansanders.com)

David Armistead  
856 William Hilton Parkway  
Building C  
P.O. Box 5986  
Hilton Head Island, South Carolina 29938  
Tel: 843-686-1275  
Fax: 843-686-1139  
Email: david.armistead@htc.hargray.com

- (d) Smart City does not directly hold any domestic or international Section 214 authorization. Smart City currently holds an indirect controlling interest in the blanket domestic and international Section 214 authorizations held by Smart City Telecommunications LLC ("SCT"). SCT is authorized to provide international resale services pursuant to ITC-214-19940830-00265 and blanket domestic authorization by DA 00-2842 authorization released on December 19, 2000.

Hargray-Smart City does not directly hold any domestic or international Section 214 authorizations. However, Hargray-Smart City is wholly owned by Hargray Smart City Holdings LLC ("HSCH") and subsidiaries of HSCH provide domestic and international interstate services pursuant Section 214 authorizations. Hargray, Inc. (File No. ITC-214-20010815-00430), Hargray of Georgia, Inc. (File No. ITC-214-20011022-00534) and Low Country Carriers, Inc. (File No. ITC-89-043) hold authorizations to provide global or limited global resale service in addition to blanket domestic Section 214 authorization. In addition, Hargray Telephone Company, Inc. and Bluffton Telephone Company, Inc. hold blanket domestic Section 214 authority.

- (h) (Answer to Questions 11 & 12) The following entities own directly or indirectly 10% or more of the Companies, Smart City and Hargray-Smart City:

Smart City:

Ownership of Smart City Telecommunications LLC.

The following entity owns a 10% or greater direct interest:

Name:	Smart City Finance, LLC
Address:	28 W. Grand Ave., Suite 10 Montvale, NJ 07645
Ownership:	Sole member
Citizenship:	Delaware
Principal Business:	Telecommunications

Ownership of Smart City Solutions LLC

The following entity owns a 10% or greater direct interest:

Name: Smart City Finance, LLC  
Address: 28 W. Grand Ave., Suite 10  
Montvale, NJ 07645  
Ownership: Sole member  
Citizenship: Delaware  
Principal Business: Telecommunications

Ownership of Smart City/mpiNET LLC

The following entity owns a 10% or greater direct interest:

Name: Smart City Finance, LLC  
Address: 28 W. Grand Ave., Suite 10  
Montvale, NJ 07645  
Ownership: Sole member  
Citizenship: Delaware  
Principal Business: Telecommunications

Ownership of Smart City Television LLC

The following entity owns a 10% or greater direct interest:

Name: Smart City Finance, LLC  
Address: 28 W. Grand Ave., Suite 10  
Montvale, NJ 07645  
Ownership: Sole member  
Citizenship: Delaware  
Principal Business: Telecommunications

Ownership of Smart City Information Services LLC

The following entity owns a 10% or greater direct interest:

Name: Smart City Finance, LLC  
Address: 28 W. Grand Ave., Suite 10  
Montvale, NJ 07645  
Ownership: Sole member  
Citizenship: Delaware  
Principal Business: Telecommunications

Ownership of Smart City Finance, LLC

The following entity owns a 10% or greater direct interest:

Name: Smart City Holdings, LLC  
Address: 28 W. Grand Ave., Suite 10  
Montvale, NJ 07645  
Ownership: Sole member of Smart City Finance  
Citizenship: Delaware  
Principal Business: Telecommunications

Ownership of Smart City Holdings LLC

The following entities own a 10% or greater direct interest:

Name: US Convention Corp.  
Address: 28 W. Grand Ave., Suite 10  
Montvale, NJ 07645  
Ownership: approximately 46%  
Citizenship: Delaware  
Principal Business: Investment

Name: Northfield Trust  
Address: c/o Mr. Brandon Cintula  
Alaska Trust Company  
1029 W. Third Avenue, Suite 400  
Anchorage, Alaska 99501-1981  
Ownership: approximately 16%  
Citizenship: Alaska  
Principal Business: Family Trust  
Trustee: Alaska Trust Company  
1029 W. Third Avenue  
Anchorage, AK 99501  
and  
William Lipkind  
80 Main Street  
West Orange, NJ 07052

Name: Convention Communications Corp.  
Address: c/o Smart City  
28 W. Grand Ave., Suite 10  
Montvale, NJ 07965  
Ownership: approximately 14%  
Citizenship: Delaware  
Principal Business: Investment

Ownership of US Convention Corp.

The following entities own a 10% or greater direct interest:

Name: Northfield Trust

Address: c/o Mr. Brandon Cintula  
Alaska Trust Company  
1029 W. Third Avenue, Suite 400  
Anchorage, Alaska 99501-1981

Ownership: 75%

Citizenship: Alaska

Principal Business: Family Trust

Trustee: Alaska Trust Company  
1029 W. Third Avenue  
Anchorage, AK 99501

Name: Michael C. Anderson  
c/o Smart City

Address: 28 W. Grand Ave., Suite 10  
Montvale, NJ 07965

Ownership: 10%

Citizenship: Florida

Principal Business: Investment

*Ownership of Convention Communications Corp.*

The following entities own a 10% or greater direct interest:

Name: Rubin 2000 Alaska Trust

Address: c/o Mr. Brandon Cintulla  
Alaska Trust Company  
1029 W. Third Avenue, Suite 400  
Anchorage, AK 99501-19801

Ownership: 70%

Citizenship: Alaska

Principal Business: Family Trust

Trustee: Alaska Trust Company  
1029 W. Third Avenue  
Anchorage, AK 99501

Name: Martin A. Rubin

Address: c/o Smart City  
28 W. Grand Ave., Suite 10  
Montvale, NJ 07645

Ownership: 30%

Citizenship: Florida

Principal Business: Executive of the Smart City Companies

No other persons or entities has a 10% or greater voting interest in Smart City Telecommunications LLC, Smart City Solutions LLC, Smart City/mpiNET LLC, Smart City Television LLC, Smart City Information Services LLC, Smart City Finance, LLC, Smart City Holdings LLC, US Convention Corp., Northfield

Trust, Convention Communications Corp., or Rubin 2000 Alaska Trust.

Hargray-Smart City:

Ownership of Hargray-Smart City Acquisition Co. LLC (upon closing of the transaction)

The following entity will own a 10% or greater direct interest in **Hargray-Smart City Acquisition Co. LLC**:

Name: Hargray-Smart City Holdings LLC  
Address: 856 William Hilton Parkway  
Building C  
P.O. Box 5986  
Hilton Head Island, South Carolina 29938  
Ownership: Sole member of Hargray-Smart City Acquisition Co., LLC  
Citizenship: Delaware  
Principal Business: Telecommunications

Ownership of Hargray-Smart City Holdings LLC (upon closing of the transaction)

The following entity will own a 10% or greater direct interest in **Hargray-Smart City Holdings LLC**:

Name: Quadrangle (AIV) Capital Partners II LP  
Address: 375 Park Avenue  
New York, New York 10152  
Ownership: 83.65% owner of Hargray Acquisition Co.  
Citizenship: Delaware  
Principal Business: Investment

Name: Quadrangle Capital Partners II-A LP  
Address: 375 Park Avenue  
New York, New York 10152  
Ownership: 14.18% owner of Hargray Acquisition Co.  
Citizenship: Delaware  
Principal Business: Investment

Quadrangle (AIV) Capital Partners II LP and Quadrangle Capital Partners II-A LP are controlled by a common general partner, Quadrangle GP Investors II LP, the general partner of which is QCP GP Investors II LLC. The Managing Members of QCP GP Investors II LLC are Edward Sippel, Steven Rattner, Peter Ezersky, Gordon Holmes, Michael Huber, Jeffrey Nordhaus, Daniel Rosensweig, and Joshua Steiner. These individuals are all U.S. citizens with the same address as Quadrangle (AIV) Capital Partners II LP.

Except as provided above, no other persons or entities own a 10% or greater voting interest in Quadrangle (AIV) Capital Partners II LP, Quadrangle Capital Partners II-A LP, Hargray Acquisition Co., Hargray Communications Group, Inc., or Hargray-Smart City Acquisition Co., LLC.

Applicants do not have any interlocking directors except with those foreign carrier affiliates of Quadrangle described below.

- (i) **(Answer to Question 14)** Applicants certify that neither Smart City nor Hargray-Smart City is a foreign carrier. However, Quadrangle is affiliated within the meaning of Section 63.09(e) of the Commission's rules, 47 C.F.R. § 63.09(e) with a foreign carrier. Specifically, Quadrangle is affiliated with the following foreign carriers:

<b><u>Company</u></b>	<b><u>Country (License(s) Held)</u></b>
Get AS	Norway (provider of bundled cable television, broadband Internet and voice services)
Grupo Corporative Ono, S.A.	Spain (provider of bundled cable television broadband Internet and voice services)

- (j) **(Answer to Question 15)** Transferee certifies that, through its acquisition of control of Smart City, Transferee does not seek to provide international telecommunications services to any destination country and further certifies that::

- (1) Transferee is not a foreign carrier in any country; or
- (2) Transferee does not controls a foreign carrier in any country; and
- (3) No foreign carriers (or parties that control foreign carriers) own Transferee or are parties to, or the beneficiaries of, a contractual relation affecting the provision or marketing of international basic telecommunications services in the United States.

Transferee certifies that its Quadrangle investor affiliates stated in this application provide the telecommunications services described above.

- (k) Transferee certifies that all of the countries referenced in paragraph (i) above are Members of the World Trade Organization ("WTO"). None of the affiliated foreign carriers listed in paragraph (i) 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 (i) offer services in competition with dominant foreign carriers and others.

- (l) Transferee may resell international switched services of unaffiliated U.S. carriers in order to provide telecommunications services to countries where it may 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, any 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) Transferee 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 potential affiliations, if any will be with non-dominant foreign carriers in countries which are Members of the WTO.
- (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). Transferee is affiliated with foreign carriers that provide telecommunications services in Norway and Spain. 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

In lieu of an attachment, 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 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 III** above.
- (a)(7) Hargray-Smart City, through its affiliates, offers local and long distance voice services in southeastern South Carolina and northeastern Georgia.

- (a)(8) Applicants respectfully submit that this Application is eligible for streamlined processing pursuant the Commission's Rules and Orders, or in the alternative, should be considered by the Commission with timeframes similar to that provided for streamlined applications.
- (a)(9) Through 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)). Form 603 applications for the transfer of control of a wireless radio license is also being separately and concurrently filed with the Wireless Telecommunications Bureau.
- (a)(10) Prompt completion of the proposed transaction is critical to ensuring that Applicants can obtain the benefits described in the foregoing Application. Accordingly, Applicants respectfully request that the Commission approve this Application expeditiously in order to allow Applicants to consummate the proposed transaction as soon as possible.
- (a)(11) Out of an abundance of caution, the Applicants are seeking a waiver of Section 101.55 of the Commission's rules, 47 CFR § 101.55, from the Wireless Telecommunications Bureau with respect to the application referenced in (a)(9) above.
- (a)(12) A statement showing how grant of the application will serve the public interest, convenience and necessity is provided in **Section IV.** above.

**VII. 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. Applicants respectfully request streamlined treatment to permit Applicants to consummate the proposed transaction as soon as possible, or in the alternative, that the Commission consider this Application on a non-streamlined basis but using similar timeframes for comments and approval as would be used for an Application with streamlined processing.

Respectfully submitted,



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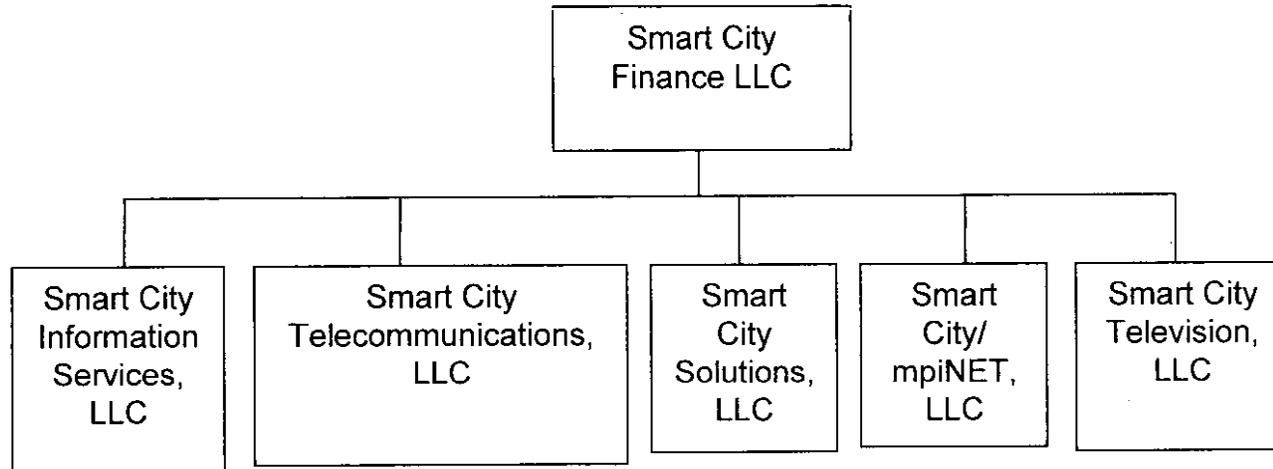
*Counsel for Hargray-Smart City Acquisition Co. LLC*

Dated: August 8, 2008

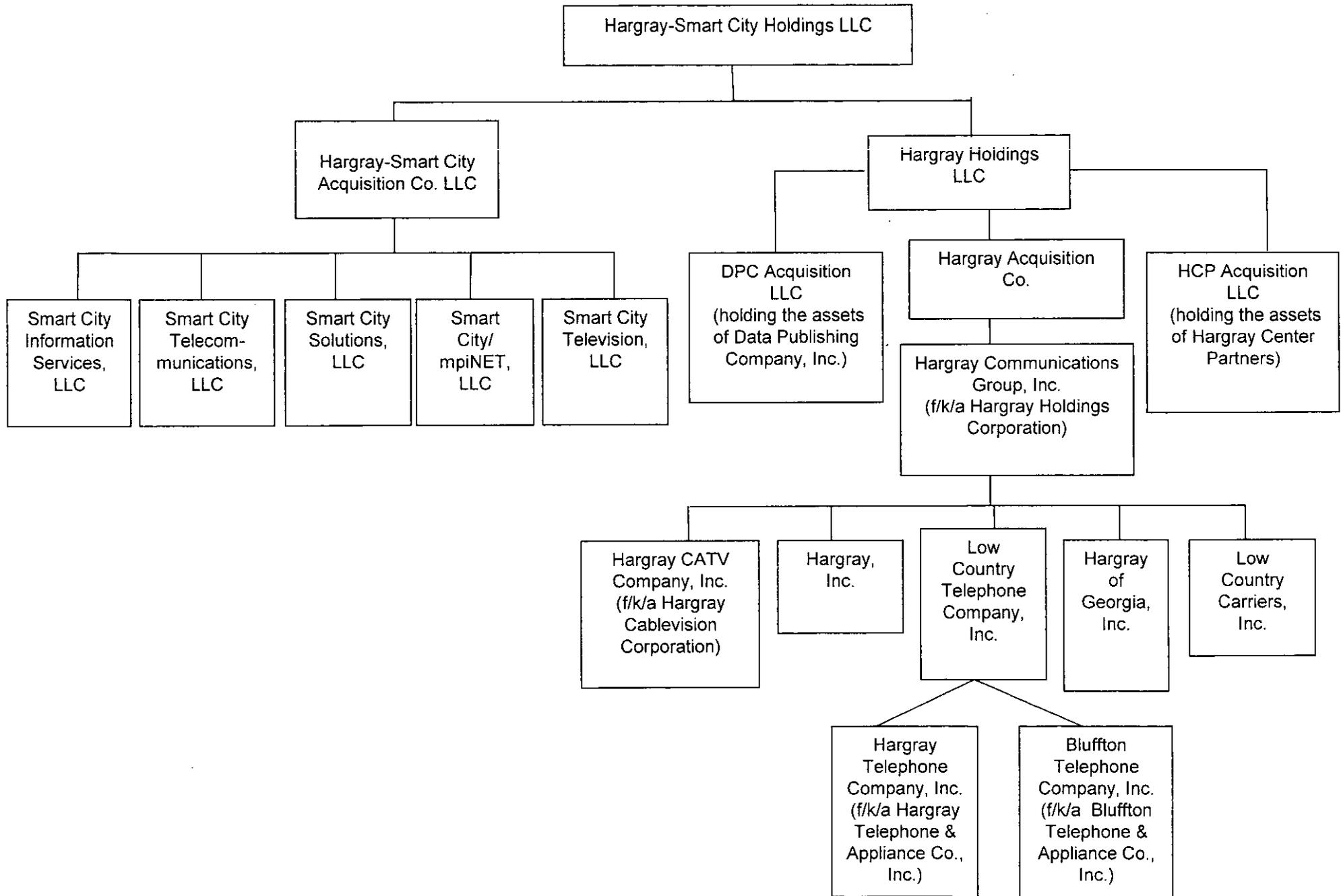
**EXHIBIT A**

**Pre- and Post-Transaction Organizational Structure**

## PRE-TRANSACTION STRUCTURE



# POST-TRANSACTION STRUCTURE



## **EXHIBIT B**

### **Management Biographies for Smart City**

#### **Martin Rubin — CEO and President**

Mr. Rubin founded Smart City Networks in 1994 and has served as the CEO and President of the Companies and their affiliates. Prior to Smart City, Mr. Rubin was President of Raptor Systems, one of the original and largest Internet firewall companies. He also served as President of AutoInfo, a publicly-traded satellite communications company, and was group Vice President at JPMorgan Chase.

#### **John Cascio — Chief Operating Officer**

Mr. Cascio joined SCT in January 2007 after a fifteen-year career at Sprint. Mr. Cascio served as Sprint's Vice President responsible for marketing, sales, and service in the southeastern United States.

Prior to Sprint, Mr. Cascio was one of the original employees at ROLM, a major PBX manufacturer. After the acquisition of ROLM by IBM, Mr. Cascio worked for several years with IBM Europe, based in its London offices.

#### **Valli Corbin — VP, Sales**

Ms. Corbin joined SCT in June 2007 after a 17 year career at Sprint. Starting as a systems designer for GTE in North Carolina, she quickly rose through the ranks as an account executive, sales manager and branch director. During her tenure at Sprint/Embarq she achieved an unparalleled track record of sales success, highlighted by five President's Club Top Performer awards and numerous other High Achiever Awards.

#### **James Schumacher — VP, Finance & Administration**

Since 2001, Mr. Schumacher has led the finance and administration functions for SCT. His team is responsible for finance and accounting, information technology, human resources and logistics services. Schumacher served as the manager of business affairs for Vista-United Telecommunications, manager of regulatory affairs and manager of revenues.

#### **Carlos Palenzuela — VP, Technology Services**

As the Vice President of Technology Services, Carlos is responsible for overseeing Network Services, Engineering, Construction, and Operations. Prior to joining Smart City, Carlos served as the District Manager for Embarq in Central Florida.

## EXHIBIT C

### **Management Biographies for Hargray-Smart City Acquisition Co., LLC**

#### **Michael Gottdenker: Chairman & Chief Executive Officer**

Prior to joining Hargray, Mr. Gottdenker served as Chairman and Chief Executive Officer of Access Spectrum, LLC, which holds spectrum licenses covering two-thirds of the United States. Mr. Gottdenker has also served as President and Chief Executive Officer of Commonwealth Telephone Enterprises, Inc., a publicly-traded provider of local telephone service in portions of rural Pennsylvania. Under Mr. Gottdenker's leadership, Commonwealth became one of the nation's most dynamic and fastest-growing independent telephone companies.

#### **Paul Sunu: Chief Financial Officer**

Mr. Sunu most recently served as Chief Financial Officer for Hawaiian Telcom, the 11th largest telephone company in the United States. Prior to Hawaiian Telcom, Mr. Sunu held the same position at Madison River Communications for 11 years where he was also a founder. Mr. Sunu has over 25 years of experience in finance, tax, treasury, securities, and law, including integrating telecom acquisitions.

#### **David Armistead: General Counsel and Secretary**

Mr. Armistead joined Hargray from CT Communications, Inc., a publicly-traded telecom provider where he held the position of General Counsel and Secretary until that company's sale to Windstream Corporation in 2007. Prior to CT Communications, Mr. Armistead was a partner in the law firm of Troutman Sanders, LLP.

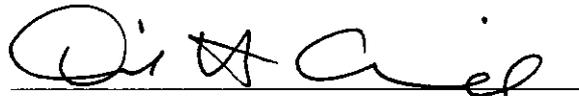
#### **Andrew Rein: Vice President of Corporate Development**

Mr. Rein joined Hargray from Access Spectrum where he served as Director of Strategy and Operations. Prior to Access Spectrum, Mr. Rein served as a consultant with a strategy consulting company based in Washington, DC. Mr. Rein's current responsibilities include strategic planning, mergers and acquisitions, and strategic partnerships.

## VERIFICATION

I, David H. Armistead, state that I am the General Counsel and Secretary of Hargray-Smart City Acquisition Co., LLC; that I am authorized to make this Verification on behalf of Hargray-Smart City Acquisition Co., LLC ("Transferee"); that the foregoing filing was prepared under my direction and supervision; and that the contents with respect to the Transferees are true and correct to the best of my knowledge, information, and belief, and that Hargray-Smart City Acquisition Co., LLC is not subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 853(a), as amended.

I declare under penalty of perjury that the foregoing is true and correct. Executed this 6<sup>th</sup> day of August, 2008.

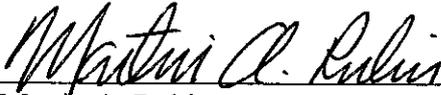


David H. Armistead  
General Counsel and Secretary  
Hargray-Smart City Acquisition Co., LLC

## VERIFICATION

I, Martin A. Rubin, state that I am the CEO and President of Smart City Holdings, LLC, the parent company of Smart City Finance LLC; that I am authorized to make this Verification on behalf of Smart City Finance LLC and Companies (collectively, "Transferors"); that the foregoing filing was prepared under my direction and supervision; and that the contents with respect to the Transferors are true and correct to the best of my knowledge, information, and belief, and that Smart City Finance LLC is not subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 853(a), as amended..

I declare under penalty of perjury that the foregoing is true and correct. Executed this 28th day of July, 2008.

  
\_\_\_\_\_  
Martin A. Rubin  
CEO and President  
Smart City Holdings, LLC