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UC 11-85

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May 9, 2011

Via Overnight Delivery

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 IXC Holdings, Inc.
("Assignor") and TelePacific Managed Services ("Assignee") for
Grant of Authority to Complete an Assignment of Assets of an
Authorized Domestic Section 214 Carrier**

Dear Ms. Dortch:

On behalf of IXC Holdings, Inc. ("IXCH") and TelePacific Managed Services ("TMS"), enclosed please find an original and six (6) copies of an application for approval to complete an assignment of assets and customer accounts from IXCH to TMS.

Also enclosed is a completed Fee Remittance Form 159 containing a valid credit card number and expiration date for payment, in the amount of \$1,015.00, to the Federal Communications Commission, which satisfies the required filing fee.

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
Danielle C. Burt

Counsel for TelePacific Managed Services

Boston
Hartford
Hong Kong
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READ INSTRUCTIONS CAREFULLY
BEFORE PROCEEDING

FEDERAL COMMUNICATIONS COMMISSION
REMITTANCE ADVICE
FORM 159

Approved by OMB
306n-0589
Page No. 1 of 2

(1) LOCKBOX # 979091		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) \$1,015.00	
(4) STREET ADDRESS LINE NO. 1			
(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 TelePacific Managed Services			
(14) STREET ADDRESS LINE NO. 1 515 S. Flower Street			
(15) STREET ADDRESS LINE NO. 2 47th Floor			
(16) CITY Los Angeles		(17) STATE CA	(18) ZIP CODE 90071-2201
(19) DAYTIME TELEPHONE NUMBER (include area code) (213) 213-3000		(20) COUNTRY CODE (if not in U.S.A.)	
FCC REGISTRATION NUMBER (FRN) REQUIRED			
(21) APPLICANT (FRN) 0020842134		(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) \$1,015.00	(27A) TOTAL FEE \$1,015.00	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			
<p>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.</p>			
SIGNATURE <i>M. Renee Britt</i>		DATE 05/09/2011	

FEDERAL COMMUNICATIONS COMMISSION REMITTANCE ADVICE (CONTINATION SHEET) FORM 159-C Page No 2 of 2		SPECIAL USE FCC USE ONLY
USE THIS SECTION ONLY FOR EACH ADDITIONAL APPLICANT SECTION BB - ADDITIONAL APPLICANT INFORMATION		
(13) APPLICANT NAME IXC Holdings, Inc.		
(14) STREET ADDRESS LINE NO. 1 800 S. Michigan Street		
(15) STREET ADDRESS LINE NO. 2		
(16) CITY Seattle		(17) STATE WA
		(18) ZIP CODE 98108
(19) DAYTIME TELEPHONE NUMBER (include area code)		(20) COUNTRY CODE (if not in U.S.A.)
FCC REGISTRATION NUMBER (FRN) REQUIRED		
(21) APPLICANT (FRN) 0019890177		(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

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554**

In the Matter of the Joint Application of)	
IXC Holdings, Inc.,)	
Assignor,)	File No. ITC-ASG-2011 _____
and)	WC Docket No. 11- _____
TelePacific Managed Services)	
Assignee)	
)	
)	
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 an)	
Assignment of Assets of an Authorized)	
Domestic and International Section 214 Carrier)	

JOINT APPLICATION

I. INTRODUCTION

A. Summary of Transaction

IXC Holdings, Inc. ("IXCH" or "Assignor") and TelePacific Managed Services ("TMS" or "Assignee") (together, 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 to complete a transaction whereby TMS will acquire certain assets, including certain customer accounts, from IXCH. Applicants file this Application in connection with an Asset Purchase Agreement ("Agreement") dated April 28, 2011. Through the Agreement, IXCH has agreed to sell to TMS certain assets, including its customers and related network facilities. As a result of the transaction, the customers will be

transferred to TMS, which will become the service provider for those customers. As described below, the proposed transaction will be virtually transparent to customers of IXCH in terms of the services that those customers receive and the rates and terms of those services.

B. Request for Expedited Consideration

As set forth below, TMS, through its parent U.S. TelePacific Corp. (“TelePacific”), has significant financial resources and substantial experience operating as a regulated telecommunications provider. Also, the proposed transaction is structured to ensure that existing IXCH customers will continue to enjoy uninterrupted service, and immediately following the proposed transaction, customers of IXCH will continue to receive services under the same rates, terms and conditions as those services are presently provided. In light of the substantial benefits that the Applicants expect from the proposed transaction, Applicants seek expedited approval to allow Applicants to complete the proposed transaction as soon as possible.

C. Request for Streamlined Processing

Applicants respectfully submit that this Application is eligible for 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, as defined in Section 3(1) of the Communications Act (“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, Section 63.12(c)(1) is inapplicable because none of the Applicants is a foreign carrier, or is affiliated with any foreign carriers and none of the scenarios outlined in Section 63.12(c) of the Commission's Rules, 47 C.F.R. § 63.12(c), applies.

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

II. DESCRIPTION OF THE APPLICANTS

A. IXC Holdings, Inc. (Assignor)

IXCH is a privately-held Delaware corporation with its principal offices located at 800 S. Michigan Street, Seattle, WA 98108. IXCH is a facilities-based communications provider offering voice and data services to business customers.

B. TelePacific Managed Services (Assignee)

TMS is a California corporation and wholly-owned subsidiary of TelePacific with its headquarters located at 515 S. Flower Street, 47th Floor, Los Angeles, California 90071-2201. TMS was recently formed for the purpose of accomplishing the proposed transaction. TelePacific provides facilities-based business communications services, including local, long distance, data and Internet services to small-to-medium sized businesses in Nevada and California. TelePacific's affiliate Mpower Communications Corp., a Nevada corporation, also serves customers in Nevada and California, and its affiliate Arrival Communications, Inc., a Delaware corporation, serves customers in California. With thousands of customers, TelePacific is one of the largest telecommunications companies headquartered in California.

C. Section 214 Authorizations

IXCH holds blanket domestic Section 214 authority. It also holds international Section 214 authority granted in File No. ITC-214-20101112-00459.

TMS holds blanket domestic Section 214 authority. It does not currently provide international telecommunications services or hold international Section 214 authority. Pursuant to Section 63.21(h), TMS intends to provide international telecommunications services under its parent company's authorization. Its parent, TelePacific, holds blanket domestic Section 214 authority and holds international Section 214 authority granted in File No. ITC-214-19970828-00514.

III. DESCRIPTION OF THE TRANSACTION

Applicants propose to complete a transaction ("Transaction"), pursuant to the Agreement, through which TMS will acquire certain assets of IXCH, including its customers and related network facilities. Applicants are not seeking to assign IXCH's existing Section 214 authorizations. TMS will offer domestic interstate services pursuant to its blanket 214 authority and will offer international services pursuant to the authority held by its parent company, TelePacific. As a result of the proposed Transaction, TMS will replace IXCH as the service provider to the IXCH customers.

Applicants emphasize that although the proposed Transaction will involve a transfer of customers, following the proposed Transaction those customers will continue to receive service from TMS under the same rates, terms and conditions as the services currently provided pursuant to IXCH's customer contracts and service orders. As a result, the proposed Transaction will be virtually transparent to the customers in terms of the services that they currently receive. In addition, all of the affected customers will receive notice in compliance with the Commission's Rules.¹ Moreover, because TMS is acquiring operating assets of IXCH necessary to provide service to the transferred customers, TMS will have all of the assets required to continue to

¹ TMS will file the required certificate of compliance under separate cover upon the issuance of notice letters to the customers.

provide high-quality services to the customers it acquires. As demonstrated below, TMS is already well qualified to provide service to customers of IXCH.

IV. PUBLIC INTEREST STATEMENT

The proposed Transaction described above will serve the public interest by ensuring that the IXCH customers enjoy continuity of high-quality telecommunications service. In particular, the assignment of the IXCH Customers, together with the assignment of other assets required to serve those customers, will ensure that the customers continue to receive uninterrupted interstate and international services. Also, the proposed Transaction will not cause customer confusion. Because the rates, terms and conditions of service will not change as a result of the transfer, the proposed Transaction will be virtually transparent to customers in terms of the services those customers receive.

Moreover, the fitness of TelePacific, the parent of TMS, to own a licensee of common carrier fixed point-to-point microwave services as well as domestic and international telecommunications services was confirmed by the Commission in connection with the 2011 acquisition of Nextweb, Inc.,² the 2010 acquisition of assets from O1 Communications, Inc.,³ the 2007 acquisition of Arrival Communications, Inc.,⁴ and the 2006 acquisition of Mpower

² See In the Matter of Covad Communications Group, Inc., Transferor, NextWeb, Inc., Licensee, and U.S. TelePacific Corp., Transferee, Petition of Declaratory Ruling Under Section 310(b)(4) of the Communications Act, as Amended, IB File No. ISP-PDR-20110106-0001, DA No. 11-544. See also, WB File Nos. 0004550716, 0004555335, and 0004600142.

³ See In the Matter of the Joint Application of O1 Communications, Inc., Assignor, and U.S. TelePacific Corp., Assignee, for grant of authority pursuant to Section 214 of the Communications Act of 1934, as amended, and Section 63.04 of the Commission's Rules to complete an assignment of assets of an authorized U.S. domestic section 214 carrier, WC Docket No. 10-156, DA 10-1515.

⁴ See In the Matter of the Joint Application of Arrival Communications, Inc., Transferor, and U.S. TelePacific Corp., Transferee, for authority pursuant to Section 214 of the Communications Act of 1934, as amended, for the transfer of control of an authorized U.S.

Communications Corp. by U.S. TelePacific Holdings Corp. (“TPAC Holdings”), the parent of TelePacific.⁵ In the context of those prior transaction approval proceedings, TelePacific disclosed that certain foreign investors hold a greater than 10 percent indirect interest in TPAC Holdings and, in separate discussions with the Department of Justice, including the Federal Bureau of Investigation, and the Department of Homeland Security, TPAC Holdings made specific commitments that addressed national security issues with respect to location of and access to billing records and other subscriber information and other law enforcement concerns. The investors who were disclosed in those transactions still hold interests in TelePacific and in TMS and are disclosed below. TelePacific and TMS readily agree to extend TelePacific’s earlier commitments to include the assets being acquired from IXCH following the Transaction closing.

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

V. INFORMATION REQUIRED BY SECTION 63.24(e)

Pursuant to Section 63.24(e)(3) of the Commission’s Rules, the Applicants submit the following information requested in Section 63.18 (a)-(d) and (h)-(p) in support of this Application:

domestic and international Section 214 carrier, WC Docket No. 06-232, DA 07-721 and IB File No. ITC-T/C-20061211-00554, DA No. 07-676.

⁵ See In the Matter of the Joint Application of Mpower Holding Corporation, Transferor, and U.S. TelePacific Holdings Corp., Transferee, for authority pursuant to Section 214 of the Communications Act of 1934, as amended, for the transfer of control of an authorized U.S. domestic and international Section 214 carrier, WC Docket No. 06-107, DA 06-1556 and IB File No. ITC-T/C-20060518-00282, DA No. 06-1526.

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

Assignor:

IXC Holdings, Inc.
800 S. Michigan Street
Seattle, WA 98108

FRN: 0019890177

Assignee:

TelePacific Managed Services
515 S. Flower Street, 47th Floor
Los Angeles, CA 90071-2201
(213) 213-3000 (Tel)

FRN: 0020842134

63.18 (b) Jurisdiction of Organizations:

Assignor: IXCH is a corporation formed under the laws of the State of Delaware.

Assignee: TMS is a corporation formed under the laws of the State of California.

63.18 (c) Correspondence concerning this Application should be sent to:

For TMS:

Jean L. Kiddoo
Danielle Burt
Bingham McCutchen LLP
2020 K Street, N.W.
Washington, DC 20006
202-373-6000 (Tel)
202-373-6001 (Fax)
jean.kiddoo@bingham.com
danielle.burt@bingham.com

With a copy to:

Nancy Lubamersky
VP, Public Policy and Strategic Initiatives
U.S. TelePacific Corp.
515 S. Flower Street, 47th Floor
Los Angeles, CA 90071-2201
510-995-5602 (Tel)
510-995-5603 (Fax)
nlubamersky@telepacific.com

For IXCH:

Judith A. Riley, President
Telecom Professionals, Inc.
5909 Northwest Expressway, Suite 101
Oklahoma City, OK 73132
405-755-8177 (Tel)
405-755-8377 (Fax)
jriley@telecomliance.net

63.18 (d) Section 214 Authorizations

Assignor: IXCH holds blanket domestic Section 214 authority and holds international Section 214 authority granted in File No. ITC-214-20101112-00459.

Assignee: TMS holds blanket domestic Section 214 authority. It does not currently provide international telecommunications services or hold international Section 214 authority. Pursuant to Section 63.21(h), TMS intends to provide international telecommunications services under its parent company's authorization. Its parent, TelePacific, holds blanket domestic Section 214 authority and holds international Section 214 authority granted in File No. ITC-214-19970828-00514.

63.18 (h) Ownership

The following entities hold, directly or indirectly a 10% or greater interest in Applicants as calculated pursuant to the Commission ownership attribution rules for wireline and international telecommunications carriers:⁶

Pre- and Post-Transaction Ownership of IXCH:

- 1) The following entity owns or controls 10% or more of **IXC Holdings, Inc.**

Name: IXC, Inc.
Address: 800 S. Michigan Street
Seattle, WA 98108
Citizenship: U.S. (Delaware)
Principal Business: Holding Company
% Equity: 100%

- 2) The following entities own or control 10% or more of **IXC, Inc.**

Name: BPB, LLC
Address: 800 S. Michigan Street
Seattle, WA 98108
Citizenship: U.S. (Delaware)
Principal Business: Holding Company
% Equity: 49.24%

⁶

While the Commission's rules for combined domestic and international applications require this information only for the assignee/transferee, *see* 47 C.F.R. §§ 63.04(b), 63.24(3)(2), Applicants are providing ownership information for both parties.

Name: Walden VC II, L.P.
Address: 1 California St # 2800
San Francisco, CA 94111-5429
Citizenship: U.S. (Delaware)
Principal Business: Venture Capital Fund
% Equity: 25.18%

Name: Altos Ventures IV, L.P.
Address: 2882 Sand Hill Road, Suite 100
Menlo Park, CA 94025
Citizenship: U.S. (Delaware)
Principal Business: Holding Company
% Equity: 15.10%

- 3) The following individuals own or control 10% or more of **BPB, LLC**.

Name: Brandon Chaney
Address: 800 S. Michigan Street
Seattle, WA 98108
Citizenship: U.S.
Principal Business: Individual
% Equity: 50%

Name: Anthony Zabit
Address: 3221 Twentieth Street
San Francisco, CA 94110
Citizenship: U.S.
Principal Business: Individual
% Equity: 50%

Pre- and Post-Transaction Ownership of TMS:

- 1) The following entity owns or controls 10% or more of **TMS**.

Name: U.S. TelePacific Corp.
Address: 515 S. Flower Street, 47th Floor
Los Angeles, California 90071-2201
Citizenship: U.S.
Principal Business: Telecommunications
% Equity: 100%

- 2) The following entity owns or controls 10% or more of **U.S. TelePacific Corp.**

Name: U.S. TelePacific Holdings Corp.
Address: 515 S. Flower Street, 47th Floor
Los Angeles, California 90071-2201
Citizenship: U.S.

Principal Business: Holding Company
% Equity: 100%

3) The following entities own or control 10% or more of **U.S. TelePacific Holdings Corp.**

Name: Investcorp S.A.⁷
Address: c/o Paget-Brown Trust Company Ltd.
P.O. Box 1111, Boundary Hall, Cricket Square
Grand Cayman, KY1-1102, Cayman Islands
Citizenship: Cayman Island
Principal Business: Investing
% Equity: 39.6%

Name: Clarity Partners, L.P.⁸
Address: 100 North Crescent Drive, Suite 300
Beverly Hills, CA 90210
Citizenship: U.S. (Delaware)
Principal Business: Investing
% Equity: 23.97%

⁷ Investcorp S.A. does not hold a direct interest in TPAC Holdings. Instead, Investcorp S.A.'s 39.6% interest is held indirectly through control of various corporations. Of these corporations, only TelePacific Equity Limited individually owns or controls more than 10% of TPAC Holdings. All of the intermediate corporations and the approximate magnitudes of their interests are as follows: Investcorp Properties Limited (2.1%); Investcorp International, Inc. (1.9%); Investcorp TPC L.P. (5.9%); and Investcorp Secondary Partners I, L.P. (7.4%). In addition, Investcorp S.A., or a wholly-owned subsidiary of Investcorp S.A., has entered into revocable management agreements to direct the voting and disposition of the stock held by Aguanga Limited (2.3%); Cahuilla Limited (2.3%); Fallbrook Limited (2.3%); Palmas Limited (2.3%); TelePacific Holdings Limited (1.1%); TelePacific Equity Limited (11.9%). All of these entities are Cayman Islands companies, with the exception of Investcorp Properties Limited and Investcorp International, which were formed in Delaware, and have their principal places of business in Delaware and New York, respectively. All of the Cayman Islands companies can be reached at c/o Paget Brown Trust Company Limited, P.O. Box 1111, West Wind Building, Harbour Drive, George Town, Grand Cayman, Cayman Islands, except for Aguanga Limited, Cahuilla Limited, Fallbrook Limited and Palmas Limited, which can be reached at: c/o Martonemere Services Ltd., P.O. Box 2197, West Wind Building, Harbour Drive, George Town, Grand Cayman, Cayman Islands.

⁸ Clarity Partners, L.P., a Delaware limited partnership, holds 20.71% in TPAC Holdings. Two Delaware limited partnerships, Clarity Advisors, L.P. and Clarity Associates, L.P., hold 2.98% and 0.28% in TPAC Holdings, respectively. The general partner of each of these Delaware limited partnerships is Clarity GenPar, LLC, a Delaware limited liability company. All of these entities are can be reached at 100 North Crescent Drive, Suite 300, Beverly Hills, CA 90210.

- 4) The following entity owns or controls 25% or more of **Investcorp S.A.** (and indirectly owns or controls 10% or more of TMS).

Name: Investcorp Holdings Limited
Address: c/o Paget Brown & Company Limited
P.O. Box 1111, West Wind Building, Harbour Drive
George Town, Grand Cayman, Cayman Islands
Citizenship: Cayman Islands
Principal Business: Holding Company
% Equity: 100%

- 5) The following entity owns or controls 25% or more of **Clarity Partners, L.P.** (and indirectly owns or controls 10% or more of TMS).

Name: Clarity GenPar, LLC
Address: 100 North Crescent Drive, Suite 300
Beverly Hills, CA 90210
Citizenship: U.S.
Principal Business: Investing
% Equity: 4.31%, General Partner

- 6) The following entities own or control 25% or more of **Investcorp Holdings Limited** (and indirectly own or control 10% or more of TMS).

Name: Investcorp Bank B.S.C.
Address: Investcorp House
P.O. Box 5430
Manama, Bahrain
Citizenship: Bahrain
Principal Business: Investment Bank
% Equity: 100% of equity (22.1% voting control)

Name: CP Holdings Limited
Address: c/o Paget Brown & Company Limited
P.O. Box 1111, West Wind Building, Harbour Drive
George Town, Grand Cayman, Cayman Islands
Citizenship: Cayman Islands
Principal Business: Investing
% Equity: 40.4% voting control

- 7) The following individuals own or control 25% or more of **Clarity GenPar, LLC** (and indirectly owns or controls 10% or more of TMS).

Name: Barry Porter
Address: 100 North Crescent Drive, Suite 300
Beverly Hills, CA 90210

Citizenship: U.S.
Principal Business: Individual
Ownership Interest: Managing Member

Name: Stephen P. Rader
Address: 100 North Crescent Drive, Suite 300
Beverly Hills, CA 90210

Citizenship: U.S.
Principal Business: Individual
Ownership Interest: Managing Member

Name: David Lee
Address: 100 North Crescent Drive, Suite 300
Beverly Hills, CA 90210

Citizenship: U.S.
Principal Business: Individual
Ownership Interest: Managing Member

- 8) The following entities own or control more than 25% of **Investcorp Bank B.S.C.** (and indirectly own or control 10% or more of TMS).

Name: CP Holdings Limited
Address: c/o Paget Brown & Company Limited
P.O. Box 1111, West Wind Building, Harbour Drive
George Town, Grand Cayman, Cayman Islands

Citizenship: Cayman Islands
Principal Business: Investing
% Equity: 40.4%

Name: Ownership Holdings Limited
Address: c/o Paget Brown & Company Limited
P.O. Box 1111, West Wind Building, Harbour Drive
George Town, Grand Cayman, Cayman Islands

Citizenship: Cayman Islands
Principal Business: Holding Company
% Equity: 19.8%

- 9) The following entity owns or controls more than 25% of **CP Holdings Limited** (and indirectly owns or controls 10% or more of TMS).

Name: Ownership Holdings Limited
Address: c/o Paget Brown & Company Limited
P.O. Box 1111, West Wind Building, Harbour Drive
George Town, Grand Cayman, Cayman Islands

Citizenship: Cayman Islands
Principal Business: Holding Company
% Equity: 55.6%

- 10) The following entities own or control more than 25% of **Ownership Holdings Limited** (and indirectly own or control 10% or more of TMS).

Name: SIPCO Limited
Address: c/o Paget Brown & Company Limited
P.O. Box 1111, West Wind Building, Harbour Drive
George Town, Grand Cayman, Cayman Islands
Citizenship: Cayman Islands
Principal Business: Holding Company
% Equity: 63.4%

- 11) The following entities own or control more than 25% of **SIPCO Limited** (and indirectly own or control 10% or more of TMS).

Name: SIPCO Holdings Limited
Address: c/o Paget Brown & Company Limited
P.O. Box 1111, West Wind Building, Harbour Drive
George Town, Grand Cayman, Cayman Islands
Citizenship: Cayman Islands
Principal Business: Holding Company
% Equity: 100% of the voting stock

No other entity owns or controls more than 10% directly or indirectly of TMS. Applicants do not have any interlocking directorates with a foreign carrier.

- 63.18 (i)** Applicants certify that they are not foreign carriers, nor are they affiliated with foreign carriers, nor will they become affiliated with foreign carriers as a result of this transaction.

- 63.18 (j)** Applicants certify that they do not seek to provide international telecommunications services to any destination country where:

- (1) An Applicant is a foreign carrier in that country; or
- (2) An Applicant controls a foreign carrier in that country; or
- (3) Any entity that owns more than 25 percent of TMS or IXCH, or that controls TMS or IXCH, controls a foreign carrier in that country; or
- (4) Two or more foreign carriers (or parties that control foreign carriers) own, in the aggregate more than 25 percent of TMS or IXCH and are parties to, or the beneficiaries of, a contractual relation affecting the provision or marketing of international basic telecommunications services in the United States.

- 63.18 (k)** Not applicable.

- 63.18 (l)** Not applicable.
- 63.18 (m)** Not applicable.
- 63.18 (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.
- 63.18 (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.
- 63.18 (p)** Applicants respectfully submit that this Application is eligible for streamlined processing pursuant to Section 63.12(a)-(b) of the Commission's Rules, 47 C.F.R. §63.12(a)-(b). In particular, Section 63.12(c)(1) is inapplicable because none of the Applicants is or is affiliated with any foreign carriers and none of the scenarios outlined in Section 63.12(c) of the Commission's Rules, 47 C.F.R. § 63.12(c), applies.

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), 47 C.F.R. § 63.04(a)(6)-(12):

- (a)(6)** A description of the proposed Transaction is set forth in **Section III** above.
- (a)(7)** IXCH is a subsidiary of IXC, Inc. and is authorized to provide competitive local and long distance telecommunications services in California and Nevada. IXCH has no affiliated companies that provide telecommunications services. All of the services provided by IXCH are competitive in nature and neither IXCH nor any affiliated company holds a dominant position in any market.

TMS was recently formed for the purpose of accomplishing the proposed transaction. Its parent, TelePacific, provides business communications services, including local, long distance, data and Internet services to thousands of small-to-medium sized businesses in Nevada and California. TMS is affiliated with Mpower Communications Corp., which provides telecommunications services in California and Nevada, and Arrival Communications, Inc., which provides telecommunications services in California. All of the services of TelePacific,

Mpower, and Arrival are competitive and neither TMS nor any affiliate holds a dominant position in any market.

- (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 (as defined in Section 3(1) of the Communications Act – ("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) Prompt completion of the proposed transaction is critical to ensure 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) 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.

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 therefore respectfully request that the Commission consider and approve this Application expeditiously to permit Applicants to consummate the proposed transaction as soon as possible.

Respectfully submitted,



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Counsel for TelePacific Managed Services

Dated: May 9, 2011

VERIFICATION

I, Erich E. Everbach, state that I am the Senior Vice President and General Counsel of U.S. TelePacific Corp. ("TelePacific"), the parent of TelePacific Managed Services ("TMS") and of TMS; that I am authorized to make this Verification on behalf of TMS; that the foregoing filing was prepared under my direction and supervision; and that the contents with respect to TelePacific, TMS and their affiliates are true and correct to the best of my knowledge, information, and belief.

I declare under penalty of perjury that the foregoing is true and correct. Executed this 9th day of May, 2011.

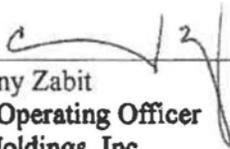


Erich E. Everbach
Senior Vice President and General Counsel
U.S. TelePacific Corp.
TelePacific Managed Services

VERIFICATION

I, Anthony Zabit, state that I am the Chief Operating Officer of IXC Holdings, Inc. (the "IXCH"); that I am authorized to make this Verification on behalf of IXCH; that the foregoing filing was prepared under my direction and supervision; and that the contents with respect to IXCH and its affiliates are true and correct to the best of my knowledge, information, and belief.

I declare under penalty of perjury that the foregoing is true and correct. Executed this 6th day of May, 2011.



Anthony Zabit
Chief Operating Officer
IXC Holdings, Inc.