Federal Communications Commission 445 12<sup>th</sup> St., S.W. Washington, D.C. 20554

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DA 14-44

Released: January 15, 2014

## DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL OF ALEC, LLC TO MBS HOLDINGS, INC.

## STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 14-5

Comments Due: January 29, 2014 Reply Comments Due: February 5, 2014

On January 6, 2014, IBBS Holdings, LLC (Holdings), ALEC, LLC (ALEC), and MBS Holdings, Inc. (MBS) (collectively, Applicants) filed an application pursuant to section 63.03 of the Commission's rules<sup>1</sup> to transfer control of ALEC to MBS.

ALEC, a Kentucky limited liability company, provides competitive local exchange carrier (LEC) and other telecommunications services in multiple states and is an indirect, wholly owned subsidiary of Holdings, a Delaware limited liability company. Holdings does not itself offer domestic telecommunications services but has other affiliates that provide Voice over Internet Protocol (VoIP) service. MBS, through its operating affiliate, Momentum Telecom, Inc., provides residential and business VoIP services in multiple states. Applicants state that the following U.S. based entities and U.S. citizens will have a 10 percent or greater direct or indirect ownership interest in MBS at the time the proposed transaction is consummated: Estate of William W. Featheringill (14. 5 percent) (Carolyn Featheringill is the Trustee of the Estate); FIG LLC (12.4 percent), Ramsey Management LLC (11.8 percent) (both controlled by Carolyn Featheringill), and PIG LLC (11.1 percent) (controlled by Elizabeth Pharo). Applicants state that no other individual or entity will have a 10 percent or greater direct or indirect interest in MBS. They further state that neither Ms. Featheringill nor Ms. Pharo has a 10 percent or greater interest in any other domestic telecommunications carrier.

<sup>&</sup>lt;sup>1</sup> 47 C.F.R § 63.03; see 47 U.S.C. § 214. Applicants filed a supplement to their domestic section 214 application on January 14, 2014.

<sup>&</sup>lt;sup>2</sup> ALEC, LLC is a wholly owned subsidiary of SinglePipe, LLC, which is a wholly owned subsidiary of Integrated Broadband Services, LLC (IBBS). Applicants state that ALEC is Holdings' only regulated telecommunications carrier affiliate. ALEC provides telecommunications services in Alabama, Arkansas, Florida, Georgia, Idaho, Illinois, Indiana, Kansas, Kentucky, Louisiana, Mississippi, Nebraska, Nevada, New Jersey, North Carolina, Ohio, South Carolina, Tennessee, and Texas.

<sup>&</sup>lt;sup>3</sup> Applicants state that Holdings is 13 percent owned by the KPB Family GST Investment Trust and 54 percent owned by Pamlico Capital II, LP. Pamlico is 83 percent owned by Wachovia Investors, Inc., which is wholly owned by Wells Fargo & Company, a publicly held company. All entities are U.S. based.

Pursuant to the terms of the proposed transactions, MBS, through a wholly owned subsidiary, MBS Intermediate Holdings, LLC, will acquire 100 percent of the outstanding equity of IBBS. As a result, ALEC will become an indirect, wholly owned subsidiary of MBS. Applicants assert that the proposed transaction is entitled to presumptive streamlined treatment under section 63.03(b)(2)(i) of the Commission's rules and that a grant of the application will serve the public interest, convenience, and necessity.<sup>4</sup>

Domestic Section 214 Application Filed for the Transfer of Control of ALEC, LLC to MBS Holdings, Inc., WC Docket No. 14-5 (filed Jan. 6, 2014).

## **GENERAL INFORMATION**

The transfer of control identified herein has been found, upon initial review, to be acceptable for filing as a streamlined application. The Commission reserves the right to return any transfer application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Pursuant to section 63.03(a) of the Commission's rules, 47 CFR § 63.03(a), interested parties may file comments **on or before January 29, 2014** and reply comments **on or before February 5, 2014.** Pursuant to section 63.52 of the Commission's rules, 47 C.F.R. § 63.52, commenters must serve a copy of comments on the Applicants no later than the above comment filing date. Unless otherwise notified by the Commission, the Applicants may transfer control on the 31<sup>st</sup> day after the date of this notice.<sup>5</sup>

Pursuant to section 63.03 of the Commission's rules, 47 CFR § 63.03, parties to this proceeding should file any documents in this proceeding using the Commission's Electronic Comment Filing System (ECFS): <a href="http://fjallfoss.fcc.gov/ecfs2/">http://fjallfoss.fcc.gov/ecfs2/</a>.

## In addition, e-mail one copy of each pleading to each of the following:

- 1) Tracey Wilson, Competition Policy Division, Wireline Competition Bureau, <a href="mailto:tracey.wilson@fcc.gov">tracey.wilson@fcc.gov</a>;
- 2) Jodie May, Competition Policy Division, Wireline Competition Bureau, jodie.may@fcc.gov;
- 3) Jim Bird, Office of General Counsel, jim.bird@fcc.gov.

People with Disabilities: To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an e-mail to <a href="fcc504@fcc.gov">fcc504@fcc.gov</a> or call the Consumer & Governmental Affairs Bureau at (202) 418-0530 (voice), (202) 418-0432 (tty).

The proceeding in this Notice shall be treated as a "permit-but-disclose" proceeding in accordance with the Commission's *ex parte* rules. Persons making *ex parte* presentations must file a copy of any written presentation or a memorandum summarizing any oral presentation within two business days after the presentation (unless a different deadline applicable to the Sunshine period

<sup>5</sup> Such authorization is conditioned upon receipt of any other necessary approvals from the Commission in connection with the proposed transaction.

<sup>&</sup>lt;sup>4</sup> 47 C.F.R. § 63.03(b)(2)(i).

<sup>&</sup>lt;sup>6</sup> 47 C.F.R. §§ 1.1200 et seq.

applies). Persons making oral *ex parte* presentations are reminded that memoranda summarizing the presentation must (1) list all persons attending or otherwise participating in the meeting at which the *ex parte* presentation was made, and (2) summarize all data presented and arguments made during the presentation. If the presentation consisted in whole or in part of the presentation of data or arguments already reflected in the presenter's written comments, memoranda or other filings in the proceeding, the presenter may provide citations to such data or arguments in his or her prior comments, memoranda, or other filings (specifying the relevant page and/or paragraph numbers where such data or arguments can be found) in lieu of summarizing them in the memorandum. Documents shown or given to Commission staff during *ex parte* meetings are deemed to be written *ex parte* presentations and must be filed consistent with rule 1.1206(b), 47 C.F.R. § 1.1206(b). Participants in this proceeding should familiarize themselves with the Commission's *ex parte* rules.

For further information, please contact Tracey Wilson at (202) 418-1394 or Jodie May at (202) 418-0913.