



PUBLIC NOTICE

Federal Communications Commission
45 L Street NE
Washington, DC 20554

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Internet: www.fcc.gov

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DOMESTIC SECTION 214 APPLICATION GRANTED FOR THE TRANSFER OF CONTROL OF CCI NETWORK SERVICES, LLC FROM NETWORK SERVICES HOLDINGS, LLC TO APPSMART TGN, INC.

WC Docket No. 25-343

By this Public Notice, the Wireline Competition Bureau (Bureau) grants, as conditioned, an application filed by Network Services Holdings, LLC (Network Services), CCI Network Services, LLC (CCI or Licensee), and AppSmart TGN, Inc. (AppSmart TGN) (collectively, Applicants), pursuant to section 214(a) of the Communications Act of 1934, as amended, and section 63.04 of the Federal Communication Commission's (Commission) rules,¹ requesting approval to transfer ownership and control of CCI to AppSmart TGN.²

On February 27, 2026, the Bureau released a Public Notice seeking comment on the Application.³ The Bureau did not receive comments or petitions in opposition to the Application.

CCI is a Utah limited liability company that provides voice, data, and information services to business customers across the United States.⁴ CCI purchases services for resale from underlying service providers, and owns or leases and operates certain switches, circuits, and other facilities to provide its services.⁵ Network Services is a Delaware limited liability company and a holding company that does not have its own operations.⁶

AppSmart TGN, a Delaware corporation, provides limited international and toll-free telecommunications services on a resale basis to business customers in Michigan, Florida, Illinois, Indiana, New York, and Wisconsin.⁷ AppSmart TGN's parent company, AppDirect, Inc. (AppDirect), a Delaware corporation, provides business-to-business cloud marketplace and cloud management services across the United States.⁸ AppSmart TGN's telecommunications provider affiliates are resale-only

¹ See 47 U.S.C. § 214(a); 47 CFR § 63.04.

² Domestic Section 214 Application for the Transfer of Control of CCI Network Services, LLC from Network Services Holdings, LLC to AppSmart TGN, Inc., WC Docket No. 25-343 (filed Dec. 8, 2025) (Application). Applicants are also filing applications for the transfer of international authorizations. Any action on the Application is without prejudice to Commission action on other related, pending applications.

³ See *Domestic Section 214 Application Filed for the Transfer of Control of CCI Network Services, LLC to AppSmart TGN, Inc.*, WC Docket No. 25-343, Public Notice, DA 26-198 (WCB Feb. 27, 2026) (*Feb. 27, 2026 PN*).

⁴ Application at 2.

⁵ *Id.*

⁶ *Id.*

⁷ *Id.*

⁸ *Id.*

providers.⁹ Applicants state that the following Canadian citizens hold a 10% or greater interest in AppDirect: Nicolas Desmarais (11.7% equity and 44.5% voting); Paul Desmarais Jr. (12.6% equity and 6% voting); and Danial Saks (5% equity and 23.6% voting).¹⁰

Pursuant to the terms of the proposed transaction, AppSmart TGN will acquire one hundred percent (100%) of the issued and outstanding membership interest of CCI.¹¹ Applicants state that after consummation of the transaction, CCI will continue to exist and operate under the same name.¹² Applicants assert that transaction will entail a change in the equity ownership of CCI; there will be no transfer of its assets or liabilities.¹³

Applicants state that AppSmart TGN is subject to an existing mitigation agreement with Executive Branch agencies concerning national security and/or law enforcement.¹⁴ Applicants also state that there are no new reportable foreign owners of AppSmart TGN since the effective date of the agreement and that AppSmart TGN agrees to continue to comply with the terms of the agreement.¹⁵ Further, Applicants request that we condition grant of the Application on continued compliance with the existing mitigation agreement applicable to AppSmart TGN.¹⁶ We found previously that Applicants made a showing that this Application comes within an exclusion from referral to the Executive Branch for national security, law enforcement, foreign policy, and trade policy review.¹⁷ Although we did not formally refer the Application, we provided a courtesy copy of the Public Notice to the Executive Branch agencies.¹⁸ On April 2, 2026, the U.S. Department of Justice filed a letter stating that the Committee for the Assessment of Foreign Participation in the United States Telecommunications Services Sector “does not believe, based on available information, that a referral of this application to the Committee for review under Section 5 of Executive Order (“E.O.”) 13913 is necessary.”¹⁹

⁹ *Id.* at 10-11.

¹⁰ Post-Transaction Ownership of Licensees, Exh. B. to Application, at 2; Post-Closing Ownership Structure, Exh.A. to Application, at 2.

¹¹ Application at 3.

¹² *Id.*

¹³ *Id.*

¹⁴ Application at 12 (citing *Domestic Section 214 Application Granted for The Transfer of Control of AppSmart TGN, Inc. (f/k/a Telegation, Inc.) to AppDirect, Inc.*, WC Docket No. 20-229, Public Notice, 36 FCC Rcd 9890 (WCB 2021). The Bureau conditioned the grant of the 2021 AppSmart TGN transaction on its compliance with the commitments and undertakings set out in a June 1, 2021 Letter of Agreement with the Executive Branch Agencies. *Id.* at 9891-92 (citing Petition to Adopt Conditions to Authorization and License, WC Docket No. 20-229; ITC-T/C-20200710-00115 (filed Jun. 11, 2021) (on file in WC Docket No. 20-229)).

¹⁵ Application at 12.

¹⁶ *Id.*

¹⁷ The Commission determined in the *Executive Branch Review Process Order* that it would generally exclude from referral to the Executive Branch applications where the Applicants have “an existing mitigation agreement, there are no new reportable foreign owners of the applicant since the effective date of the mitigation agreement, and the applicant agrees to continue to comply with the terms of that mitigation agreement.” *Process Reform for Executive Branch Review of Certain FCC Applications and Petitions Involving Foreign Ownership*, IB Docket No. 16-155, Report and Order, 35 FCC Rcd 10927, 10939, para. 30 (2020) (*Executive Branch Review Process Order*); see also 47 CFR § 1.40001(a)(2)(iii).

¹⁸ See *Feb. 27, 2026 PN* at 2. See also *Executive Branch Review Process Order*, 35 FCC Rcd at 10939, para 30, n. 81.

¹⁹ Letter from Christopher R. Clements, Deputy Section Chief, Telecommunications and Supply Chain Foreign Investment Review Section National Security Division U.S. Department of Justice, to Marlene H. Dortch, Federal

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Applicants assert that a grant of the Application would serve the public interest, convenience and necessity.²⁰ Applicants claim that the public interest benefits associated with the transaction include providing Licensee with access to AppSmart and its affiliates' financial and operational expertise and their larger client base, permitting Licensee to continue to provide robust communications solutions to customers and to better compete in the U.S. communications marketplace.²¹ Applicants further claim that the transaction will have no adverse impact on competition or customers as the proposed transaction will not alter the planned manner of service delivery or billing, and Licensee will continue to comply with existing contracts in accordance with applicable law.²²

We find that the proposed transfer will serve the public interest, convenience, and necessity.²³ Therefore, pursuant to section 214 of the Act, 47 U.S.C. § 214, and sections 0.91, 0.291, 63.03, and 63.04 of the Commission's rules, 47 CFR §§ 0.91, 0.291, 63.03, and 63.04, the Bureau hereby grants the Application discussed in this Public Notice, subject to the continued compliance with the existing mitigation agreement applicable to AppSmart TGN, as described above.

Pursuant to section 1.103 of the Commission's rules, 47 CFR § 1.103, the grant is effective upon release of this Public Notice. Petitions for reconsideration under section 1.106 or applications for review under section 1.115 of the Commission's rules, 47 CFR §§ 1.106, 1.115, may be filed within 30 days of the date of this Public Notice.

For further information, please contact Megan Danner, Wireline Competition Bureau, Competition Policy Division, (202) 418-1151.

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Communications Commission, filed in WC Docket No. 25-343 and ICFS File No. ITC-T/C-20251125-00148 (dated April 2, 2026).

²⁰ Application at 3-5.

²¹ *Id.* at 3.

²² *Id.* at 4.

²³ See 47 U.S.C. § 214(a); 47 CFR § 63.03