



151 Southhall Lane, Ste. 450
Maitland, FL 32751
www.inteserra.com

November 16, 2023
Via Web Filing

Ms. Tonawa Troupe, Acting Secretary
Public Utilities Commission of Ohio
180 East Broad Street
Columbus, OH 43215

RE: Notice of Transfer of Ownership of Pay Tel Communications, Inc. to Pay Tel Communications
ESOP Trust

Dear Ms. Troupe:

Enclosed for filing please find the above-referenced filing submitted on behalf of Pay Tel Communications, Inc. (the "Company"). The Company hereby provides notice of a transfer of ownership from John Vincent Townsend, III and J. Vincent Townsend III Family Dynasty Trust to Pay Tel Communications ESOP Trust.

Any questions you may have regarding this filing should be directed to my attention at 470-672-3013 or via email to swarren@inteserra.com. Thank you for your assistance in this matter.

Sincerely,

/s/Sharon R. Warren

Sharon R. Warren
Consultant

Enclosures
SW/mp

The Public Utilities Commission of Ohio
TELECOMMUNICATIONS FILING FORM
(Revised 03-07-2023)

This form is intended to be used with most types of required filings. It provides check boxes with rule references for the most common types of filings. It does not replace or supersede Commission rules in anyway.

| | | |
|---|---|--|
| In the Matter of the Application of <u>Pay Tel Communications, Inc.</u> |) | TRF Docket No. 90-5240-TP-TRF |
| to <u>Transfer Control of Pay Tel Communications, Inc to Pay Tel</u> |) | Case No. 23-1057-TP-CIO |
| <u>Communications ESOP Trust</u> |) | NOTE: Unless you have reserved a Case #, leave |
| |) | the "Case No." field BLANK. |

Name of Registrant(s) Pat Tel Communications, Inc.

DBA(s) of Registrant(s) [Click here to enter text.](#)

Address of Registrant(s) 4230 Beechwood Drive, Greensboro, NC 27410

Company Web Address www.paytel.com

Regulatory Contact Person(s) Margaret Haffner

Phone (336)852-7419 x 318 Fax (____)____-____

Regulatory Person's Email Address shaffner@paytel.com

Contact Person for Annual Report Diane Twiford

Phone (____)____-____

Consumer Contact Information Margaret Haffner

Phone (336)852-7419 x 318

Address (if different from above) [Click here to enter text.](#)

Motion for protective order included with filing? ☐ Yes ☒ No

Motion for waiver(s) filed affecting this case? ☐ Yes ☒ No [Note: Waivers may toll any automatic timeframe.]

Notes:

Sections I and II are pursuant to Ohio Administrative Code (OAC) [4901:1-6](#).

Section III – Part I - Carrier to Carrier is pursuant to OAC [4901:1-7](#) and Pole Attachment to OAC [4901:1-3](#)

Section III – Part II - Wireless is pursuant to OAC [4901:1-6-24](#).

Section IV – Attestation.

(1) Indicate the Carrier Type and the reason for submitting this form by checking the boxes below.

(2) For requirements for various applications, see identified section of the Ohio Administrative Code Chapter 4901 and/or the supplemental application form noted.

(3) Information regarding the number of copies required by the PUCO may be obtained from the PUCO's website at www.PUCO.ohio.gov under the docketing information system section (Procedural filing requirements), by calling the Docketing Division at 614-466-4095 or by visiting the Docketing Division at the offices of the PUCO.

(4) An Incumbent Local Exchange Carrier (ILEC) offering basic local exchange service (BLES) outside its traditional service area should choose CLEC designation when proposing to offer BLES outside its traditional service area or when proposing to make changes to that service.

All filings that result in a change to one or more tariff pages require, at a minimum, the following exhibits:

| Exhibit | Description: |
|---------|---|
| A | The tariff pages subject to the proposed change(s) as they exist before the change(s). |
| B | The tariff pages subject to the proposed change(s), reflecting the change, with the change(s) marked in the right margin. |
| C | A short description of the nature of the change(s), the intent of the change(s), and the customers affected. |
| D | A copy of the notice provided to customers, along with an affidavit that the notice was provided according to the applicable rule(s). |

Section I – Part I - Common Filings:

| Carrier Type: <input type="checkbox"/> Other (Explain below) | For Profit ILEC | Not for Profit ILEC | CLEC |
|--|--|--|---|
| Change terms & conditions of existing BLES. | <input type="checkbox"/> ATA 1-6-14(I)(2) (Auto 30 days) | <input type="checkbox"/> ATA 1-6-14(I) (Auto 30 days) | <input type="checkbox"/> ATA 1-6-14(I) (Auto 30 days) |
| Introduce non-recurring charge, surcharge or fee to BLES | <input type="checkbox"/> ATA 1-6-14(I) (Auto 30 days) | | <input type="checkbox"/> ATA 1-6-14(I) (Auto 30 days) |
| Introduce or Increase Late Payment | <input type="checkbox"/> ATA 1-6-14(I) (Auto 30 days) | <input type="checkbox"/> ATA 1-6-14(I) (Auto 30 days) | <input type="checkbox"/> ATA 1-6-14(I) (Auto 30 days) |
| Revisions to BLES Cap* | <input type="checkbox"/> ZTA 1-6-14(E) (0-day notice) | | |
| Introduce BLES or expand local service area (calling area) | <input type="checkbox"/> ZTA 1-6-14(I) (0-day notice) | <input type="checkbox"/> ZTA 1-6-14(I) (0-day notice) | <input type="checkbox"/> ZTA 1-6-14(JI) (0-day notice) |
| Change BLES Rates* | <input type="checkbox"/> TRF 1-6-14(E) & (G) (0-day notice) | <input type="checkbox"/> TRF 1-6-14(E) (0-day notice) | <input type="checkbox"/> TRF 1-6-14(H) (0-day notice) |
| To obtain BLES pricing flexibility | <input type="checkbox"/> BLS 1-6-14(C)(1)(c) (Auto 30 days) | | |
| BLES pricing flexibility exemption | <input type="checkbox"/> BEX 1-6-14(F) (Auto 30 days) | | |
| Notice of no obligation to construct facilities and provide BLES | <input type="checkbox"/> ZTA 1-6-27(C) (0-day notice) | <input type="checkbox"/> ZTA 1-6-27(C) (0-day notice) | |
| Change in boundary | <input type="checkbox"/> ACB 1-6-32 (Auto 14 days) | <input type="checkbox"/> ACB 1-6-32 (Auto 14 days) | |
| Expand service operation area | | | <input type="checkbox"/> TRF 1-6-08(G) (0-day notice) |
| BLES withdrawal | <input type="checkbox"/> WBL 1-6-21(B) (120-day notice) | | <input type="checkbox"/> ZTA 1-6-25(B) (0-day notice) |
| Other (explain): | | | |

*Other exhibits may be required under the applicable rule, see the [4901:1-6-14\(E\) Filing Requirements](#) on the PUCO's webpage for a complete list of exhibits.

Section I – Part II – Customer Notification Offerings Pursuant to Chapter 4901:1-6-07 OAC

| Type of Notice | Direct Mail | Bill Insert | Bill Notation | Electronic Mail |
|--|--------------------------|--------------------------|--------------------------|--------------------------|
| <input type="checkbox"/> 15-day Notice | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| <input type="checkbox"/> 30-day Notice | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Date Notice Sent: | | | | |

Section I – Part III – Inmate Operator Service Pursuant to Chapter 4901:1-6-22 OAC

| Introduce New | Tariff Change | Price Change | Withdraw |
|--|--|--|--|
| <input type="checkbox"/> TRF (0-day notice) | <input type="checkbox"/> ATA (Auto 30-days) | <input type="checkbox"/> TRF (0-day notice) | <input type="checkbox"/> UNC (Non-Auto) |

Section II – Part I – Carrier Certification – Pursuant to Chapter 4901:1-6-08 & 10 OAC and Competitive Eligible Telecommunications Carrier Designation (CETC) – Pursuant to Chapter 4901:1-6-09 OAC

| ILEC (Out of territory) | CLEC | Telecommunications Service Provider Not Offering Local Service | CESTC | CETC |
|--|--|--|--|---|
| <input type="checkbox"/> ACE 1-6-08 (Auto 30-day) * | <input type="checkbox"/> ACE 1-6-08 (Auto 30-day) * | <input type="checkbox"/> ACE 1-6-08 (Auto 30-day) * | <input type="checkbox"/> ACE 1-6-10 (Auto 30-day) | <input type="checkbox"/> UNC 1-6-09 (Non-Auto) * |

*Supplemental forms can be found on the PUCO webpage – [Telecommunications application forms](#).

Section II – Part II – Change in Operation or Ownership

| Change in Operation or Ownership | ILEC | CLEC | Telecommunications Service Provider Not Offering Local Service |
|--|--|--|---|
| Abandon all services | | <input type="checkbox"/> ABN 1-6-26 (Auto 30 days) | <input type="checkbox"/> ABN 1-6-26 (Auto 30 days) |
| Change of official name * | <input type="checkbox"/> ACN 1-6-29(B) (Auto 30 days) | <input type="checkbox"/> ACN 1-6-29(B) (Auto 30 days) | <input type="checkbox"/> CIO 1-6-29(C) (0-day notice) |
| Change in ownership * | <input type="checkbox"/> ACO 1-6-29(E)(1) (Auto 30 days) | <input type="checkbox"/> ACO 1-6-29(E)(1) (Auto 30 days) | <input checked="" type="checkbox"/> CIO 1-6-29(C) (0-day notice) |
| Merger * | <input type="checkbox"/> AMT 1-6-29(E)(1) (Auto 30 days) | <input type="checkbox"/> AMT 1-6-29(E)(1) (Auto 30 days) | <input type="checkbox"/> CIO 1-6-29(C) (0-day notice) |
| Transfer certificate * | <input type="checkbox"/> ATC 1-6-29(B) (Auto 30 days) | <input type="checkbox"/> ATC 1-6-29(B) (Auto 30 days) | <input type="checkbox"/> CIO 1-6-29(C) (0-day notice) |
| Transaction for transfer or lease of property, plant or business * | <input type="checkbox"/> ATR 1-6-29(B) (Auto 30 days) | <input type="checkbox"/> ATC 1-6-29(B) (Auto 30 days) | <input type="checkbox"/> CIO 1-6-29(C) (0-day notice) |
| FCC Authorized Change in Ownership or Merger | <input type="checkbox"/> CIO 1-6-29 (E)(2) (0-day notice) | <input type="checkbox"/> CIO 1-6-29 (E)(2) (0-day notice) | <input type="checkbox"/> CIO 1-6-29 (E)(2) (0-day notice) |

*Other exhibits may be required under the applicable rule(s). ACN, ACO, AMT, ATC, ATR, and CIO applications see the [4901:1-6-29 Filing Requirements](#) on the PUCO webpage for a complete list of exhibits.

Section III – Part I - Carrier to Carrier (Pursuant to 4901:1-7) & Attachments to Utility Equipment or Rights of Way (Pursuant to 4901:1-3)

| Carrier to Carrier | ILEC | CLEC |
|---|---|---|
| Interconnection agreement or amendment to an approved agreement | <input type="checkbox"/> NAG 1-7-07 (Auto 90 days) | <input type="checkbox"/> NAG 1-7-07 (Auto 90 days) |
| Request for arbitration | <input type="checkbox"/> ARB 1-7-09 (Non-Auto) | <input type="checkbox"/> ARB 1-7-09 (Non-Auto) |
| Introduce or change carrier to carrier tariffs | <input type="checkbox"/> ATA 1-7-14 (Auto 30 days) | <input type="checkbox"/> ATA 1-7-14 (Auto 30 days) |
| Request rural carrier exemption, rural carrier suspension or modification | <input type="checkbox"/> UNC 1-7-04 or 05 (Auto 30 days) | |
| Changes in rates, terms & conditions to pole attachments, conduit occupancy and rights of way. (13-579-AU-ORD 11/30/16 Entry) | <input type="checkbox"/> ATA 1-3-04 (Auto 60 days) | |

Section III – Part II – Facilities-based Wireless Service Providers (Pursuant to 4901:1-6-24)

| | |
|--|--|
| Registration and Change in Operations* | <input type="checkbox"/> RCC 1-6-24(B) (0-day notice) |
| Interconnection Agreement or amendment to an approved Agreement. | <input type="checkbox"/> NAG 1-7-07 (0-day notice) |

***Change in Operations filing must be filed in the original RCC case designation code established during the registration process.**

Section IV. – Attestation

Registrant hereby attests to its compliance with the pertinent entries and orders issued by the Commission.

AFFIDAVIT

Compliance with Commission Rules

I am an officer/agent of the applicant corporation, Pay Tel Communications, Inc., and am authorized to make this statement on its behalf.

/s/Sharon R. Warren

(Name)

Please check All that apply:

☐ I attest that these tariffs comply with all applicable rules for the State of Ohio. I understand that tariff notification filings do not imply Commission approval and that the Commission's rules, as modified and clarified from time to time, supersede any contradictory provisions in our tariff. We will fully comply with the rules of the State of Ohio and understand that noncompliance can result in various penalties, including the suspension of our certificate to operate within the State of Ohio.

☐ I attest that customer notices accompanying this filing form were sent to affected customers, as specified in Section II, in accordance with Ohio Adm. Code 4901:1-6-7.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on November 16, 2023 at Maitland, FL

/s/Sharon R. Warren

November 16, 2023

*Signature and Title

Date

**This affidavit is required for every tariff-affecting filing. It may be signed by counsel, an officer of the applicant or an authorized agent of the applicant.*

VERIFICATION

I, Sharon R. Warren, verify I have utilized the Telecommunications Filing Form for the most proceedings provided by the Commission and that all of the information submitted here and all additional information in connection with this case, is true and correct to the best of my knowledge.

/s/Sharon R. Warren, Consultant

November 16, 2023

*Signature and Title

Date

**Verification is required for every filing. It may be signed by counsel or an officer of the applicant, or an authorized agent of the applicant.*

File document electronically as directed in the [Ohio Administrative Code](#)
or

Send your completed Filing Form, including all required attachments as well as the required number of copies to:

**Public Utilities Commission of Ohio
Attention: Docketing Division
180 East Broad Street, Columbus, OH 43215-3793**

Pay Tel Communications, Inc.

NOTICE OF OWNERSHIP CHANGE

Pay Tel Communications, Inc. (“Pay Tel”), John Vincent Townsend, III (“Townsend”), the J. Vincent Townsend III Family Dynasty Trust (the “Family Dynasty Trust” and together with Townsend, “Transferors”) and the Pay Tel Communications ESOP Trust (the “Pay Tel ESOP Trust” or “Transferee”, and together with the Transferor, “Parties”), through their undersigned consultant and counsel hereby notify the Ohio Public Utility Commission of a transfer of ownership of Pay Tel from Townsend and the Family Dynasty Trust to the Pay Tel ESOP Trust. Following the consummation of the Proposed Transaction (as defined below), the Pay Tel ESOP Trust will own all of the voting and equity shares of Pay Tel, as described in ***Exhibit A***.

The Proposed Transaction will have no effect on the operations of Pay Tel, which will remain the holder of its Certificate of Authority (as defined below) and will continue to offer the same services under the same management team with the same rates, terms and conditions as currently offered. Consequently, the Proposed Transaction will have no impact on Ohio customers and no customer notice is required. The Parties provide the following additional notice information:

I. DESCRIPTION OF THE PARTIES

A. Pay Tel Communications, Inc.

Pay Tel is organized under the laws of the state of North Carolina with its principal office located at 4230 Beechwood Drive, Greensboro, NC 27410. Pay Tel was granted a Certificate of Public Convenience and Necessity in Case No. 96-736-CT-ACE to provide competitive telecommunications services throughout the State of Ohio by the Public Utility Commission on October 8, 1998.

B. The Transferors

Townsend founded Pay Tel in 1986 and since then served as its President. Townsend holds 100% of the voting interest in Pay Tel and 20% of the company’s equity interest.

The remainder of Pay Tel’s equity interest (80%) is owned by the Family Dynasty Trust, a trust established under the laws of North Carolina. The Family Dynasty Trust was established for estate planning purposes, and does not have, and never had, any voting interest in Pay Tel. The Family Dynasty Trust is controlled by trustees Rebecca Holley Townsend and William Moser.

Neither Townsend, the Family Dynasty Trust, nor the Family Dynasty Trust’s trustees have any affiliation with any telecommunications service provider other than Pay Tel. A diagram depicting the current, pre-closing ownership of Pay Tel is provided in ***Exhibit A***.

C. Transferee

The Pay Tel ESOP Trust is a tax-exempt trust under Section 501(a) of the Internal Revenue Code (“Code”) established effective September 15, 2023 under North Carolina law as the legal entity through which eligible employees of Pay Tel will obtain beneficial ownership of the company through participation in the Pay Tel ESOP. The address for the Pay Tel ESOP Trust

is David A. Shoquist, Pay Tel ESOP Trust, 777 1st Street, Suite 107, Gilroy, California 95020. The Pay Tel ESOP is a qualified employee benefit plan under Section 401(a) of the Code and an employee stock ownership plan within the meaning of Section 4975(e)(7) of the Code and Section 407(d)(6) of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”). The Pay Tel ESOP will be operated in compliance with the applicable provisions of the Code and ERISA.

The Pay Tel ESOP Trust is administered by David A. Shoquist (“Trustee”), a United States citizen, who serves as trustee of the Pay Tel ESOP Trust pursuant to the terms of the Pay Tel ESOP Trust. Following consummation of the Transaction, the Trustee will maintain a fiduciary obligation under ERISA to hold and vote the stock held by the Pay Tel ESOP Trust solely in accordance with the interest of the employee-participants of the Pay Tel ESOP.

The Trustee’s fiduciary responsibility to the participants in the Pay Tel ESOP is to protect the assets of the Pay Tel ESOP Trust (i.e., its ownership interests in Pay Tel) for the sole and exclusive purpose of providing retirement benefits to the beneficiaries of the Pay Tel ESOP (i.e., the Pay Tel employee-participants in the Pay Tel ESOP), in strict accordance with the governing documents of the Pay Tel ESOP. The Trustee’s fiduciary responsibilities are defined by ERISA, and he is personally liable for breaches of those fiduciary responsibilities.

A diagram depicting the post-closing ownership of Pay Tel is provided in Exhibit A.

II. CONTACT INFORMATION

For the purposes of this Notice, contacts for the Parties are as follows:

For Pay Tel:

Sharon R. Warren
Consultant
Inteserra, Inc.
151 Southhall Lane, Suite 450
Maitland, Florida 32751
(470) 672-3013 (voice)
Email: swarren@inteserra.com

For Pay Tel:

Margaret Haffner
Vice President Business Development
Pay Tel Communications, Inc.
PO Box 8179
Greensboro, NC 27419
(336) 852-7419 ext 318
Email: shaffner@paytel.com

III. DESCRIPTION OF THE PROPOSED TRANSACTION

The Pay Tel ESOP Trust will enter into a Stock Purchase Agreement with Townsend and the Family Dynasty Trust in which the Pay Tel ESOP Trust will purchase all of the voting and equity shares of Pay Tel. As such, upon consummation of the Transaction, the Pay Tel ESOP Trust will own all of the voting and equity shares of Pay Tel.

Consummation of the Transaction is conditioned on, among other things, prior approval by the Federal Communications Commission¹ and by each state public utility commission for which prior approval is required under applicable state law. At this time, the Pay Tel ESOP Trust has been established, valuation of Pay Tel has been performed, and sale price has been negotiated and agreed upon with the Trustee.

¹ See Joint Application for Consent to Transfer Control of Domestic and International Section 214 Authorizations filed September 21, 2023 in FCC WC Docket No. 23-321 via <https://www.fcc.gov/ecfs>.

IV. PUBLIC INTEREST STATEMENT

The Parties submit that the Proposed Transaction described herein is in the public interest. As noted previously, the Proposed Transaction will be seamless from the perspective of Pay Tel's Ohio customers because there will be no change in Pay Tel's company name, and no changes to Pay Tel's management team, rates, terms and conditions of service.

Consummation of the Proposed Transaction will enhance Pay Tel's financial and managerial capabilities to continue to provide high-quality, competitive telecommunications services to Ohio customers. Furthermore, the Transaction will provide employees with beneficial ownership in Pay Tel. This direct financial stake in the company will encourage them to continue providing quality and competitive service to its customer base.

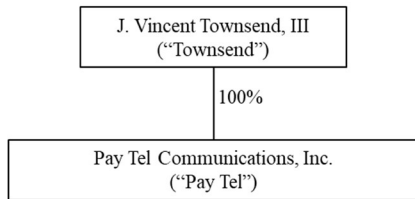
EXHIBIT A

PRE- AND POST-TRANSACTION CHART

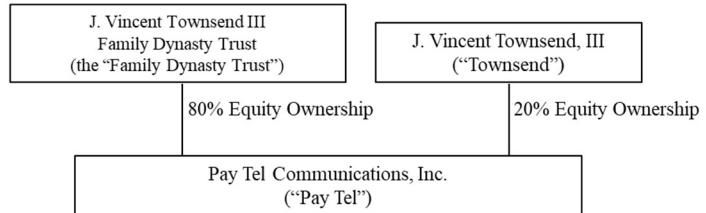
EXHIBIT A

Ownership Diagrams showing Pay Tel’s ownership pre- and post-closing.

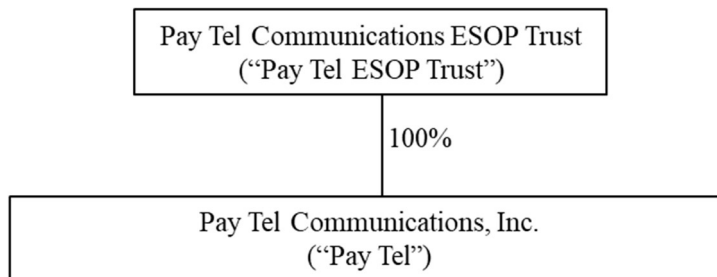
Pre-Closing Control



Pre-Closing Ownership



Post-Closing Control and Ownership



**This foregoing document was electronically filed with the Public Utilities
Commission of Ohio Docketing Information System on**

11/16/2023 12:17:18 PM

in

Case No(s). 23-1057-TP-CIO, 90-5240-CT-TRF

Summary: Application Change in Ownership electronically filed by Ms. Margeaux Pennywell on behalf of Pay Tel Communications, Inc..