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RECEIVED

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PUBLIC SERVICE  
COMMISSION

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Elizabeth O'Donnell, Executive Director  
Kentucky Public Service Commission  
211 Sower Boulevard  
Frankfort, KY 40602-8294

**Re: Notification of Yak Communications (America) Inc. ("Yak America"), Yaktastic Inc. ("Yaktastic"), and Blackbird Corporation ("Blackbird") of the Transfer of Control of Yak Communications (America) Inc.**

Dear Ms. O'Donnell:

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

Yak Communications (America) Inc. ("Yak America"), Yaktastic Inc. ("Yaktastic"), and Blackbird Corporation ("Blackbird") (collectively, the "Parties"), by their counsel hereby respectfully advise the Kentucky Public Service Commission ("Commission"), of the recent transfer of control of Yak America as a result of the acquisition of 100% of the issued and outstanding shares of capital stock of Yak America by Blackbird. Yak America is a nondominant, competitive carrier that provides long distance interstate and international resale telecommunications services to residential customers throughout the United States, including within the State of Kentucky.

This change in control did not involve a transfer of operating authority, assets or customers, and therefore, does not affect the identity of the company authorized to provide telecommunications services in Kentucky. Yak America continues to offer the same services at the same rates, terms and conditions as at present. Accordingly, the transfer of control has been transparent to consumers. The only change is that Yak America is now wholly-owned by Blackbird.

The Parties submit that the transfer of control did not require prior Commission approval, and thus this information is being submitted to the Commission for informational purposes only. In support of this notification, the Parties provide the following information:

**I. PARTIES**

**A. Blackbird Corporation and Yak Communications (America) Inc.**

Blackbird Corporation is a newly formed corporation organized under the laws of the State of Florida. Yak Communications (America) Inc. ("Yak America") is a corporation organized under the laws of the State of Florida and was incorporated on March 8, 2001. Blackbird is one hundred percent owned by Mr. Jose Cadi ("Mr. Cadi"), a U.S. citizen. Neither Blackbird nor Mr. Cadi holds a ten percent or greater ownership interest in any other company that offers domestic or foreign telecommunications services.

Yak America is authorized to provide and provides resold interexchange telecommunications services in all of the contiguous 48 states, and the District of Columbia. The services offered by Yak America include basic 1+ long distance services, 10-10 casual calling services and calling card services. In Kentucky, Yak America is authorized to provide intrastate resold long distance telecommunications services pursuant to its registration filed June 5, 2003. Yak America is also authorized by the Federal Communications Commission ("FCC") to provide domestic interstate and facilities-based and resold international telecommunications services.<sup>1</sup> Yak America has no affiliates that offer domestic telecommunications services and is regulated as a non-dominant carrier on all international routes.

The address for the corporate headquarters of both Blackbird and Yak America is:

Yak Communications (America) Inc.  
Aventura Corporate Center II  
20803 Biscayne Blvd. #305  
Aventura, FL, 33180.

**B. Yaktastic Inc.**

Prior to the transfer of control, Yak America was a direct, wholly owned subsidiary of Yaktastic Inc. ("Yaktastic"), a Delaware corporation. Yaktastic is located at 16508 Milan de Avila, Tampa, Florida 33613-1076. Yaktastic is 100% owned by Mr. Anthony Lopez ("Mr. Lopez"), a U.S. citizen, whose principal business is investment.

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<sup>1</sup> The Parties received approval by the FCC for the subject transfer of control in Docket No. 06-222 (domestic Section 214 authority) and in FCC File No. ITC-T/C-20061206-00546 (international Section 214 authority).

A diagram illustrating the corporate structure pre-transaction is provided as Exhibit A.

## **II. DESCRIPTION OF THE TRANSACTION**

Pursuant to the terms of a Stock Purchase Agreement (“Agreement”) dated December 4, 2006, among Blackbird, Yaktastic, and Yak America, Blackbird purchased from Yaktastic all of the issued and outstanding shares of capital stock of Yak America for a cash payment (the “Transaction”). As a result, Yak America became a direct, wholly-owned subsidiary of Blackbird.

The Transaction did not involve the transfer of any operating authority, assets, or customers of Yak America. Immediately following the closing, Yak America continued to offer to its customers the same services at the same rates, terms and conditions as at present pursuant to existing authorizations, tariffs, contracts, and published rates and charges. Accordingly, the Transaction was transparent to consumers in Kentucky. The only change was that Yak America is now owned by Blackbird, and ultimately owned by Mr. Cadi.

The day-to-day operations of Yak America have not changed as a result of this Transaction. Yak America continues to have the financial resources necessary to provide quality telecommunications services to consumers in Kentucky.

A diagram illustrating the current corporate structure post-transaction is provided as Exhibit B.

## **III. PUBLIC INTEREST CONSIDERATIONS**

The Transaction has served the public interest by keeping alive a competitor in the long distance telecommunications market place. Shortly after acquiring Yak America, Yaktastic determined that its ownership of Yak America was not consistent with its investment objectives, and therefore it was not willing to put in the financial and technical resources necessary to keep it operational. Mr. Cadi, who was a longtime employee of Yak America, on the other hand was committed to maintaining and strengthening Yak America's existing long distance business. Therefore, Mr. Cadi formed Blackbird and purchased Yak America, thereby enabling Yak America to continue providing telecommunications services in the U.S. market, to the ultimate benefit of consumers in Kentucky.

The Transaction did not present any anti-competitive issues. Since the Transaction entailed simply the sale of ownership interests in Yak America to another company, the Transaction was completely transparent to customers in

Kentucky. After consummation of the transaction, Yak America continued to operate under its same name and operating authorities as at present. The Transaction entailed no immediate change to the services, rates, terms and conditions of service; any future change will be made in accordance with all applicable state regulatory requirements. All existing tariffs have remained in place, and customers in Kentucky have continued to use the same number to reach customer service. The only change has been in the ownership of Yak America.<sup>2</sup>

Furthermore, the Transaction did not have a negative impact on competition. Since neither Blackbird nor Mr. Cadi previously provided telecommunications services through any other company, no competitors were eliminated as a result of the Transaction. Rather, the Transaction preserved Yak America as a competitor in the long distance market for telecommunications services.

The Parties submit that no prior Commission approval was required for the Parties to consummate the transfer of control described herein. Should the Commission believe that any action is required, the Parties respectfully request that the Commission notify the undersigned at its earliest convenience.

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<sup>2</sup> The contemplated transfer of control did not raise any slamming concerns or necessitate compliance with FCC or state procedures to notify customers prior to a carrier-to-carrier sale or transfer of subscribers as the contemplated transaction did not involve any change in a customer's existing service provider. Yak America's customers remained with their company and continue to be served under Yak America's existing authorization.

**IV. CONTACT INFORMATION**

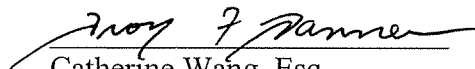
Please direct all future correspondence, including notices and requests for information regarding Yak America to both the corporate address above, and the following individual:

Mr. Benjamin Rovet  
Regulatory Consultant  
Yak Communications (America) Inc.  
5000 Yonge Street, Suite 1901  
Toronto, Ontario, M2N 7E9  
Phone: (416) 889-0314  
Fax: (416) 628-2046  
E-mail: brovet@rogers.com

Enclosed please find one original and four (4) copies, a duplicate copy and a self-addressed, postage-paid envelope. Please date-stamp the duplicate upon receipt and return it in the envelope provided. Should the Commission have any questions regarding this notification, please do not hesitate to contact Troy Tanner at (202) 373-6560.

Respectfully submitted,

**Blackbird Corporation and  
Yak Communications  
(America) Inc.**



Catherine Wang, Esq.  
Troy F. Tanner, Esq.  
Bingham McCutchen LLP  
3000 K Street, N.W.  
Suite 300  
Washington, DC 20007  
(202) 373-6000

*Counsel for Blackbird  
Corporation and Yak  
Communications (America)  
Inc.*

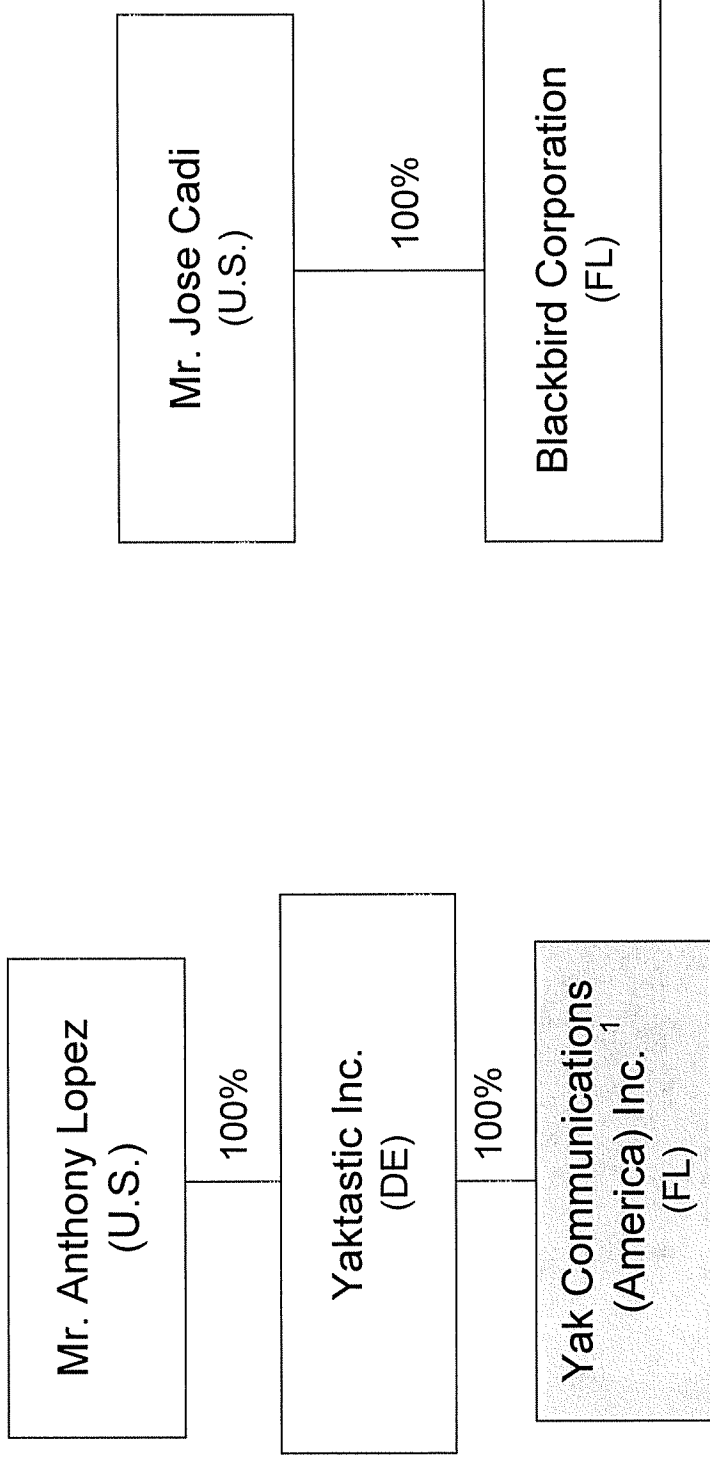
**EXHIBIT LIST**

- |                      |   |
|----------------------|---|
| <b>Exhibit A</b>     | <b>Illustrative Chart of Pre-Transaction Ownership</b>  |
| <b>Exhibit B</b>     | <b>Illustrative Chart of Post-Transaction Ownership</b> |
| <b>Verifications</b> |   |

**EXHIBIT A**

**Illustrative Chart of Pre-Transaction Ownership**

# Pre-Transaction Corporate Structure



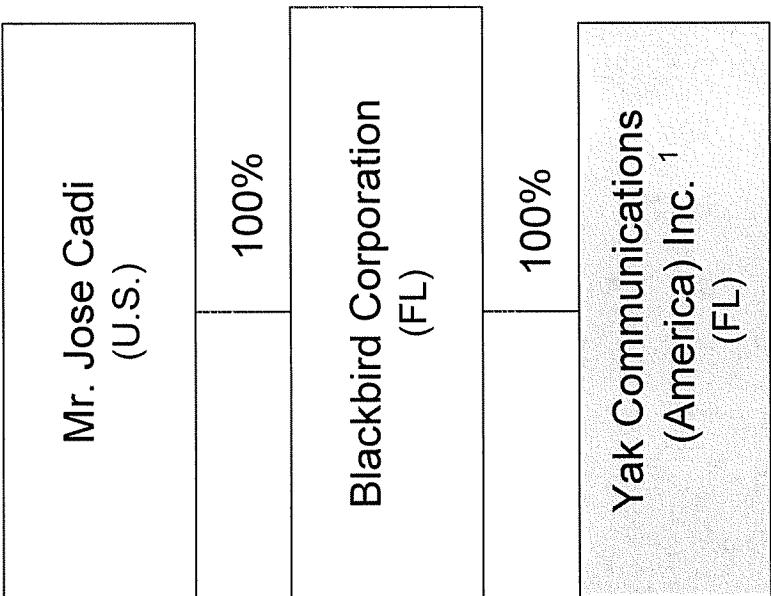
<sup>1</sup> Yak America is authorized to provide telecommunications services in the states.



**EXHIBIT B**

**Illustrative Chart of Post-Transaction Ownership**

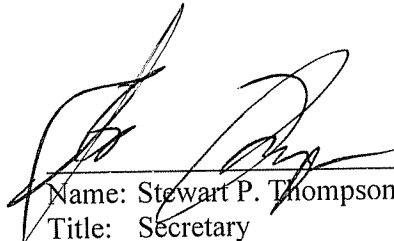
# Post-Transaction Corporate Structure




<sup>1</sup> Yak America is authorized to provide telecommunications services in the states.

**VERIFICATION**

I, Stewart P. Thompson, state that I am Secretary for Yaktastic Inc., a party to this filing; that I am authorized to make this Verification on behalf of Yaktastic Inc. and its subsidiary, Yak Communications (America) Inc., that the foregoing filing was prepared under my direction and supervision; and that the statements in the foregoing filing are true and correct to the best of my knowledge, information, and belief.

  
Name: Stewart P. Thompson  
Title: Secretary  
Yaktastic Inc.

SWORN TO AND SUBSCRIBED before me on  
the 16<sup>th</sup> day of January, 2007.

  
Notary Public

My commission expires: \_\_\_\_\_

**VERIFICATION**

I, Jose Cadi, state that I am the President of Blackbird Corporation, a party to this filing; that I am authorized to make this Verification on behalf of Blackbird Corporation; that the foregoing filing was prepared under my direction and supervision; and that the statements in the foregoing filing are true and correct to the best of my knowledge, information and belief.

Jose Cadi  
Name: Jose Cadi  
Title: President  
Blackbird Corporation

SWORN TO AND SUBSCRIBED before  
me on the 10 day of January, 2007.

Dennis J. Olle  
Notary Public



DENNIS J. OLLE  
MY COMMISSION # DD 412312  
EXPIRES: March 29, 2009  
Bonded Thru Budget Notary Services

My commission expires: \_\_\_\_\_