

Background

In 1997, Phillip Anschutz, of the United States of America, via his telecommunications company SP Telecom (wholly owned subsidiary of Qwest), negotiated with the Federal Government of Mexico to build a fiber optic telecommunications network using rights of way of federally owned railroad(s) and railway, as an extension of the same business he had begun to develop in the US; lay fiber along tracks of Southern Pacific Railroad, to provide telecommunication services (Local, Long Distance, data). Soon after completion of the construction of the network, Qwest made the decision to sell the entire Mexican company to the sub-contractor who laid the fiber and installed the equipment, who later would change its name to Bestel S.A de C.V. Simultaneous to this transaction, Bestel sold back to Qwest 4 strands of dark fiber, running along the route described above and shown in the map in Exhibit 4.

In 2004 Qwest sold the (4) strands of dark fibers to Servicios del Espectro y Comunicaciones S.A. de C.V. (SERVECOM) in an asset purchase agreement. SERVECOM was a wholly owned subsidiary of LatinGroup LLC ("LatinGroup"), via its Mexican holding company Latinoamericana de Soluciones Inalambricas S.A.de C.V.

In 2012, LatinGroup entered into a partnership with Tekhelet Holdings LTD jointly (United Americas Network "UAN") to provision the network and develop the business.

In 2013 LatinGroup and Tekhelet suspended the transaction because possession of circuits 7 & 8 was not being corroborated to satisfy Tekhelet's investors. Tekhelet remains interest to enter into a partnership with LatinGroup for the operation and commercialization of circuits 7 & 8. As of February 2015 LatinGroup retains ownership of (2) of the original strands of dark fiber, circuits number 7 & 8 (Exhibit 1)

Precedents

Latinoamerican de Soluciones Inalambricas S.A. de C.V. (LatinGo) - Incorporated by LatinGroup LLC and a series of other individual shareholders

Servicios del Espectro y Comunicaciones S.A. de C.V. (Servecom) - Incorporated by LatinGo as the SPV to acquire the circuits 7,8,9,10 from Qwest Communications Int'l Inc

Bestel S.A. de C.V. ("Bestel") - until 2007 owned by private familiy out of Guadalajara Mexico and since then a wholly owned subsidiadiary of Grupo Televisa S.A. de C.V. ("Televisa")

Qwest - US telecommunications carrier formerly controlled by Philip Anschutz and acquired by CenturyLink in 2009

Centro de Contactos Avanzados S.A. de C.V. (“CCA”) - Incorporate by Mark Randolph James to act as contracting agent for the acquisition of Servecom, substituted in the place of Rapafer S.A. de C.V.

WLCom - Mexcian Telecommunications Carrier based in Tijuana, B.C. which acquired Servecom from CCA

Timeline and Detail of Events

2004

LatinGroup LLC. (“LatinGroup”) incorporates a subsidiary - Servicios del Espectro y Comunicaciones S.A. de C.V. (Servecom) with partners Kim Daniel Hansen and Claudia Sabine Schmoock Ramos

2005

Servecom acquires circuits 7,8,9 and 10 of a dark fiber networks in the Bestel S.A. de C.V. duct, from Qwest Communications International Inc. . The purchase was for USD\$1MM

- The purchase agreement with Qwest was the sale and transfer of the original sale/purchase agreement between Qwest and Bestel, in 1997

2006

Bestel files a commercial claim against Servecom in Mexico City court for unpaid O&M services, incurred by Qwest and transferred to Servecom. Servecom filed a defense and counterclaim claiming that the amounts sought by Bestel were NOT the same as was disclosed by Qwest and furthermore that they didn’t actually perform the services or could show that they had performed said services.

Servecom and Bestel settled the dispute of monies owed as per their appeal directly.

Naccess or use of the network was ever given to LatinGroup for circuits 7 & 8 including the US portion in Laredo Tx. from the time of acquisition in 2004 to the present

2005-2007 Kim Hansen, Presidente del Consejo of Servecom begins to explore the sale of the entire fiber network via the sale of the company. While discussed with several dozen potential buyers, the fiber market had not rebounded from the crash of the telecom market in 2003

2007

Mark Randolph James, President of Centro de Contactos Avanzados S.A. de C.V. (“CCA”), approached Servecom to acquire the assets.

LatinGroup agreed to sell the shares of Servecom to CCA as well as finance the transaction

2008

CCA and LatinGroup (via subsidiary LatinGo) executed the contracts selling the shares in Servecom to CCA according to the following:

Binding Term Sheet - governing contract over all contracts detailed below with a total transaction value of US\$16MM (50% in cash / 50% in stock in CCA)

Share Purchase Agreement - USD\$4MM in value for the company based on asset value (50%)

Pagare(s);48 payable over 5 yrs - guaranteeing the payment stipulated in the Share Purchase Agreement, monthly liquidation of each pagare in the amount of USD\$86,600.00

Mortgage of Circuits 7 & 8 - a further guarantee of payment of the pagares as well as the restriction of selling or borrowing against circuits 7 & 8 obligating CCA that IF LatinGo were to be in agreement to sell any of the 4 circuits, 50% of the value of all of the pagares would be payable as part of the asset sale transaction, or USD\$2MM

Contract for litigation compensation - obligating CCA to pay LatinGo 50% of any compensation realized from any litigation or claims against Bestel or Televisa arising from Bestel's denial of use of, access to enjoinder of the assets circuits 7,8,9 and 10

2009

After the first year of non-payments of Pagares, LatinGo assigned and transferred all rights in the above mentioned contracts to LatinGroup LLC, including but not limited to collection of pagare payments, mortgage rights to circuits 7 & 8, transfer of shares in CCA and all rights thereof.

Pursuant to the assignment of rights, LatinGroup became the party to all subsequent activities, negotiations, including the possible raise of capital for the lighting and commercial operation of the circuits 7,8 for CCA and potential sale of the circuits.

2010

In December of 2010, it became apparent to LatinGroup that after CCA's sale of Servecom to WLcom, CCA was not working in earnest to allow commercial use of the circuits and that CCA had spent all of the money, without paying its debt to LatinGroup.

CCA subsequently closed.

CCA is in current litigation with dozens of creditors and ex-employees and shareholders, including Servecom. After repeated attempts by LatinGroup to understand what had happened, all communications were discontinued

2011

In April of 2011, LatinGroup was introduced to Levi Russell Founder of Zonerider Networks and a discussion began as to Zonerider's potential expansion in to Mexico. By October of the same year, it was agreed that Mr Russell would pursue the acquisition of circuits 7,8 from LatinGroup & CCA and executed a Memorandum of Understanding which expired in December of said year. At the time of expiration, CCA was in default of due diligence requests and other conditions of the MOU. Mr Russell incorporated a new SPV ("Tekhelet Holdings Ltd") for the purpose of the acquisition of the asset, whereby LatinGroup would be pledged 90% of Tekhelet shares, pursuant to Mr Russell providing a capital partner to fund the acquisition.

The purchase price of the acquisition was agreed to at USD\$4,000,000.00 and accepted by CCA. The reason for this transaction was that CCA owed Servecom and WLCOM monies.

2012

In June of 2012 CCA continued to fail in meeting its obligation to provide the due diligence materials, and with the original binding MOU expired LatinGroup obligated CCA to transfer rights ownership and title of the circuits back to LatinGroup for non-payment of debts.

CCA and LatinGroup executed a repossession agreement formally notarized by the Secretary's of State of California and New Mexico. (see Exhibit 2)

The transaction continued to develop with LatinGroup effectively taking possession and reselling the assets to Tekhelet.

Conditional to the purchase by Tekhelet was a Term Sheet agreement from Servecom (WLCOM) to provide access and use of the circuits by LatinGroup/Tekhelet. Said Term Sheet agreement further provides unmitigated recognition of ownership of the circuits by LatinGroup.

As of December 2012, Servecom (WLCOM) had not signed the binding Term Sheet, while continuing to negotiate prices and conditions with CCA, without effecting any terms and conditions for Tekhelet nor price already agreed.

In November of 2012 LatinGroup notified Tekhelet that Servecom, via its parent company WLCOM S.A. de C.V., was unwilling to agree to LatinGroup's rights to use circuits 7,8 and suspended all discussions for the sale to or partnership with LatinGroup.

In December 2012, LatinGroup became aware of the sale of 100% of the shares in Servecom to a US entity, Transtelco Inc. of El Paso Tx. LatinGroup did not give up its ownership in circuits 7 & 8 nor was consulted in the sale of the shares.

2013

On May 27 2013, C. Steven Lucero, on behalf of and as legal representative of LatinGroup, travelled to Chicago Ill to meet with Miguel Fernandez, CEO of Transtelco in order to settle the matter of the transfer of assets belonging to LatinGroup being used by Transtelco. Mr. Lucero provided Mr. Fernandez with copies of all original contracts from when Mr. Lucero setup Servecom and acquired the strands from QWest to the present contract of repossession of circuits 7,8 from CCA. Mr. Fernandez denied knowing of LatinGroup nor Mr. Lucero, although Mr. Lucero had been introduced to Mr. Fernandez's brother and co-owner of Transtelco in 2008 in Mexico City. Furthermore, Mr. Lucero and the history of the sale of Servecom to CCA was known in great detail by the CTO of Transtelco, Arturo Iglesias. Two weeks after the meeting in Chicago, Mr. Fernandez phoned Mr. Lucero and simply stated that upon advise of counsel he is not able to discuss anything me and any further remedy sought by LatinGroup would need to addressed to CCA and Mark James.

On June 14, 2013, David Harrison, attorney to LatinGroup sent a letter to Mr. Fernandez notifying him of LatinGroup's intention to resolve the situation amicably, but that in the event Transtelco does not agree to recognize LatinGroup's ownership or agree to a settlement therein, further actions would be made against Transtelco (exhibit 4)

In December 2013 LatinGroup became aware that Transtelco raised US\$100,000,000.00 (One Hundred Million) in a debt facility in the form of asset backed financing, utilizing the asset belonging to LatinGroup

2014

LatinGroup began to meet with several law firms in order to pursue a case against Transtelco. This process continues.

2015

In January 2015 LatinGroup was made aware that Transtelco had petitioned the FCC to cure a default committed by the company in the transfer of its assets, rights and permits to a new holding company, Transtelco Holding Inc., including the addition of foreign ownership level above 5%. LatinGroup believes this transaction to constitute a conveyance of assets not owned by Transtelco making any litigation by LatinGroup against Transtelco Inc. more challenging.

In Conclusion

As LatinGroup does in fact have a notarized asset transfer agreement, by CCA to LatinGroup, for non-payment of debts prior to the acquisition by Transtelco Inc of the shares of Servecom, The ownership of the circuits is not in question. LatinGroup seeks to petition the Commission for suspension of Transtelco Inc and/or Transtelco Holding Inc. application of transfer of control pending a more detailed review of the ownership of circuits 7 & 8 and their use and provision by LatinGroup LLC.