

DESCRIPTION OF *PRO FORMA* TRANSACTION AND PUBLIC INTEREST STATEMENT

Verizon Communications Inc. (“Verizon”) through its regulated subsidiaries seeks Commission consent for the *pro forma* transfer of control¹ of various FCC licenses and authorizations – including the experimental authorization held by Cellco Partnership – as part of a planned internal corporate restructuring involving indirect wholly owned subsidiaries of Verizon.² The proposed restructuring contemplates the elimination or relocation of several holding companies in the Verizon ownership chain, resulting in the transfer of control of certain FCC licenses and authorizations from and to Verizon subsidiaries. Specifically, the following steps will take place virtually simultaneously on or after December 29, 2015:

- PCS Nucleus, L.P. will dissolve.
- JV PartnerCo, LLC will merge into Verizon Americas Inc. (“Verizon Americas”).
- Verizon Holdings LLC will merge into Verizon Americas. As a result, Verizon Americas’ 45 percent indirect ownership interest in Cellco Partnership will become a 45 percent *direct* ownership interest.
- Verizon Americas Finance 2 Inc. will merge into Verizon Americas Finance 1 Inc.
- MCI Communications Corporation will transfer control of MCI International, Inc. (“MCIII”) to Verizon Business Network Services Inc. (“NSI”)
- NSI will contribute its 2.6% ownership interest in MCI International Services, Inc. (“MCIIS”) to MCIII. As a result, MCIIS will become a wholly owned subsidiary of MCIII.
- NSI will transfer control of Terremark Worldwide Inc. through MCIII and MCIIS to MCI International Telecom Corp.

Attached hereto are charts showing the indirect ownership of the affected licensees before and after the proposed transactions. Also attached hereto is a list of affected licensee subsidiaries.³

Because the proposed restructuring does not change the ultimate control of any license or licensee (all will remain controlled by Verizon), it is *pro forma* in nature.⁴ The Commission has

¹ 47 C.F.R. § 5.79.

² Notifications for all authorizations impacted by the restructuring that are eligible for forbearance from the requirement that advance consent to *pro forma* transfers of control be granted will be filed after the proposed restructuring occurs. 47 C.F.R. §§ 1.767(g)(7), 1.948(c)(1), 63.24(f)(1).

³ The lists of call signs referenced in the instant prior approval applications are intended to be complete and include all licenses under the control of Verizon that require prior approval for their transfer. However, the Applicants request that Commission approval of the *pro forma* transfer applications include any licenses requiring prior *pro forma* transfer approval that may have been inadvertently omitted.

⁴ *In re Fed. Communications Bar Ass’n’s Petition for Forbearance from Section 310(d) of the Communications Act Regarding Non-Substantial Assignments of Wireless Licenses & Transfers of Control Involving Telecomms. Carriers*, Memorandum Opinion and Order, 13 FCC Rcd. 6293, 6299, ¶ 8 (1998) (“*FCBA Forbearance*”).

stated that, in situations “where no substantial change of control will result from the transfer or assignment, grant of the application is deemed presumptively in the public interest.”⁵

Order”) (“corporate reorganization which involves no substantial change in the beneficial ownership of the corporation” is *pro forma* in nature); *cf.* 47 C.F.R. § 63.24(d).

⁵ *Id.* at 6295, ¶ 2. *See also* 1998 Biennial Review – Review of International Common Carrier Regulations, Report and Order, 14 FCC Rcd 4909, ¶ 42 (1999) (finding that “[r]egulatory review of [*pro forma*] transactions yields no significant public interest benefits, but may delay or hinder transactions that could provide substantial financial, operational, or administrative benefits for carriers.”).

Wireless Licensees/Lessees Affected by the Proposed Restructuring ⁶
Cellco Partnership

Experimental Authorization Holders Affected by the Proposed Restructuring
Cellco Partnership

International Section 214 Authorization Holders Affected by the Proposed Restructuring
Alltel Communications, LLC
California RSA No. 4 LP
Cellco Partnership
Fresno MSA LP
GTE Mobilnet of California LP
GTE Mobilnet of Fort Wayne LP
GTE Mobilnet of Indiana LP
GTE Mobilnet of Indiana RSA #3 LP
GTE Mobilnet of Indiana RSA #6 LP
GTE Mobilnet of Santa Barbara LP
GTE Mobilnet of South Texas LP
GTE Mobilnet of Terre Haute LP
GTE Mobilnet of Texas RSA #17 LP
Illinois RSA 1 LP
Indiana RSA #1 LP
Iowa RSA 5 LP
Iowa RSA No. 4 LP
Kentucky RSA No. 1 Partnership
MCI International, Inc.
MCI International Services, Inc.
MFS GlobeNet, Inc.
New Mexico RSA 6-1 Partnership
Northwest Missouri Cellular Limited Partnership
New Mexico RSA No. 5 LP
Rockford MSA LP
RSA 1 Limited Partnership
Rural Cellular Corporation
Sacramento Valley LP
San Antonio MTA, LP
Southern Indiana RSA LP
Tuscaloosa Cellular Partnership
Upstate Cellular Network
Verizon Wireless Personal Communications LP
Virginia RSA 5 LP

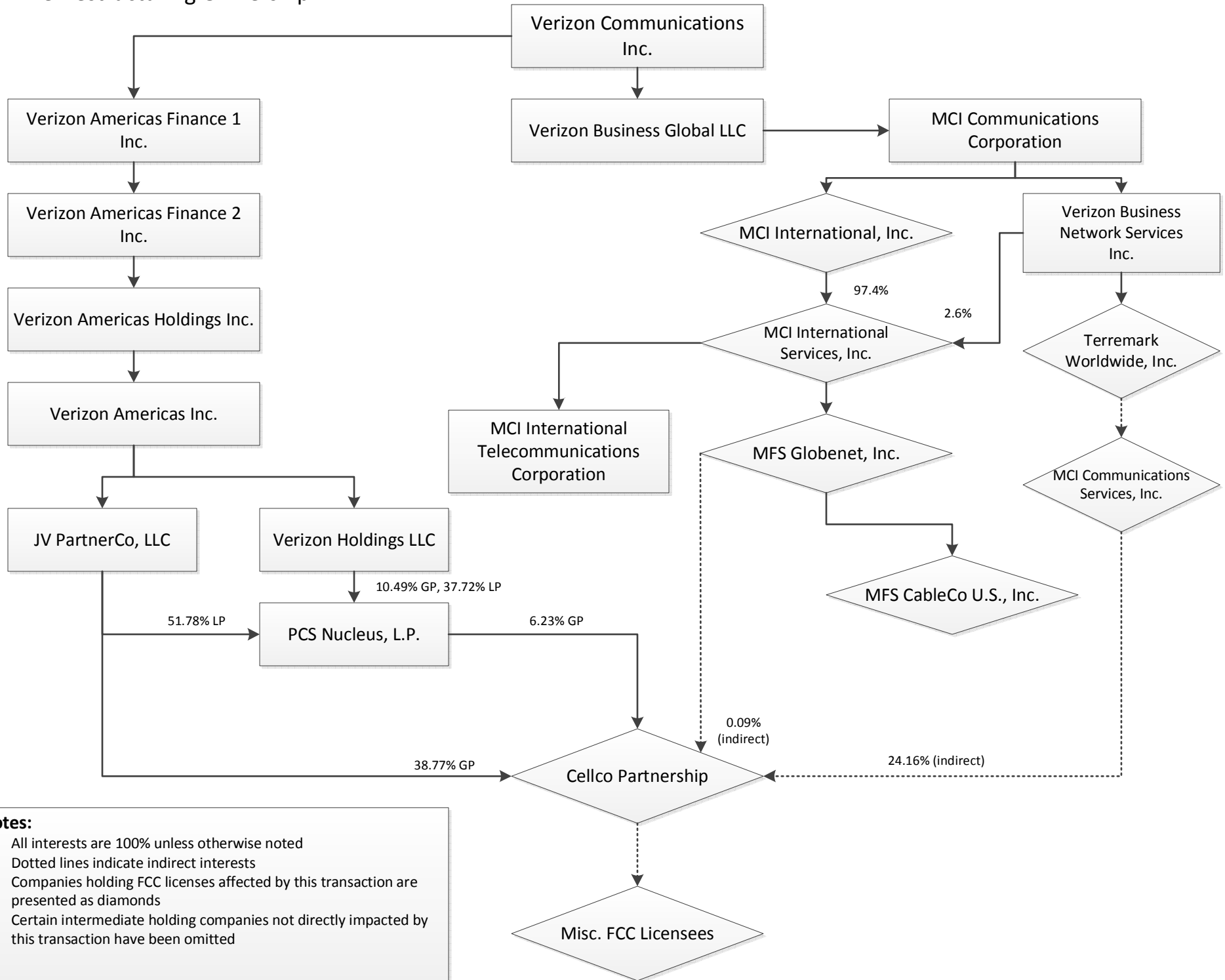
⁶ Based on guidance from Wireless Telecommunications Bureau staff, Verizon is only submitting transfer of control applications for wireless licensees whose immediate parent is changed by this transaction.

Fixed Earth Station Authorization Holders Affected by the Proposed Restructuring
MCI Communications Services, Inc.
Terremark Worldwide, Inc.

VSAT Authorization Holders Affected by the Proposed Restructuring
MCI Communications Services, Inc.

Submarine Cable Landing License Holders Affected by the Proposed Restructuring
MCI International, Inc.
MFS CableCo U.S., Inc.
MFS GlobeNet, Inc.

Pre-Restructuring Ownership



Post-Restructuring Ownership

