Description of Transaction and Public Interest Statement

NextNav Holdings, LLC ("NextNav Holdings") submits this application requesting the Commission's consent for the transfer of control of its indirect subsidiary, NextNav, LLC, formerly Commlabs, Inc. ("NextNav"). NextNav Holdings is a closely held limited liability company with a substantial number of relatively small investors, most of them institutional investors, but also including equity holdings by its founders and executives. As such, control of the company has remained widely dispersed, a condition that will increase following the proposed transaction. Currently, entities with an indirect voting and/or equity interest in NextNav of 10% or greater include the following:

Columbia Capital (17.2%)
Telcom LMS Holdings, LLC (16.8%)
Goldman Sachs (14.8%)
New Enterprise Associates (12.3%)
Future Fund Investment Company (12.1%)

The proposed transaction will dilute the indirect holdings of each of the above entities such that none of them will continue to hold an indirect equity or voting interest in NextNav of 10% or greater. At the same time, the proposed transaction will introduce one new investor that will control an equity and voting interest in excess of 10%. Specifically, through intervening subsidiaries, Fortress Investment Group LLC ("Fortress") will control 12.23% of the equity and voting interests in NextNav Holdings. As reflected in the chart below, Fortress is ultimately owned by Softbank Group Corp. The proposed ownership report for this transaction is FCC file number 0009604015.

As is evident, the proposed transaction will not result in a transfer of control of NextNav to a new controlling party or control group. The proposed transaction, however, will further dilute the interests of those parties that held indirect interests in NextNav when it was first granted its experimental licenses such that they will now hold less than 50% of the aggregate equity and voting interests in NextNav. Further, NextNav Holdings' Board of Directors (the "NextNav Board"), will be replaced by a new board of directors (the "New Board"). Both the NextNav Board and the New Board will have seven voting members. The NextNav Board, however, includes four individuals that are aligned with the previously approved investors, while the New Board will include only three individuals that are aligned with the previously approved investors.

The transaction will be carried out through the creation of a new entity, Spartacus Acquisition Shelf Corp. ("Shelf"), which, at the conclusion of the transaction, will become NextNav Holdings' direct parent entity and, as a result, will also be an indirect parent entity of NextNav. Each of NextNav Holdings' current investors will surrender their ownership interests in NextNav Holdings in exchange for shares in Shelf. In addition, a number of new investors will be issued shares in Shelf making them indirect interest holders in NextNav, albeit, as noted above, only one of them at a level that meets or exceeds 10%. Many of the new investors are current investors in a special purpose acquisition company ("SPAC"), which will be merged into a new subsidiary of Shelf, resulting in the conversion of their interests in the SPAC into shares in Shelf. Ownership charts detailing the relevant portions of the transaction are provided below.

The Commission's grant of this application will strongly serve the public interest. NextNav has been using its experimental licenses to development and enhance its wireless indoor location accuracy service, which can identify the location of wireless callers to E911 emergency services both with respect to their vertical and horizontal locations. The Commission has repeatedly concluded that a critical need exists to ensure that "all Americans using mobile phones — whether they are calling from urban or rural areas, from indoors or outdoors — have technology that is functionally capable of providing accurate location information so that they receive the support they need in times of emergency."[1] In support of this critical need, the Commission's Mobility Division observed, "the record clearly demonstrates that NextNav's network holds the potential of offering significant public safety benefits through improved E911 indoor location accuracy."[2] Most recently, the Commission concurred, observing that NextNav's vertical location technology "has repeatedly achieved 3-meter accuracy in multiple independently-conducted tests" and in the most recent Stage Z testbed, it "was accurate within 1.8 meters or better for 80% of indoor fixes and 3 meters or better for 94% of indoor fixes."[3] As a result, NextNav is one of the few companies that demonstrated that "implementing the 3-meter metric on schedule is technically feasible."[4] NextNav recently completed construction of the infrastructure for its vertical location network in 105 cellular market areas ("CMAs") where its vertical location service is now available for use to support FirstNet and E911 emergency services.[5]

NextNav also continues to work with multiple federal government agencies regarding the possibility that its network could serve as a terrestrial backup to the global position system ("GPS") through the provision of very high precision position, navigation and timing services. The U.S. government has identified GPS resiliency as a critical national security vulnerability, observing in a Presidential Directive the need to ensure that a terrestrial backup to GPS becomes available.[6] The possible use of NextNav's technology as a backup to GPS, particularly in urban locations where GPS reception is challenged, would provide important public interest benefits in terms of public safety and security, along with resiliency for position, navigation and timing systems used in such fields as transportation, finance, automation, commerce, and communications.

Each of these activities is requiring the expenditure of significant capital. To support these requirements, NextNav Holdings has welcomed the participation of additional investors and, in

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[1] *See* Wireless E911 Location Accuracy Order, PS Docket No. 07-114, *Fourth Report and Order*, 30 FCC Rcd 1259, ¶ 8 (2015).

[2] *See* Request of Progeny LMS, LLC for Waiver and Limited Extension of Time, WT Docket No. 12-202, *Order*, DA 17-20, ¶ 28 (Mob. Div., Jan. 17, 2017).

[3] Wireless E911 Location Accuracy Requirements, Fifth Report and Order and Fifth Further Notice of Proposed Rulemaking, PS Docket No. 07-114, ¶ 11 (Nov. 25, 2019).

[4] *Id.*

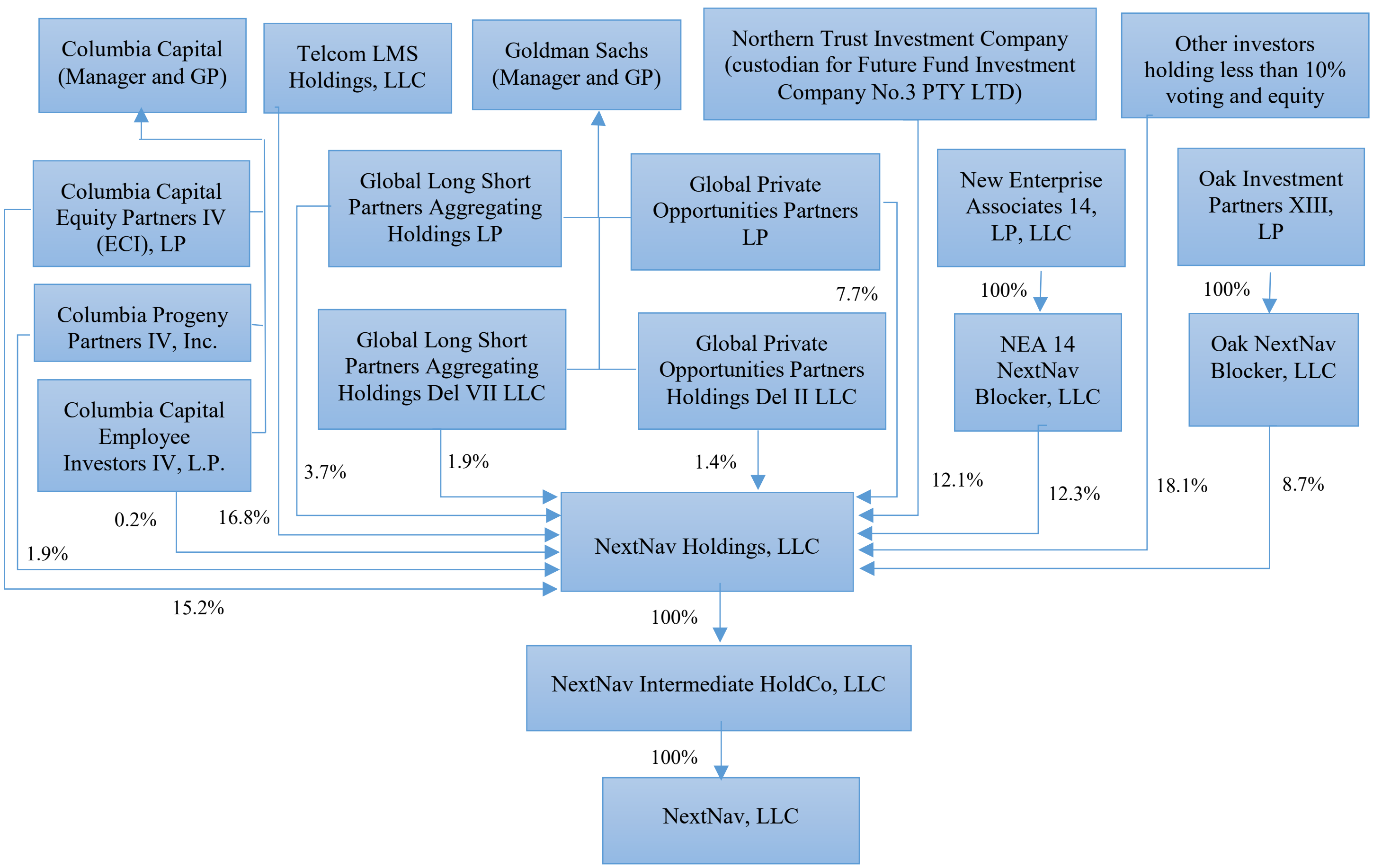
[5] *See* Letter from AT&T Services, Inc. and NextNav, LLC, PS Docket No. 07-114 (May 8, 2020) (identifying the 105 CMAs where NextNav constructed its wireless vertical location network).

[6] National Security Presidential Directive-39, U.S. Space-Based Position, Navigation, and Timing Policy (Dec. 15, 2004), *available at* https://fas.org/irp/offdocs/nspd/nspd-39.htm (*last visited* June 26, 2021).

order to permit their participation, NextNav requires the Commission's approval for NextNav's transfer of control. In light of NextNav's important public interest activities and the need to permit additional investment to support these efforts, the Commission should grant this application.

Concurrent with this application, NextNav Holdings has filed another application with the Commission seeking its consent for the transfer of control of another of its subsidiaries, Progeny LMS, LLC, which is the licensee for 226 licenses issued in the Multilateration Location and Monitoring Service. That application was placed on public notice by the Wireless Telecommunications Bureau on July 7, 2021.[7] It is scheduled to complete the public notice process on July 21, 2021.

Before:



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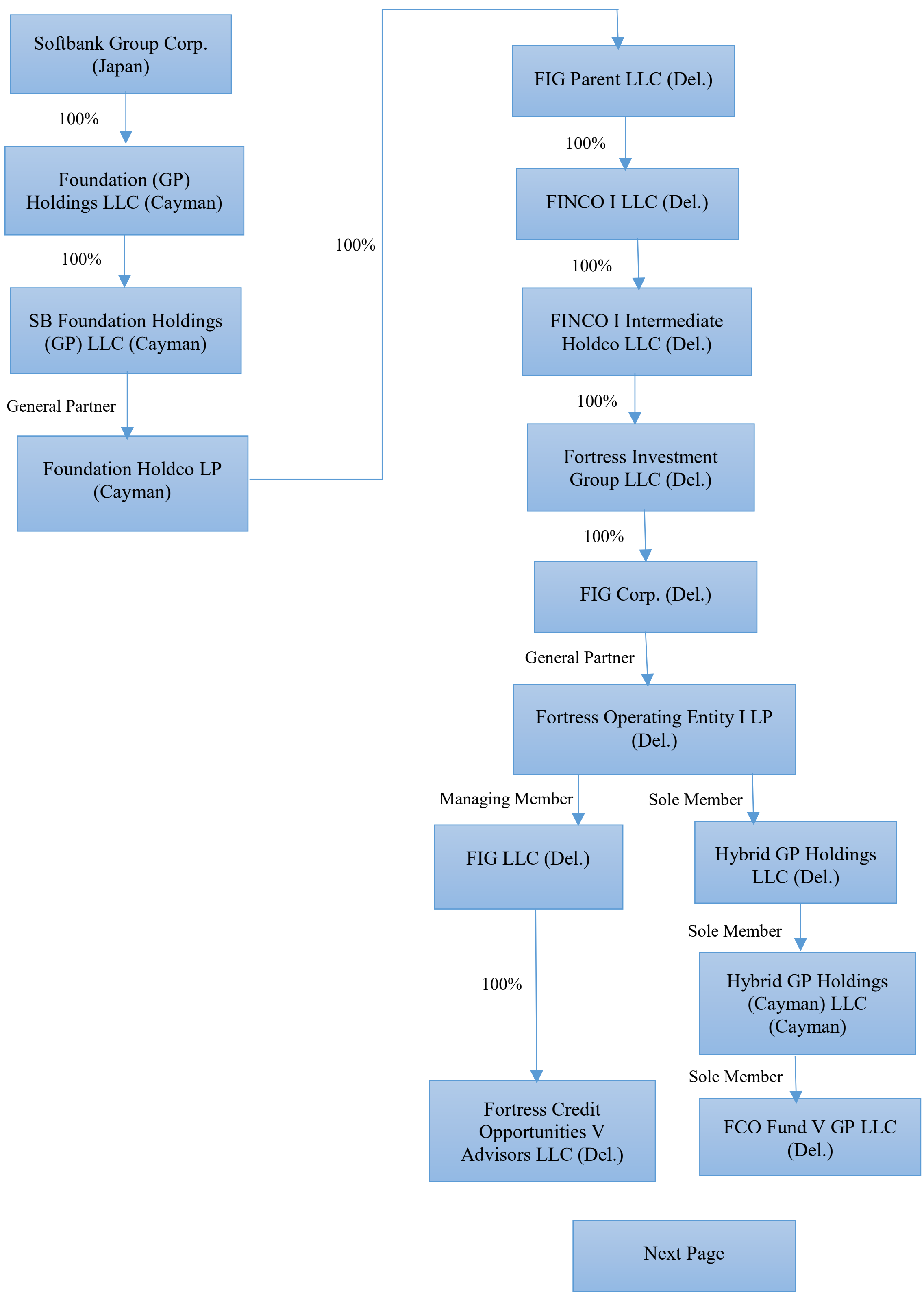
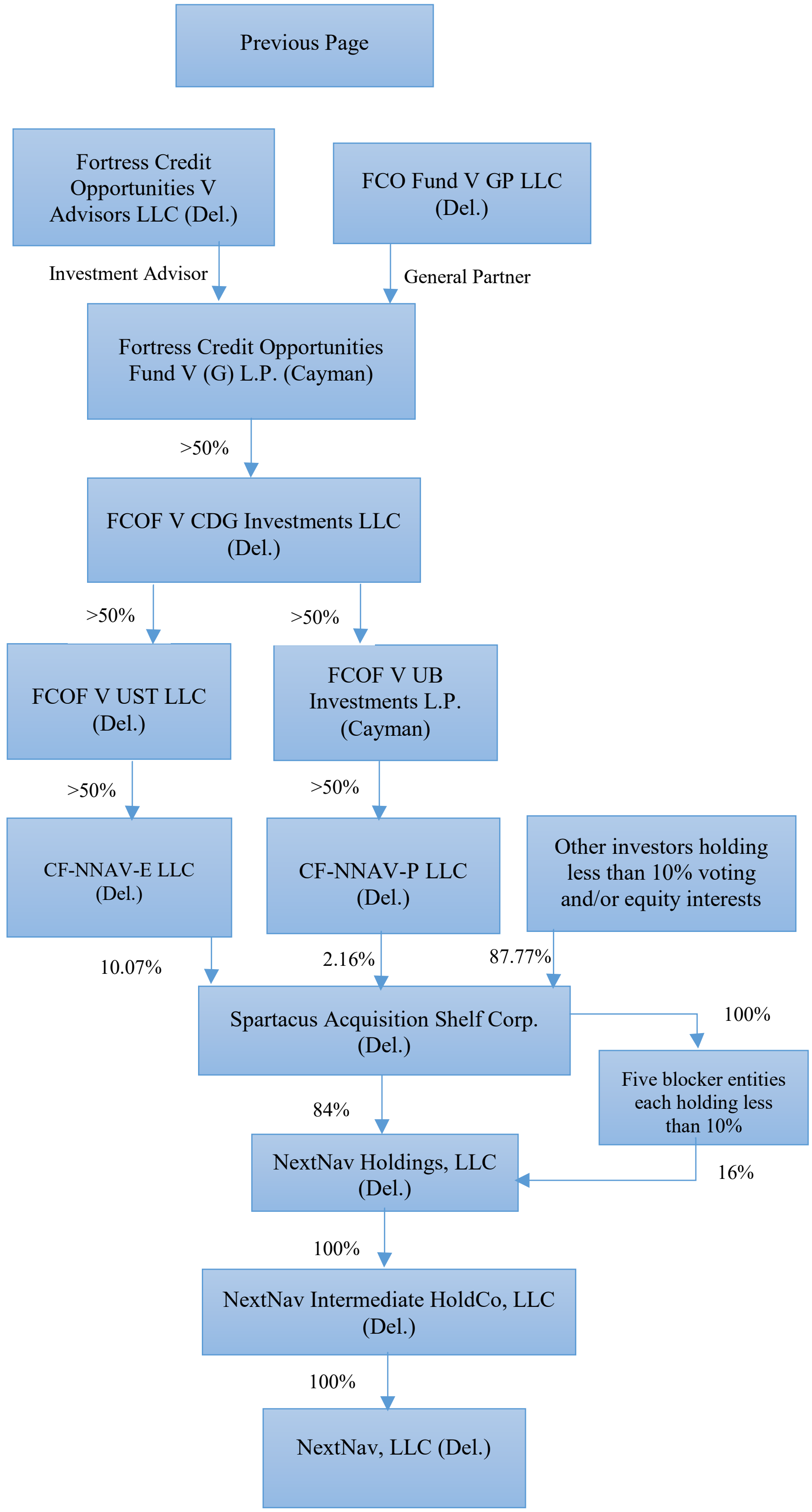
[7] *See* Public Notice, *Wireless Telecommunications Bureau Assignment of License Authorization Applications, Transfer of Control of Licensee Applications, and De Facto Transfer Lease Applications, and Designated Entity Reportable Eligibility Event Applications Accepted for Filing*, Report Number 16033 at 2 (July 7, 2021).

NextNav, LLC
Transfer of Control
Attachment 1

After:




Previous Page
Fortress Credit Opportunities V Advisors LLC (Del.)
FCO Fund V GP LLC (Del.)
Investment Advisor
General Partner
Fortress Credit Opportunities Fund V (G) L.P. (Cayman)
>50%
FCOF V CDG Investments LLC (Del.)
>50%
>50%
FCOF V UST LLC (Del.)
FCOF V UB Investments L.P. (Cayman)
>50%
>50%
CF-NNAV-E LLC (Del.)
CF-NNAV-P LLC (Del.)
Other investors holding less than 10% voting and/or equity interests
10.07%
2.16%
87.77%
Spartacus Acquisition Shelf Corp. (Del.)
100%
Five blocker entities each holding less than 10%
84%
16%
NextNav Holdings, LLC (Del.)
100%
NextNav Intermediate HoldCo, LLC (Del.)
100%
NextNav, LLC (Del.)