**Telmex Holdings, Inc.** – Foreign Carrier Notification Attachment 1

### **Question 12(b)**

By this filing, Telmex Holdings, Inc. ("Telmex Holdings") is notifying the Commission of its affiliation with Digicel Honduras S.A. de C.V. ("Digicel Honduras"), a provider of wireless telecommunications and value added services in Honduras. Digicel Honduras is a foreign carrier, as defined in Section 63.09(d), and owns facilities in its destination market.

#### **Question 12(c)**

Digicel Honduras is authorized to operate in Honduras, which is a WTO member country. Digicel Honduras is not included on the Commission's list of foreign carriers that are presumed to possess "market power" in its markets, and thus, is entitled to the presumption of non-dominance.<sup>1</sup> Moreover, Digicel Honduras lacks fifty percent market share in the international transport and local access market on the foreign end of the U.S.-Honduras route. Pursuant to Section 63.10(a)(3), therefore, Telmex Holdings will be entitled to non-dominant status on the Honduran route.

# **Question 16**

Telmex Holdings requests continued regulation as a non-dominant international carrier on the U.S.-Honduras route pursuant to Section 63.10 of the Commission's rules. As indicated in the response to Question 12(c)(1), Digicel Honduras does not possess market power in the Honduran market. In addition, the Commission has determined that mobile wireless service

<sup>&</sup>lt;sup>1</sup> See Public Notice, List of Foreign Telecommunications Carriers that Are Presumed to Possess Market Power in Foreign Telecommunications Markets, DA 04-1584 (rel. May 28, 2004).

providers lack sufficient market power to affect competition adversely in the U.S. market.<sup>2</sup> Telmex Holdings, therefore, will be entitled to non-dominant classification on this affiliated route.

# **Question 17**

Through acquisitions by América Móvil, S.A.B. de C.V. ("América Móvil"), a Mexican holding company for telecommunications-related investments that ultimately controls Telmex Holdings, and subsidiaries of América Móvil, Telmex Holdings<sup>3</sup> became affiliated with Digicel Honduras on November 30, 2011.<sup>4</sup> Digicel Honduras is a telecommunications carrier providing wireless and value added services in Honduras, as specified in response to Question 12(b) above.

# **Question 18**

Telmex Holdings holds a Section 214 authorization (File No. ITC-214-19970227-00124)

to provide resold services between the United States and all foreign points, including Honduras.<sup>5</sup>

<sup>4</sup> América Móvil holds its 100% interest in Digicel Honduras through subsidiaries: Servicios de Comunicaciones de Honduras, S.A. de C.V. holds 90% of the stock of Digicel Honduras, and Radiomóvil Dipsa, S.A. de C.V. holds the remaining 10% of stock.

<sup>&</sup>lt;sup>2</sup> International Common Carrier Regulations – 1998 Biennial Regulatory Review, Report and Order, 14 FCC Rcd 4909 ¶ 29 (1999).

<sup>&</sup>lt;sup>3</sup> Telmex Holdings is a wholly-owned, direct subsidiary of Integración de Servicios TMX, S.A. de C.V. ("Integración"). Integración is a subsidiary of Teléfonos de México, S.A.B. de C.V. ("Telmex"). Telmex in turn is majority-owned and controlled by Carso Global Telecom, S.A.B. de C.V. ("CGT"). América Móvil owns directly and indirectly 99.9% of CGT and 92.99% of Telmex. *See* n.7 and accompanying text.

<sup>&</sup>lt;sup>5</sup> Telmex/Sprint Communications, L.L.C. Application for Authority Under Section 214 of the Communications Act for Global Authority to Operate as an International Switched Resale Carrier Between the United States and International Points, Including Mexico, Order, Authorization and Certificate, 12 FCC Rcd 17551 (1997) (File No. ITC-97-127) (resale authorization). On June 30, 1999, the Commission granted consent to the transfer

### **Question 19**

Telmex Holdings holds a Section 214 authorization to provide resold services between the United States and all foreign points, including Honduras and El Salvador.

### **Question 20**

The name, address, citizenship, and principal business of any person or entity that directly and indirectly owns at least ten percent of the equity in Telmex Holdings, and the percentage of equity owned by each of those entities (to the nearest one percent), are:

Name:	Integración de Servicios TMX, S.A. de C.V. ("Integración")
Address:	Parque Vía 190 Colonia Cuauhtémoc
Citizenship:	06599 Mexico, D.F. Mexico
Principal Business:	Holding company for telecommunications-related investments
Percentage:	Integración holds 100% of Telmex Holdings's stock.
Name: Address:	Teléfonos de México, S.A.B. de C.V. ("Telmex") Parque Vía 190 Colonia Cuauhtémoc
Citizenship: Principal Business: Percentage:	06599 Mexico, D.F. Mexico Telecommunications Telmex holds 99.99% of Integración's stock. <sup>6</sup>

of control of Telmex/Sprint Communications, L.L.C. to Telmex International Ventures USA, Inc. *See International Authorizations Granted*, 14 FCC Rcd 13107 (1999). Telmex International Ventures USA, Inc. subsequently changed its name to Telmex Ventures USA, Inc. ("Telmex Ventures"). By letter filed December 10, 1999, Telmex Ventures advised the Commission that, pursuant to Section 63.24 of the Commission's rules, it had assigned the resale Section 214 authorization to its parent, Telmex Holdings (formerly Telmex International, Inc.).

<sup>6</sup> Telmex holds 99.9999999991% of the capital stock of Integración, a Mexican corporation that serves as an investment vehicle for Telmex. The remaining 0.000000009% of Integración's common stock is held by another Mexican entity controlled by Telmex.

Name: Address:	Carso Global Telecom, S.A.B. de C.V. ("CGT") Lago Zurich 245, Plaza Carso-Edificio Telcel Colonia Granada Ampliación Delegación Miguel Hidalgo 11529, Mexico, D.F.
Citizenship:	Mexico
Principal Business:	Holding company for telecommunications-related investments
Percentage:	CGT controls Telmex and holds directly and indirectly approximately 59.96% of its capital stock.
Name:	América Móvil, S.A.B. de C.V. ("América Móvil")
Address:	Lago Zurich 245, Plaza Carso-Edificio Telcel
	Colonia Granada Ampliación
	11529, Mexico, D.F.
Citizenship:	Mexico
Principal Business:	Holding company for telecommunications-related investments
Percentage:	América Móvil owns directly and indirectly 99.9% of CGT and, as of November 22, 2011, 92.99% of Telmex. <sup>7</sup> Based on the most recent publicly available information, the family of Carlos Slim Helú holds directly and indirectly 42.27% of the equity and 65.50% of the voting stock in América Móvil. <sup>8</sup> Other Mexican and foreign investors hold the remaining equity and voting stock of América Móvil. <sup>9</sup>

On December 22, 2011, Telmex Holdings provided the Commission with informal notice of a tender offer in which América Móvil increased its ownership interest in Telmex to 92.99%.

<sup>&</sup>lt;sup>8</sup> 21.24% of the equity (approximately 45.02% of the voting stock) of América Móvil is owned directly and indirectly, including beneficially owned, through a trust for the benefit of Carlos Slim Helú and certain members of his family, all of whom are Mexican citizens. Inmobiliaria Carso, S.A. de C.V. (a non-public holding company wholly owned by the Slim family and duly organized under Mexican laws) also owns shares of América Móvil that represent less than ten percent of the voting shares of América Móvil. In addition, Carlos Slim Helú and members of his family individually own shares of América Móvil, though none in his or her individual capacity owns ten percent or more of the voting shares of América Móvil.

<sup>&</sup>lt;sup>9</sup> AT&T Inc. ("AT&T") (formerly known as SBC International, Inc.), a widely and publicly held corporation incorporated under the laws of the state of Delaware, holds approximately 9.11% of the equity (approximately 24.5% of the voting stock) of América Móvil through AA shares. Based on beneficial ownership reports filed with the U.S. Securities and Exchange Commission ("SEC") on March 1, 2011, AT&T also owned approximately 752 million L shares. As of April 30, 2011, 38.7% of the outstanding L

No public investor holds more than 10% of América Móvil's capital stock.

# **Question 21**

There are no interlocking directorates between Telmex Holdings and Digicel Honduras.

shares of América Móvil were represented by L Share ADSs, each representing the right to receive 20 L shares, and 99.3% of the L Share ADSs were held by registered holders with addresses in the United States. 33.7% of the A shares were held in the form of A Share ADSs, each representing the right to receive 20 A shares, and 99.5% of the A Share ADSs were held by registered holders with addresses in the United States.