



Federal Communications Commission
Washington, D.C. 20554

December 21, 2017

Mr. Gerald J. Waldron
Counsel to Ligado Networks, LLC
Covington & Burling LLP
850 Tenth Street, N.W.
Washington, D.C. 20001-4956
gwaldron@cov.com

RE: IB Docket No. 15-126

Dear Mr. Waldron:

Thank you for your letter dated November 22, 2017, on behalf of Ligado Networks, LLC (“Ligado”), providing the International Bureau with 30 days’ notice prior to a change in Ligado’s ownership that affects its foreign ownership ruling,¹ pursuant to the December 2015 Commission Order that permitted various LightSquared entities to emerge from bankruptcy.²

According to your letter, one of Ligado’s investors, Fortress Investment Group LLC (“Fortress”), contemplates becoming a private company, and will no longer be publicly traded, pursuant to a transaction with a wholly-owned indirect subsidiary of Softbank Group Corp (“Softbank transaction”). Your letter also indicates that Fortress has advised Ligado that Fortress intends, prior to the Softbank transaction, to take steps to transfer Fortress’s interest in Ligado to a third party that will be a domestic entity wholly owned by a U.S. citizen, and that it is thus Ligado’s understanding that no approvals will be required under the Commission’s foreign ownership rules in connection with the proposed transaction.

Your letter provided no further information concerning the nature of the proposed Softbank transaction or of the steps contemplated for purposes of insulating the Fortress interest in Ligado. In subsequent discussions, you have indicated that Fortress intends to take various steps that you note are based on Commission precedents that future ownership rights, such as options and convertible stock warrants, are not cognizable until exercised for purposes of the foreign ownership review under Section 310(b) of the Communications Act³ and the Commission’s associated rules.⁴

As you no doubt are aware, whether the proposed transfer of the Fortress interests, together with the issuance of associated warrants and/or other convertible instruments, would effectively divest Fortress of its equity interests and insulate its voting interests in Ligado for purposes of Section 310(b) and the

¹ Letter to Tom Sullivan, Bureau Chief, International Bureau, FCC, from Gerald J. Waldron, Counsel to Ligado Networks, LLC, dated Nov. 22, 2017.

² *Applications of LightSquared Subsidiary LLC, Debtor-in-Possession, and LightSquared Subsidiary LLC*, IB Docket No. 15-126, Memorandum Opinion and Order and Declaratory Ruling, 30 FCC Rcd 13988, 14001-2, para. 26 (2015).

³ 47 U.S.C. § 310(b).

⁴ 47 CFR §§ 1.5000 *et seq.*

Commission's rules would depend upon all of the specific facts and circumstances concerning the proposed transaction.⁵ Under the Commission's rules, we cannot provide a definitive staff view in the absence of the filing of a petition for declaratory ruling setting out all the relevant details.

Sincerely,

A handwritten signature in blue ink, appearing to read "James D. Schlichting for".

James D. Schlichting
Senior Deputy Chief
International Bureau

cc: Wayne Johnsen
Counsel to Fortress Investment Group LLC
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⁵ *Fox Television Stations, Inc.*, 11 FCC Rcd 5714, 5719, para. 14 (1995).