

NOTIFICATION OF PARTIAL *PRO FORMA* ASSIGNMENT OF INTERNATIONAL SECTION 214 AUTHORITY

Pursuant to Section 214 of the Communications Act of 1934, as amended (“the Act”), and Sections 63.18 and 63.24 of the Commission’s rules,¹ Verizon North Retain Co. (“Retain Co.”) hereby notifies the Commission of the *pro forma* assignment of a portion of the international Section 214 authority held by Verizon North Inc. (“Verizon North”) to Retain Co. This partial *pro forma* assignment was consummated on July 1, 2010. This narrative provides the information required by Section 63.18 of the Commission’s rules.

I. RESPONSE TO ITEMS ON IBFS ELECTRONIC FORMAT

A. Answer to Question 10 - Section 63.18(a)-(d)

At the time of the partial *pro forma* assignment, Verizon North and Retain Co. were wholly-owned subsidiaries of Verizon Communications Inc. (“Verizon”), a holding company that has a number of wholly-owned subsidiaries which provide communications services and hold various FCC licenses and authorizations. Retain Co., the assignee, continues to be a wholly-owned subsidiary of Verizon. Following the transaction, Verizon North, the assignor, was transferred to Frontier Communications Corporation (“Frontier”).

The name, address and telephone number of Retain Co. are provided on the attached IBFS form. Verizon and Retain Co. are Delaware corporations, while Verizon North is a Wisconsin corporation. Prior to the transaction, Retain Co. did not hold any international Section 214 authorizations. Its ultimate parent, Verizon, directly or indirectly controls many subsidiaries who hold such authorizations to provide individual switched resale services and

¹ 47 C.F.R. §§ 63.18 and 63.24.

global or limited global facilities-based and resale services.

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B. Answer to Question 11 – Section 63.18(h)

Retain Co. is a direct wholly-owned subsidiary of GTE Corporation, which is a directly and indirectly wholly-owned subsidiary of Verizon. No persons or entities hold a direct or indirect 10 percent or greater interest in Verizon. GTE Corporation is a New York corporation with its primary address at 140 West Street, New York, NY 10007. Verizon is a holding company that owns operating subsidiaries that provide a range of communications services in the United States and throughout the world. The company's operating subsidiaries offer local telephone service, as well as broadband, nationwide long-distance, high-capacity connections, video, and other services. Verizon's subsidiaries own, operate, monitor, and maintain extensive communications networks, with facilities in countries and cities throughout North America, Latin America, Europe, Africa, and the Asia-Pacific region. Further, Verizon is a majority owner of Cellco Partnership d/b/a Verizon Wireless, which serves over 92 million wireless voice and data subscribers across the United States.

C. Answer to Question 12 – Interlocking Directorates

Retain Co. has the following interlocking directorate with a foreign carrier – Francis J. Shammo, who is the CEO and a Director of Retain Co. and is also a Director of Vodafone Omnitel N.V.

D. Answer to Question 13 - Narrative of Transfer of Control and Public Interest Statement

As indicated by Verizon in its applications to transfer control of various licenses and authorizations to Frontier Communications Corporation (“Frontier”), immediately prior to the consummation of the Verizon-Frontier transaction, Verizon North assigned assets, liabilities, and customer relationships relating to its local exchange, intrastate toll, and exchange access operations in Pennsylvania to Retain Co.² This application is being filed to effectuate the partial *pro forma* assignment of Verizon North’s international Section 214 authority to Retain Co. as part of this reorganization.³ This *pro forma* transaction was consummated on July 1, 2010.

Because Verizon retains control of the Section 214 authority for Pennsylvania both before and after this reorganization, the partial assignment is *pro forma* in nature. The Commission has previously stated that “[r]egulatory review of [*pro forma*] transactions yields no significant public interest benefits, but may delay or hinder transactions that could provide

² See ULS File No. 0003850404, Description of the Transaction and Public Interest Statement at 9; see also *Applications Filed by Frontier Communications Corporation and Verizon Communications Inc. for Assignment or Transfer of Control*, Memorandum Opinion and Order, FCC 10-87 (2010) (“*Verizon/Frontier Order*”).

³ As only some customer relationships of this Section 214 authorization holder are being assigned through this transaction, Retain Co. seeks only a partial assignment of Section 214 authority. Post-closing, the entity previously known as Verizon North will retain its international Section 214 authorization and does not seek to assign it by this application. The Commission should issue a new file number to Retain Co. for this partial assignment of Section 214 authority.

substantial financial, operational, or administrative benefits for carriers.”⁴ Here, the partial *pro forma* assignment of Section 214 authority facilitates a corporate reorganization necessary to effect the Verizon-Frontier transaction, a transaction the Commission has already found to be in the public interest.⁵

II. CONCLUSION

The Applicants hereby and respectfully notify the Commission of the *pro forma* assignment of a portion of the international Section 214 authorization held by Verizon North to Retain Co.

⁴ *1998 Biennial Review – Review of International Common Carrier Regulations*, Report and Order, 14 FCC Rcd 4909, ¶ 42 (1999).

⁵ *See Verizon/Frontier Order*.