

## ATTACHMENT 1

### NOTIFICATION OF *PRO FORMA* ASSIGNMENT AND TRANSFER OF CONTROL

Pursuant to Section 214 of the Communications Act of 1934, as amended, and Section 64.24(f) of the Commission's rules,<sup>1</sup> Verizon Communications Inc. ("Verizon") notifies the Commission of an internal restructuring that occurred on July 31, 2018, which resulted in the *pro forma* assignment and transfer of control of certain licensees and authorizations. As further described below, as part of the restructuring the international Section 214 authorization (the "Authorization") of XO Communications, LLC ("XOC") was assigned to XO Communications Services, LLC ("XOCS"), and XOCS was relocated within the Verizon ownership chain.<sup>2</sup> In addition, certain wholly-owned subsidiaries that were operating under the Authorization were eliminated or relocated in the Verizon ownership chain.

Because the restructuring did not result in a change in the ultimate control of any licensees or authorizations, which continue to be controlled by Verizon, the transaction was *pro forma*.

#### Answer to Question 10 (Section 63.18(c)-(d))

All communications in connection with this notification should be directed to the following:

Ian Dillner  
Federal Regulatory Affairs  
Verizon Communications Inc.  
1300 I Street, N.W.  
Washington, D.C. 20005  
Phone: 202.515.2458  
ian.dillner@verizon.com

Jennifer L. Kostyu  
Wilkinson Barker Knauer, LLP  
1800 M Street, N.W., Suite 800N  
Washington, D.C. 20036  
Phone: 202.783.4141  
Fax: 202.783.5851  
jkostyu@wbklaw.com

Verizon, a Delaware corporation, does not hold any international Section 214 authorizations but it does directly or indirectly control subsidiaries that hold such authorizations to provide international switched resale services and global or limited global facilities-based and resale services. XOC, a Delaware limited liability company, held an international Section 214 authorization to provide global facilities-based and resale services (File No. ITC-214-20001117-00674), which was assigned on a *pro forma* basis to XOCS as part of the restructuring.

#### Answer to Question 11 (Section 63.18(h))

Following the internal restructuring and as depicted in Exhibit B, XOCS is a wholly-owned indirect subsidiary of Verizon through a series of wholly-owned holding companies.

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<sup>1</sup> 47 U.S.C. § 214; 47 C.F.R. § 64.24(f).

<sup>2</sup> As explained in a notification being concurrently filed with the Wireless Telecommunications Bureau, the restructuring also included the *pro forma* assignment and transfer of control of XOC's wireless licenses to XOCS.

Verizon, XOCS, and the intermediate holding companies are all corporations or limited liability companies organized under the laws of Delaware. Their address is One Verizon Way, Basking Ridge, New Jersey 07920. Verizon's principal business is the provision of communications services. Verizon is a publicly traded and widely held company, and no person or entity holds a direct or indirect 10 percent or greater ownership interest in Verizon.

### **Answer to Question 13**

On July 31, 2018, Verizon undertook an internal corporate restructuring that eliminated or relocated several companies in the Verizon ownership chain, resulting in the *pro forma* assignment and/or transfer of control of certain FCC licensees and authorizations. The restructuring included the assignment of the Authorization from XOC to XOCS. XOC was then merged with and into MCI Communications Services, Inc. ("MCICS"), with MCICS as the surviving entity. XOCS became a wholly-owned direct subsidiary of MCICS.

In addition, as the Commission was previously notified, several wholly-owned subsidiaries of XOC had operated under the Authorization pursuant to Section 63.21(h) of the Commission's rules,<sup>3</sup> including Telecommunications of Nevada, LLC ("TON"), XO International, LLC ("XOI"), XO NS, Inc. ("XO NS"), and XO Virginia, LLC ("XOV").<sup>4</sup> As part of the restructuring, TON was merged with and into XOCS, with XOCS as the surviving entity. XOI and XO NS became wholly-owned indirect subsidiaries of XOCS and will continue to operate under the Authorization now that the Authorization is held by XOCS. XOV was relocated in the Verizon ownership chain and is now a wholly-owned indirect subsidiary of Verizon Business Network Services Inc. and a wholly-owned indirect subsidiary of MCI Communications Corporation ("MCI") and Verizon. As explained in a notification being filed concurrently with the Commission, XOV is operating under the international Section 214 authorizations of MCI as of July 31, 2018.<sup>5</sup>

Pre- and post-restructuring corporate organizational charts also are provided in Exhibits A and B. Because the restructuring did not change the ultimate ownership or control of any licensee or authorization, which continue to be controlled by Verizon, the transaction was *pro forma*.<sup>6</sup>

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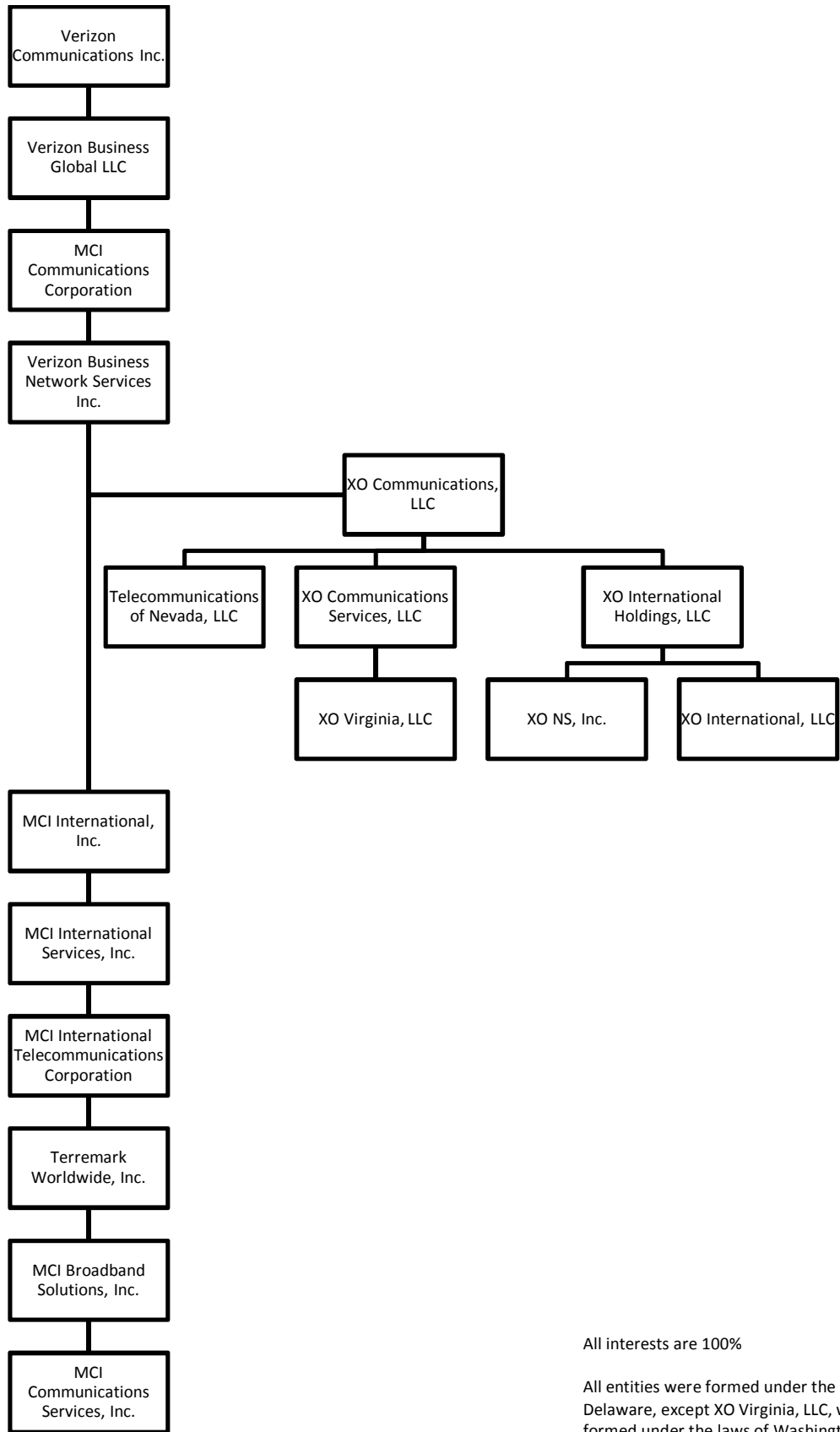
<sup>3</sup> 47 C.F.R. § 63.21(h).

<sup>4</sup> See, e.g., *International Authorizations Granted*, Public Notice, File No. ITC-T/C-20120125-00012, 27 FCC Rcd 1429 (2012); *Applications Filed for the Transfer of Control of XO Communications, LLC to Verizon Communications Inc.*, Public Notice, 31 FCC Rcd 3514, 3517 n.29 (2016).

<sup>5</sup> File Nos. ITC-214-19961003-00486, ITC-214-19961231-00659.

<sup>6</sup> As the FCC has stated, 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." *Federal Communications Bar Association's Petition for Forbearance from Section 310(d) of the Communications Act*, Memorandum Opinion and Order, 13 FCC Rcd 6293, 6295 (1998) ; see also *1998 Biennial Review – Review of International Common Carrier Regulations*, Report and Order, 14 FCC Rcd 4909, 4928 (1999) ("Regulatory 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.").

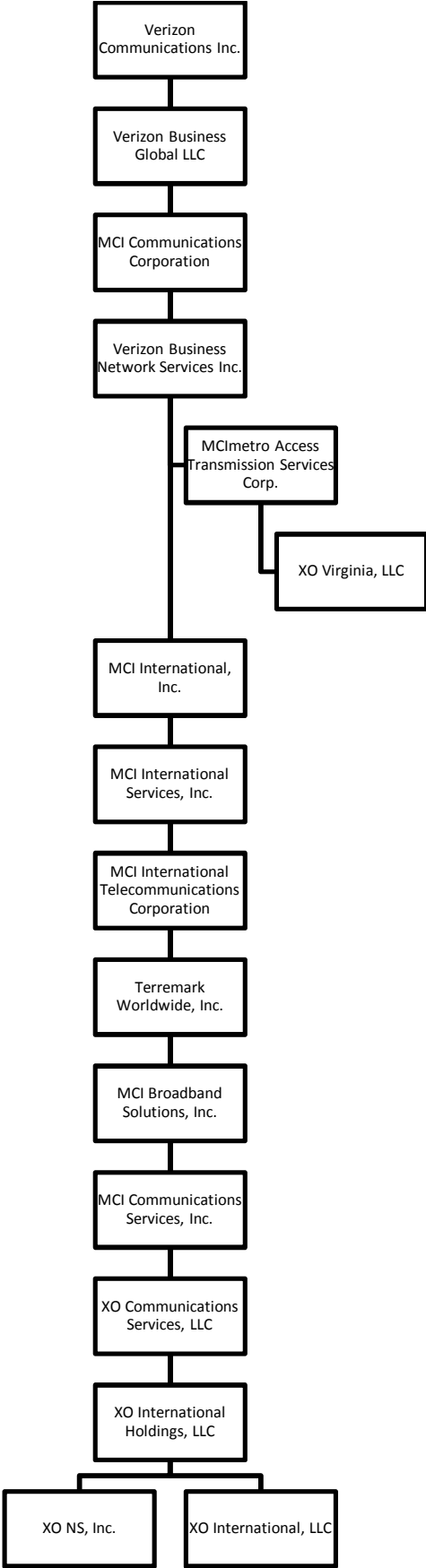
## Exhibit A: Pre-Restructuring Ownership



All interests are 100%

All entities were formed under the laws of Delaware, except XO Virginia, LLC, which was formed under the laws of Washington, and XO NS, Inc., which is a Canadian corporation.

**Exhibit B: Post-Restructuring Ownership**



All interests are 100%

All entities were formed under the laws of Delaware, except XO Virginia, LLC, which was formed under the laws of Washington, and XO NS, Inc., which is a Canadian corporation.