

**Description Pro Forma Transfer of Control**

Pursuant to Sections 1.948(c) and 63.24(f) of the Commission's rules,<sup>1</sup> AT&T Inc. ("AT&T") is providing a notification of the *pro forma* transfer of control of Garden Acquisitions Inc.'s ("GAI") 100 percent interest in Abraham Divestiture Company LLC ("ADC") to AT&T.

On June 22, 2010, AT&T purchased certain of the divestiture assets from the Verizon Wireless/ALLTEL merger.<sup>2</sup> AT&T elected to treat its acquisition of some of the ALLTEL divestiture assets it acquired as part of a reverse like-kind exchange under 26 U.S.C. § 1031. Under this reverse like-kind exchange, AT&T exchanged, for tax purposes, the assets it acquired from Verizon Wireless for the assets AT&T divested from its purchase of Centennial Communications Corp.

At the June 22, 2010 closing, Verizon Wireless subsidiaries contributed the assets being sold to ADC, then a wholly owned, indirect subsidiary of Verizon Wireless. Verizon Wireless then transferred ownership of ADC to GAI, the exchange accommodation titleholder ("EAT"). The purpose of the EAT was to hold ADC's assets until AT&T sold the Centennial divestiture assets. While ADC remained in the EAT, AT&T operated ADC's assets, including licenses, pursuant to a *de facto* transfer lease.<sup>3</sup> However, GAI retained *de jure* control of ADC.

On August 19, 2010 and August 23, 2010, AT&T sold the Centennial divestiture assets to Texas 10, LLC and Verizon Wireless respectively.<sup>4</sup> Subsequent to those closings, on August 24, 2010, GAI transferred its interest in ADC to AT&T. Under the FCC's *AT&T/Verizon Order*, the transfer of control of ADC to AT&T constitutes a *pro forma* transfer of control.<sup>5</sup>

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<sup>1</sup> 47 C.F.R. §§ 1.948(c), 63.24(f).

<sup>2</sup> See *In re Applications of AT&T Inc. & Cellco P'ship d/b/a Verizon Wireless for Consent to Assign or Transfer Control of Licenses & Authorizations & Modify a Spectrum Leasing Arrangement*, WT Dkt No. 09-104, Memorandum Opinion and Order, FCC 10-116 (rel. Jun. 22, 2010) ("*AT&T/Verizon Order*") (consenting to the sale).

<sup>3</sup> See, e.g., Lease ID No. L000007507.

<sup>4</sup> See *In re Applications of Cellco P'ship d/b/a Verizon Wireless & AT&T Inc. for Consent to Assign or Transfer Control of Licenses & Authorizations & Request a Declaratory Ruling on Foreign Ownership*, WT Dkt No. 09-121, Memorandum Opinion and Order and Declaratory Ruling, DA 10-1554 (WTB/IB rel. Aug. 20, 2010); *Wireless Telecomms. Bureau & Int'l Bureau Grant Consent for the Transfer of Control & Assignment of Licenses & Authorizations from AT&T Inc. to Texas 10, LLC*, WT Dkt No. 10-78, Public Notice, DA 10-1552 (WTB/IB rel. Aug. 19, 2010).

<sup>5</sup> See *AT&T/Verizon Order*, ¶ 13, n. 51 ("[T]he transfer of *de jure* control of assets between the *de facto* controlling party (in this case, AT&T) and the exchange accommodation titleholder (in this case, GAI) is a *pro forma* transaction."); see also *In re Media General Commc'ns, Inc. (Assignor) & MG Broad., LLC, as E.A.T. (Assignee) for Pro Forma Assignment of Licenses*, Memorandum Opinion and Order, 21 FCC Rcd 7669, 7670, ¶ 5 (2006).