#### **ATTACHMENT 1**

#### Answer to Question 10

**Rule 63.18(c):** The names, titles, addresses, phone numbers, fax numbers, and e-mail addresses of the officers and other contact points to whom correspondence concerning this application is to be addressed are as follows:

#### Transferor:

Ricardo Garcia de Quevedo Attorney General Calzada de los Leones 260 Piso 5 Col. Alpes, Mexico City 01010 Tel. 01 52 55 88 51 8268

With a copy to:

Michael P. Donahue Joanna G. Wallace Marashlian & Donahue, PLLC 1420 Spring Hill Road, Suite 401 McLean, Virginia 22102 Tel: (703) 714-1319/1317 Fax: (703) 563-6222 Email: mpd@commlawgroup.com jgw@commlawgroup.com

#### Transferee:

Ermilo Vazquez Lizarraga Regulatory Director Avenia Paseo de la Reforma 265, Piso 14 Col. Quauhtemoc, Mexico City 06500 Tel: 01 52 81 81 14 1105

With a copy to:

Michael P. Donahue Joanna G. Wallace Marashlian & Donahue, LLC 1420 Spring Hill Road, Suite 401 McLean, Virginia 22102 Tel: (703) 714-1319/1317 Fax: (703) 714-1330 Email: mpd@commlawgroup.com jgw@commlawgroup.com

## Rule 63.18(d) Authority Held by The Parties to the Transaction:

Transferor holds international Section 214 authority granted in File No. ITC-214-20120809-00205 on April 29, 2013.

Transferee does not hold blanket domestic or international section 214 authority to provide telecommunications services in the United States.

Responses to Rule 63.18 (e) through (g) are not applicable to this Application.

## Answer to Question 11

**Rule 63.18(h) Ownership Information:** The following are the names, addresses, citizenship, and principal businesses of any person or entity that directly or indirectly owns at least ten percent of the equity of the Parties to the Transaction.

#### Pre-and Post-Transaction Ownership of Alestra

1) The following entity owns or controls 10% or more of Alestra, Pre-Transaction:

Name: Alfa, S.A.B. de C.V. Address: Gomez Morin 1111 Sur, Col. Carrizalejo, San Pedro Garza Garcia, N.L., C.P. 66254, Mexico Citizenship: Mexico Principal Business: Petrochemicals, aluminum, auto components, processed food, and telecommunications Percent Ownership: 99.99%

2) The following entity owns or controls 10% or more of Alestra, Post-Transaction:

Name: Alfa, S.A.B. de C.V. Address: Gomez Morin 1111 Sur, Col. Carrizalejo, San Pedro Garza Garcia, N.L., C.P. 66254, Mexico Citizenship: Mexico Principal Business: Petrochemicals, aluminum, auto components, processed food, and telecommunications Percent Ownership: 50.19%

#### Pre-and Post-Transaction Ownership of Transferee

1) The following identifies the individuals or entities that owned or controlled 10 percent or more of Transferee, Pre-Transaction:

Name: Tomas Milmo Santos Address: Blvd. Diaz Ordaz. Km. 3.33 L1. Col. Unidad San Pedro, en San Pedro Garza Garcia, N.L. Mexico C.P. 66215 Citizenship: Mexico Principal Business: Entrepreneur Percent Ownership: 11.30 %

2) The following identifies the individuals or entities that owned or controlled 10 percent or

more of Transferee, Post-Transaction:

Name: Alfa, S.A.B. de C.V. Address: Gomez Morin 1111 Sur, Col. Carrizalejo, San Pedro Garza Garcia, N.L., C.P. 66254, Mexico Citizenship: Mexico Principal Business: Petrochemicals, aluminum, auto components, processed food, and telecommunications Percent Ownership: 50.19%

## Answer to Question 12

Transferee does not have interlocking directorates with a foreign carrier.

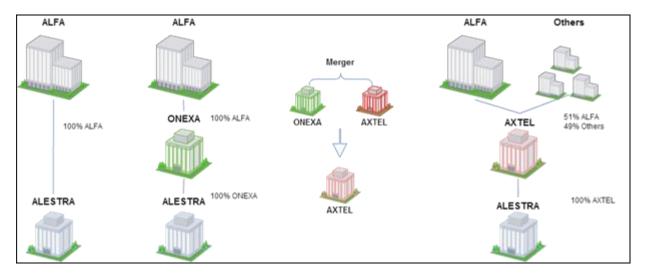
## Answer to Question 13

On November 25, 2015, Transferor's parent company, Alfa, S.A.B. de C.V. ("Alfa") completed a corporate restructuring and transferred its ownership of Transferor to a subsidiary fully owned by Alfa, Onexa, S.A. de C.V. ("Onexa")

On January 15, 2016, Transferee and Onexa executed a merger agreement, effective on February 15, 2016. As a result of the merger, Transferee fully absorbed Onexa, which became extinct. Onexa transferred all of its assets to Transferee, and Transferee subrogated and assumed as its own all rights, duties and obligations of Onexa.

Transferee, Transferor, Alfa, and a group of stockholders holding approximately 45% of the capital stock of Transferee agreed to exchange new shares with a ratio of 0.8027 shares for each share of Onexa. As a result of the exchange, Alfa, as the majority shareholder of Onexa received shares representing 50.19% of the capital stock of Axtel. The capital stock of Alfa in Axtel may be adjusted in accordance with the fluctuation of the US Dollar/Mexican Peso exchange rate; however, under no circumstance may the final percentage of participation of Alfa in Axtel be below 50.19 or exceed 53.50% of the merged corporation.

The following diagram describes the Transaction in detail.



# Answer to Question 14

N/A; The Parties to the Transaction are filing a Pro Forma Notification.

## Answer to Question 15

N/A; The Parties to the Transaction are filing a Pro Forma Notification.

## Answer to Question 16

N/A; The Parties to the Transaction are filing a Pro Forma Notification.

## Answer to Question 17

N/A; The Parties to the Transaction are filing a Pro Forma Notification.

## Answer to Question 18

N/A; The Parties to the Transaction are filing a Pro Forma Notification.

## Answer to Question 19

N/A; The Parties to the Transaction are filing a Pro Forma Notification.

## Answer to Question 20

N/A; The Parties to the Transaction are filing a Pro Forma Notification.

# Showing under 47 C.F.R. § 63.11(b)(2)(i)

The Commission's rules require Section 214 holders to provide the Commission with 45 days' notice prior to closing a Transaction where the Section 214 holder will become affiliated with a foreign carrier authorized to operate in a market where the Section 214 holder is authorized to provide service. 47 C.F.R. § 63.11. Specifically, the 214 holder must notify the FCC at least 45 days prior to: "Acquisition of a direct or indirect interest greater than 25%, or of a controlling interest, in the capital stock of the authorized carrier by a foreign carrier that is authorized to operate in a market that the authorized carrier is authorized to serve, or by an entity that controls such a foreign carrier." 47 C.F.R. § 63.11.

Under 47 C.F.R. § 63.11(b)(2)(i), a carrier is not required to provide the Commission with notice of the Transaction 45 days prior to closing if the Carrier "certifies that the named foreign carrier is authorized to operate in a WTO Member and provides certification to satisfy either of the following: (i) The authorized carrier demonstrates that it is entitled to retain non-dominant classification on its newly affiliated route pursuant to § <u>63.10</u>." See 47 C.F.R. § 63.11(b)(2)(i).

Pursuant to section 63.11(b)(2)(i), the Parties to the Transaction were not required to provide the Commission with 45 days' notice prior to closing the Transaction because (1) Mexico is a WTO Member; and (2) Transferee is entitled to retain non-dominant classification with respect to the U.S.-Mexico route.

While the Commission has not explicitly found that Transferee is non-dominant; it is entitled to a presumption of non-dominance because another carrier, Telmex Holdings, Inc., has agreed to be classified as dominant on the US-Mexico route. See, e.g., Transfer of Control from Carso Global Telecom to Telmex Holdings, Inc., ITC-T/C-20100714-00284 (August 11, 2010) ("Telmex Holdings agrees to be classified as dominant on the U.S.-Brazil, U.S.-Dominican Republic, U.S.-El Salvador, U.S.-Guatemala, U.S.-Mexico and U.S.-Nicaragua routes pursuant to section 63.10 of the Commission's rules, 47 C.F.R. § 63.10").

Furthermore, the Mexican Federal Telecommunications Institute ("IFT") has not declared the Transferee to be dominant in the telecommunications market. The IFT has the authority to declare dominancy and to impose corresponding obligations on dominant telecommunications service providers. In March 2014, the IFT issued a ruling declaring Telefonos de Mexico, S.A.B. de C.V., Radiomovil Dipsa, S.A. de C.V. and other related parties as dominant in the telecommunications market in Mexico. See Informe Estradistico, 3 Trimestre 2014, Instituto Federal de Telecounicaciones (available at <a href="http://www.ift.org.mx/sites/default/files/contenidogeneral/comunication-y-medios/informe3ertrimestre2014.pdf">http://www.ift.org.mx/sites/default/files/contenidogeneral/comunication-y-medios/informe3ertrimestre2014.pdf</a>). As a result, Transferee is entitled to retain non-dominant classification with respect to the U.S.-Mexico route.