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NOT ADMITTED IN VA



September 24, 2018

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International Bureau Federal Communications Commission Washington, DC 20554

Re: Illinois Valley Cellular RSA 2-II Partnership

File No. ITC-T/C-20180829-00166 (Pro Forma Transfer of Control)

Dear Sir/Madam:

Illinois Valley Cellular RSA 2-II Partnership ("IVC RSA 2-II") hereby files, by counsel, a Revised Notification of *Pro Forma* Transaction. The Revised Notification deletes the request for a waiver.

In addition, IVC RSA 2-II makes the following revisions to FCC Form 214 initially submitted on August 29, 2018:

- Question 4: The Section 214 authorization that was transferred is ITC-214-20010507-00292.
- Questions 5, 6, 26 and 29: the Applicant, Transferor and Transferee are Illinois Valley Cellular RSA 2-II Partnership.

Please do not hesitate to contact the undersigned if you have any questions.

Sincerely,

Robert S. Koppel Counsel to IVC RSA 2-II

Attachment

REVISED NOTIFICATION OF PRO FORMA TRANSACTION

Illinois Valley Cellular RSA 2-II Partnership ("IVC RSA 2-II") hereby notifies the Commission of the *pro forma* transfer of minority partnership interests in IVC RSA 2-II, which holds an international Section 214 authorization to provide global resale services (File No. ITC-214-20010507-00292).¹ The transfer did not result in a substantial change in control of IVC RSA 2-II; therefore the transfer was *pro forma* in nature.

ANSWER TO QUESTION 10

Contact Information

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

Glenn Rauh Illinois Valley Cellular 200 Riverfront Drive Marseilles, IL 61341 815-795-3200

with a copy to:

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ANSWER TO QUESTION 11

Direct and Indirect Ownership of Transferee

Pursuant to Section 63.18(h) of the Commission's rules, the following entities hold a direct or indirect ten percent or greater equity interest in IVC RSA 2-II. As further described in

¹ IVC RSA 2-II concurrently is filing a Form 603 *pro forma* notification in connection with its common carrier wireless licenses.

response to Question 13 below, Marseilles Cellular, Inc. ("Marseilles") continues to have *de facto* control over IVC RSA 2-II.

Marseilles, a corporation organized under the laws of Illinois, holds a 32.34 percent general partnership interest in IVC RSA 2-II. Marseilles' main office is located at 220 North Menard Street, Metamora, Illinois 61549. The principal business of Marseilles is the provision of telecommunications services.

Tonica Cellular, Inc. ("Tonica"), a corporation organized under the laws of Illinois, holds a 9.67 percent general partnership interest in IVC RSA 2-II. Tonica's main office is located at 208 Allen Street, Tonica, Illinois 61370. The principal business of Marseilles is the provision of telecommunications services.

Alltel Communications, LLC ("Alltel") holds a 57.99 percent general partnership interest in IVC RSA 2-II. Alltel, in turn, is a wholly-owned indirect subsidiary of Cellco Partnership d/b/a Verizon Wireless ("Verizon Wireless"). Verizon Wireless is a wholly-owned subsidiary of Verizon Communications Inc. ("Verizon"), through a series of intermediate entities.

Specifically, Verizon owns 100 percent of Verizon Ventures LLC and NYNEX LLC. Verizon, Verizon Ventures LLC, and NYNEX LLC own 91.3096 percent, 1.4508 percent, and 7.2396 percent, respectively, of GTE LLC. GTE LLC owns 100 percent of GTE Wireless LLC. which holds an approximate 31 percent direct general partnership interest in Verizon Wireless. Through a separate chain of ownership, Verizon owns 100 percent of Verizon Business Global LLC, which owns 100 percent of MCI Communications Corporation, which owns 100 percent of Verizon Business Network Services Inc., which in turn owns 100 percent of MCI International, Inc. MCI International, Inc. owns 100 percent of MCI International Services, Inc., which owns 100 percent of MCI International Telecommunications Corporation, which in turn owns 100 percent of Terremark Worldwide, Inc. Terremark Worldwide, Inc. owns 100 percent of MCI Broadband Solutions, Inc., which owns 100 percent of MCI Communications Services, Inc., which owns 100 percent of Bell Atlantic Mobile Systems LLC. Bell Atlantic Mobile Systems LLC holds an approximate 23 percent general partnership interest in Verizon Wireless. Through a third chain of ownership, Verizon owns 100 percent of Verizon Americas Finance 1 Inc., which in turn owns 100 percent of Verizon Americas Inc., Verizon Americas Inc., in turn, holds an approximate 36 percent general partnership interest directly in Verizon Wireless, and a 10 percent general partnership interest indirectly through its wholly-owned subsidiary GTE Wireless of the Midwest Incorporated.² Verizon, a Delaware corporation, is located at One Verizon Way, Basking Ridge, New Jersey 07920. Its principal business is the provision of communications services.

No other entity or individual directly or indirectly holds a 10 percent or greater equity interest in IVC RSA 2-II.

² Information regarding Verizon Wireless' ownership structure is available in the *pro forma* notification, File No. ITC-T/C-20171025-00193.

ANSWER TO QUESTION 13

Description of the Transaction

Prior to January 1, 2017, IVC RSA 2-II had five general partners: (1) Tonica held a 6.67 percent interest; (2) Lenore Cellular, Inc. ("Lenore") held an 8.71 percent interest; (3) Cencomm, Inc. ("Cencomm") held a 22.31 percent interest; (4) Marseilles held a 22.31 percent interest; and (5) Alltel held a 40 percent interest.³

On January 1, 2017, Lenore and Cencomm withdrew from the IVC RSA 2-II partnership. Proportionate ownership interests held by Marseilles, Tonica, and Alltel increased pro rata to reflect the withdrawal. As a result, Marseilles' interest increased from 22.31 percent to 32.34 percent; Tonica's interest increased from 6.67 percent to 9.67 percent; and Alltel's interest increased from 40 percent to 57.99 percent.

IVC RSA 2-II was prior to the transfer and continues to be managed and controlled by Marseilles, which serves as the Operational Partner and Network Partner of the partnership. In these roles, Marseille continues to control the daily operations of and carry out the day-to-day policy decisions for IVC RSA 2-II, control the financial obligations associated with operating IVC RSA 2-II, control personnel decisions, control the use of IVC RSA 2-II's facilities and equipment, and receive monies and profits from the operation of the facilities. This demonstrates that Marseilles has *de facto* control over IVC RSA 2-II.

Although the transfer of the minority ownership interests in this case resulted in an increase in the remaining partners' interests (including Alltel's increase to 57.99 percent), the transfer is properly classified as *pro forma* because it did not "cause a 'substantial change in ownership or control' of the licensee." It is well established that in the case of a partnership, *de jure* control is evidenced by the holding of general partnership interests. Accordingly, the remaining partners of IVC RSA 2-II (including Alltel) previously had and continue to have *de jure* control of IVC RSA 2-II. Moreover, the Commission has long held that a transaction is *pro*

³ Alltel is a wholly-owned subsidiary of Cellco Partnership d/b/a Verizon Wireless ("Verizon Wireless"). Robert E. Boone, Jr. ("Boone") serves as Voting Trustee for Alltel's voting rights in IVC RSA 2-II under a Voting Trust Agreement between Boone and Alltel. On February 5, 2009, the Commission was notified of the *pro forma* transfer of Alltel's voting rights in IVC RSA 2-II to the trustee, in connection with the acquisition of ALLTEL Corporation by Verizon Wireless. *See* ULS File No. 0003728249.

⁴ See Intermountain Microwave, 24 Rad. Reg. (P&F) 983 (1963), Application of Ellis Thompson Corp., 9 FCC Rcd 7138 (1994).

⁵ Federal Communications Bar Association's Petition for Forbearance from Section 310(d) of the Communications Act, 13 FCC Rcd 6293, 6297 (1998) ("FCBA Forbearance Order").

⁶ See, e.g., Updating Part 1 Competitive Bidding Rules, 30 FCC Rcd 7493, 7507 (2015); 47 C.F.R. § 22.22(b)(2).

forma if less than 50 percent interest in a licensee is changing hands, and more than 50 percent interest remains in the hands of persons who have already been passed upon by the Commission. In this case, well under 50 percent of the partnership interests were transferred to the remaining partners, all of whom have been previously passed upon by the Commission. In addition, as described above, Marseilles had and continues to have *de facto* control of IVC RSA 2-II.

IVC RSA 2-II is a longstanding FCC licensee, operating state of the art digital wireless networks in eight counties running from the Indiana State line to south of Chicago, to near Peoria, Illinois and then on towards the Iowa state line. It has concentrated on building towers that serve the needs of the local communities and the rural farming community. IVC RSA 2-II holds several licenses in good standing and provides commercial mobile wireless service in furtherance of the public interest. The transfer did not change or impact the operations of IVC RSA 2-II, including its customers.

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⁷ See FCBA Forbearance Order, 13 FCC Rcd at 6297-98; Barnes Enterprises, Inc., 55 F.C.C.2d 721 (1975); Clay Broadcasters, Inc., 40 F.C.C.2d 1239 (1971).