

Description of Requested *Pro Forma* Transfer of Control and Existing Foreign Ownership Authorization

Pacific Telecom Inc. (“PTI”), a U.S. corporation, is the 100% direct parent of U.S. corporation The Micronesia Telecommunications Corporation, which in turn is the 100% parent of U.S. corporation and common carrier earth station licensee PTI Pacifica Inc. PTI seeks FCC approval for a *pro forma* transfer of control.

The current majority (67%) owner of PTI is Prospector Investments Ltd., a Cayman Islands corporation (“Prospector Cayman”) that is owned 56% by Ricardo C. Delgado, a citizen of the Philippines, and 44% by Jose Ricardo Delgado, also a citizen of the Philippines. This application seeks FCC consent to insert a new U.S. holding corporation, Prospector Pacific Investments Inc. (domiciled in the Commonwealth of the Northern Mariana Islands (“CNMI”), a U.S. territory), in the chain of ownership between Prospector Cayman and PTI. As the proposed new entity in the ownership chain is wholly-owned by Prospector Cayman, the insertion of the new entity results in a transfer of control that is *pro forma* only. See attached diagrams of the current and proposed ownership structure.

Upon completion of the proposed transaction, PTI will be owned 67% by CNMI corporation Prospector Pacific Investments Inc., 28% by Sumitomo Corporation (a Japanese corporation), and 5% by Sumitomo Corporation of America, (a U.S. corporation that is owned 100% by Sumitomo Corporation).

As described above, PTI, a U.S. corporation, ultimately is indirectly owned 100 percent by non-U.S.-entities. Because the earth stations that are the subject of this application are classified as common carrier, the foreign ownership provisions of Section 310(b)(4) of the Communications Act, as amended, which establishes a 25 percent limit on indirect foreign ownership for common carrier licenses and aeronautical fixed and en route licenses, apply. Applicant has received approvals from the FCC under Section 310(b)(4) for 100% indirect foreign ownership several times, most recently in 2009 (*see IT&E Overseas, Inc. Transferee, and PTI Pacifica Transferee, Memorandum Opinion and Order and Declaratory Ruling*, 24 FCC Rcd 5466 (2009)) and in 2010 (IBFS File No. ISP-PDR-20100720-00015; *see International Authorizations Granted*, DA 10-2281, December 2, 2010). The requested *pro forma* transfer is consistent with these prior authorizations.

Information responsive to Question A.20

Controlling Entities and Ten Percent or Greater Interest Holders in Licensee PTI Pacifica Inc.

Direct Ownership:

Name:	The Micronesia Telecommunications Corporation (“MTC”)
Address:	P.O. Box 500306, Tekken Street, Saipan, MP 96950
Citizenship	CNMI
Principal Business:	Incumbent local exchange carrier
Percentage Held:	100% in Licensee PTI Pacifica Inc.

Indirect Ownership:

Name: Pacific Telecom Inc. ("PTI")
Address: P.O. Box 500306, Tekken Street, Saipan, MP 96950
Citizenship: CNMI
Principal Business: Holding Company
Percentage Held: 100% in MTC

Name: Prospector Pacific Investments Inc. ("Prospector Pacific")
Address: P.O. Box 500306, Tekken Street, Saipan, MP 96950
Citizenship: CNMI
Principal Business: Investments/Holding Company
Percentage Held: 67% in PTI

Name: Prospector Investments Ltd. ("Prospector Cayman")
Address: P.O. Box 500306, Tekken Street, Saipan, MP 96950
Citizenship: Cayman Islands
Principal Business: Investments/Holding Company
Percentage Held: 100% in Prospector Pacific

Name: Ricardo C. Delgado
Address: 6758 Ayala Ave.
4/F SGV II Building
Makati City
Philippines
Citizenship: Philippines
Principal Business: Investments
Percentage Held: 56% in Prospector Cayman

Name: Jose Ricardo Delgado
Address: 6758 Ayala Ave.
4/F SGV II Building
Makati City
Philippines
Citizenship: Philippines
Principal Business: President, PTI
Percentage Held: 44% in Prospector Cayman

Name: Sumitomo Corporation
Address: 1-8-11 Harumi
Chuo-ku
Tokyo
Japan
Citizenship: Japan

Principal Business: Diversified company operating in a variety of business fields, including transportation and constructions systems, infrastructure, real estate, metal products, mineral resources, energy, chemical, telecommunications and electronics.

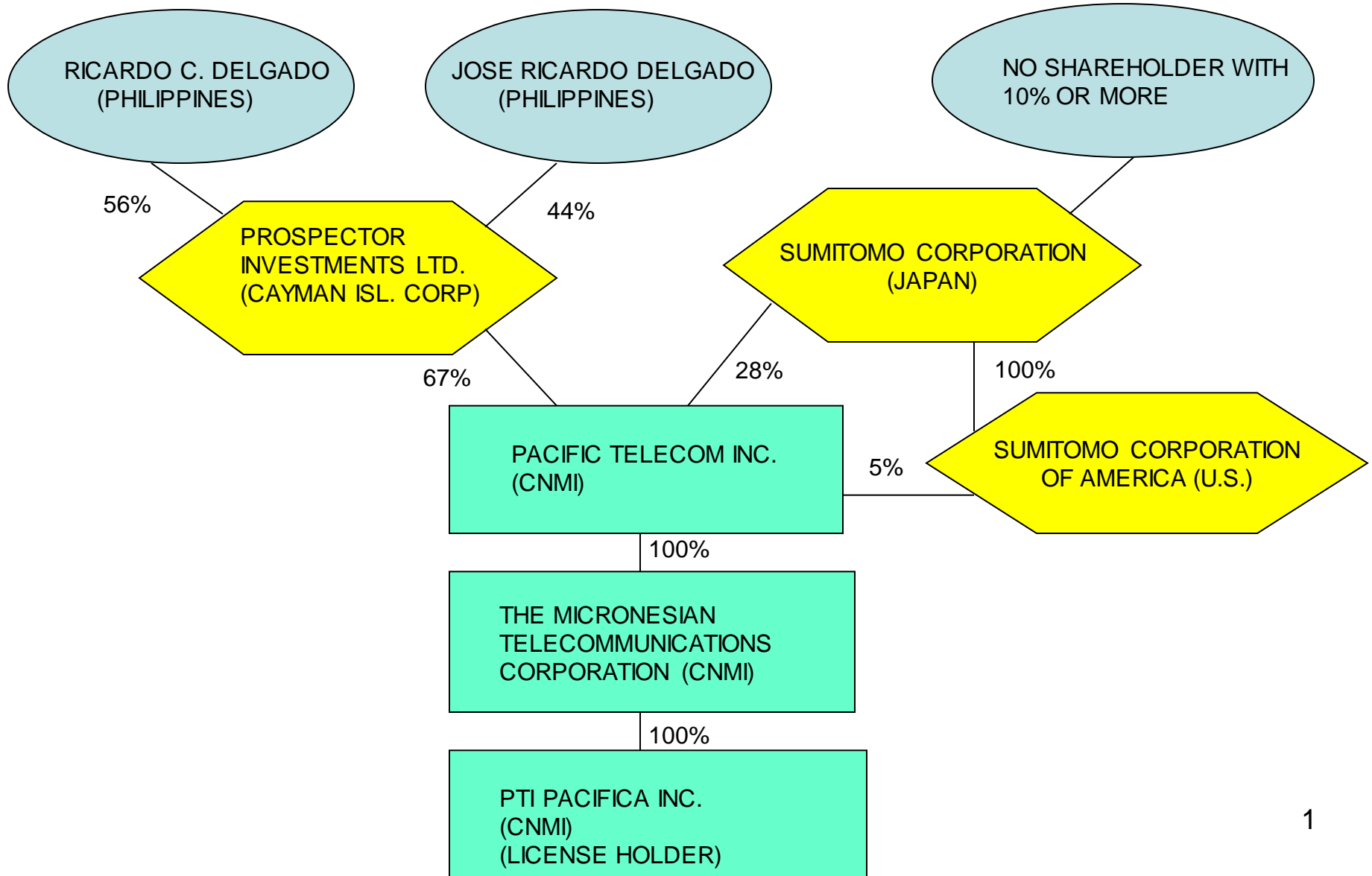
Percentage Held: 28% in PTI¹

Ten percent owners
of Sumitomo

Corporation: None

¹ As noted previously, Sumitomo Corporation's wholly-owned subsidiary, Sumitomo Corporation of America, holds the remaining 5% interest in PTI.

Pacific Telecom Inc. Current Ownership Structure



Pacific Telecom Inc. Post-Transaction Ownership Structure

