

DESCRIPTION OF TRANSACTION

This notification informs the FCC that, on December 31, 2013, a *pro forma* transfer of control of Global Digital Media Xchange Inc. occurred. The *pro forma* transfer of control resulted from the conversion of one of its controlling corporate parents, Warner Communications Inc. (“WCI”), from a corporation to a limited liability company. This change in control was *pro forma* because at all times WCI, WCI’s successor form of entity, Warner Communications LLC (“WC LLC”), and Global Digital Media Xchange Inc. remained under the ultimate 100 percent ownership and control of Time Warner Inc. (“TWI”), and Global Digital Media Xchange Inc., WCI, and the new form of legal entity into which it converted, WC LLC, have the same ownership, assets, and liabilities.¹ The complete circumstances of this internal reorganization are briefly set forth below.

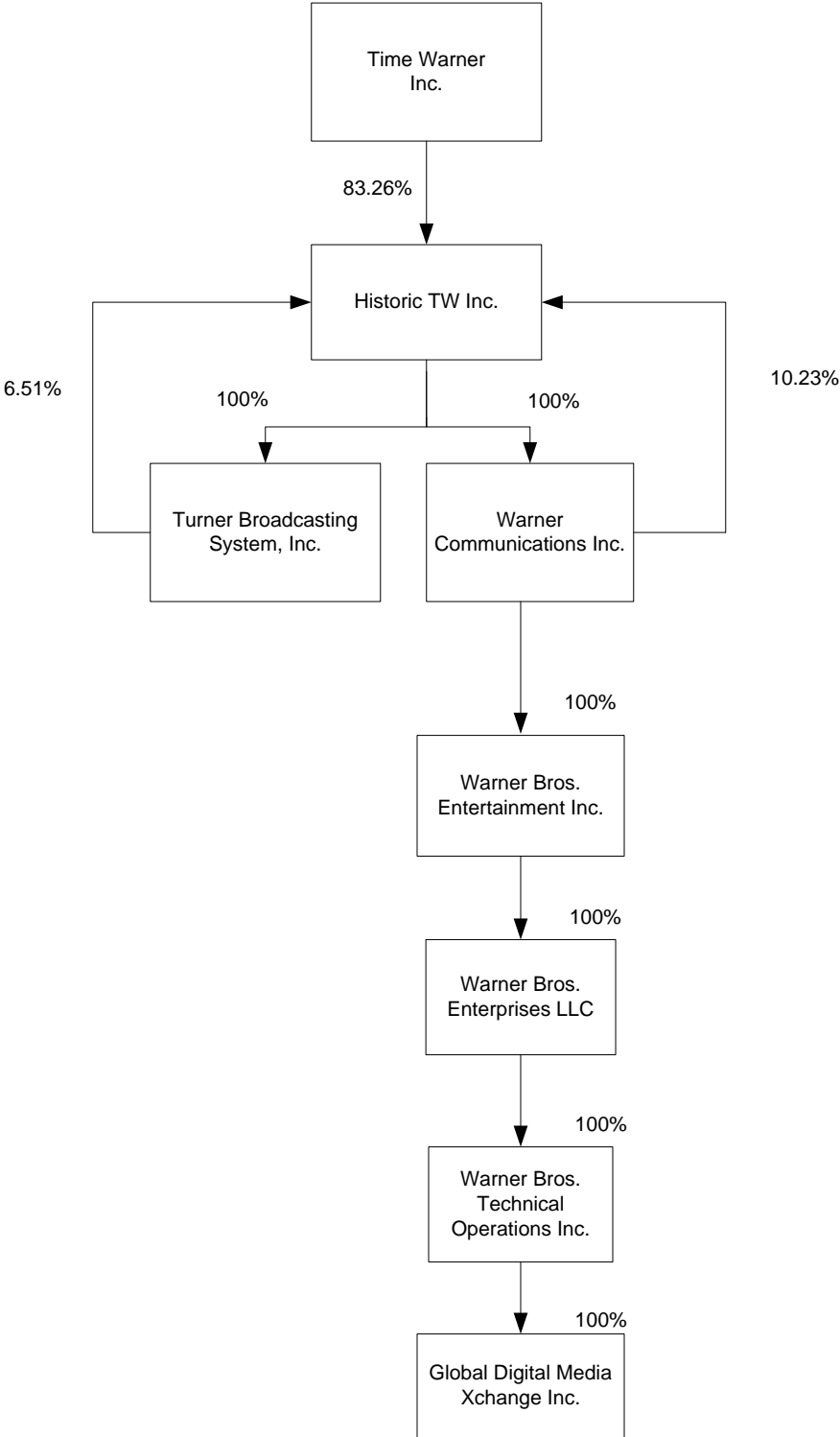
Prior to the transaction, Global Digital Media Xchange Inc. was an indirect, wholly-owned subsidiary of WCI, a corporation organized under the laws of Delaware. As shown in the attached organizational diagram, WCI was a wholly-owned subsidiary of Historic TW Inc. (“HTW”). HTW is directly majority-owned and controlled by Time Warner Inc (“TWI”), and TWI indirectly owns the remaining equity of HTW. WCI directly held shares of HTW, and Turner Broadcasting System, Inc. (“TBS”) directly holds shares of HTW, but WCI did not control HTW, and TBS does not control HTW. WCI was, and TBS is, an indirect, wholly-owned subsidiary of TWI.

On December 31, 2013, WCI was converted to a limited liability company organized under the laws of Delaware and became WC LLC. After that conversion was completed, WC LLC distributed the shares of HTW that it held to HTW. The distribution of the shares of HTW held by WC LLC to HTW increased the *direct* ownership of HTW held by TWI, but the ownership of HTW distributed by WC LLC was not a controlling interest in HTW; rather, the controlling interest (and ultimate 100 percent equity ownership) of HTW at all times in this process has been held by TWI. Hence, no transfer of control occurred as a result of WC LLC’s distribution of HTW shares to HTW.

Note: The *pro forma* transfer of control that is the subject of this notification was approved by the FCC with respect to the following transmit/receive earth stations: call sign E130074, File No. SES-T/C-20131205-01174 (granted December 12, 2013) and call sign E040137, File No. SES-T/C-20131205-01189 (granted December 16, 2013).

¹ See *In re FCBA’s Petition for Forbearance from Section 310(d) of the Communications Act Regarding Non-Substantial Assignments of Wireless Licenses and Transfers of Control Involving Telecommunications Carriers*, 13 FCC Rcd 6293, ¶ 8 (1998) (*pro forma* transactions include those involving a “corporate reorganization which involves no substantial change in the beneficial ownership of the corporation”).

Pre-Transaction Structure



Post-Transaction Structure

