

**DESCRIPTION OF THE PROPOSED TRANSACTION, OWNERSHIP, AND PUBLIC  
INTEREST STATEMENT**

Through a series of applications and filings identified below, DPII Holdings LLC seeks Federal Communications Commission (“FCC” or “Commission”) consent to a proposed transaction that will result in the transfer of control of all of the licenses, authorizations, and registrations held by Rockwell Collins Satellite Communications Systems, Inc. (“RCSCS”) from Rockwell Collins, Inc. (“Rockwell Collins”) to DPII Holdings LLC.

**Description of the Parties**

Rockwell Collins is a publicly-traded Delaware Corporation with its headquarters in Cedar Rapids, Iowa. Rockwell Collins provides design, production and support of communications and aviation electronics for commercial and military customers worldwide. Rockwell Collins’ products and systems are primarily focused on aviation applications. Rockwell Collins’ Government Systems business also offers products and systems for ground and shipboard applications. Rockwell Collins provides a wide range of service centers worldwide, including equipment repair and overhaul, service parts, field engineering, training, technical information services and aftermarket used equipment sales. Rockwell Collins serves a broad range of customers worldwide, including the U.S. Department of Defense, U.S. Coast Guard, civil agencies, defense contractors, foreign ministries of defense, manufacturers of commercial air transport, business and regional aircraft, commercial airlines and other aircraft.

Rockwell Collins’s wholly-owned subsidiary, Rockwell Collins Satellite Communications Systems, Inc. (“RCSCS”), formerly known as DataPath, Inc., is a Georgia corporation that designs, manufactures, and services ground-based satellite communications systems for commercial, military, and government markets. RCSCS offers design and installation services, network operations and maintenance, and information security and connectivity services.

DPII Holdings LLC is a manager-managed investment fund. The manager of DPII Holdings LLC is White Oak Investments LLC and Christopher C. Melton, Sr., a U.S. citizen and holder of a security clearance, is the sole member of White Oak Investments LLC. Melton also owns approximately 3 percent of DPII Holdings LLC. White Oak Investments LLC is a private equity management firm based in Atlanta, Georgia, and operates as part of The White Oak Group. The White Oak Group specializes in management-led buyouts, recapitalizations, growth capital, add-on acquisitions, and private companies. The firm invests in lower middle-market IP-rich businesses and mature companies in the Southeastern and Mid-Atlantic regions of the United States, focusing on core competencies in government contracting, services, and technology companies.

**Description of the Transaction**

On May 22, 2014, Rockwell Collins and DPII Holdings LLC entered into a stock purchase agreement whereby DPII Holdings LLC will purchase 100 percent of the outstanding stock of

RCSCS. Upon consummation of the transaction, RCSCS will be wholly owned by DPII Holdings LLC.

The transaction will result in a change of control of all of the Commission licenses and authorizations held by RCSCS from Rockwell Collins to DPII Holdings LLC, including:

- International Section 214 authorization issued under Part 63 of the Commission's Rules;
- Earth station authorizations issued under Part 25 of the Commission's Rules; and
- One private land mobile radio service authorization issued under Part 90 of the Commission's Rules.

The parties have prepared and submitted a set of applications and filings as required by the Commission's rules to seek consent to the proposed transfer of control.

### **Ownership**

After the transaction closes, DPII Holdings LLC, the transferee, will own 100 percent of the outstanding voting equity of RCSCS, the authorization holder. DPII Holdings LLC is a manager- managed limited liability company, and the manager is White Oak Investments LLC. Christopher C. Melton, Sr., is the sole member of White Oak Investments LLC. Melton also owns approximately 3 percent of DPII Holdings LLC, is a United States citizen, and holds a security clearance.

RCSCS will have the following 10-percent-or-greater direct or indirect interest holders:

White Oak Management Services LLC  
5665 New Northside Drive, Suite 500  
Atlanta, GA 30328  
(404) 875-9994  
(404) 875-9545 (fax)  
[www.thewhiteoakgroup.com](http://www.thewhiteoakgroup.com)

White Oak Management Services LLC is owned by White Oak Investments LLC and indirectly owned by Christopher C. Melton, Sr. White Oak Management Services LLC will own 15 percent of DPII Holdings LLC in the form of non-voting (profits interest only) equity.

Triangle Capital Corporation  
3700 Glenwood Avenue, Suite 530  
Raleigh, NC 27612  
(919) 719-4770  
(919) 719-4777 (fax)  
[www.tcap.com](http://www.tcap.com)

Triangle Capital Corporation is a publicly traded Business Development Company and licensed Small Business Investment Company. It will own approximately 18 percent of the voting equity of DPII Holdings LLC and will not exercise control over DPII Holdings LLC or RCSCS.

Petra Capital Partners  
3825 Bedford Avenue, Suite 101  
Nashville, TN 37215  
(615) 313-5999  
(615) 313-5990 (fax)  
[www.petracapital.com](http://www.petracapital.com)

Petra Capital Partners is a licensed Small Business Investment Company. It will own approximately 18 percent of the voting equity of DPII Holdings LLC and will not exercise control over DPII Holdings LLC or RCSCS.

Convergent Capital  
505 N. Highway 169, Suite 245  
Minneapolis, MN 55441  
(763) 432-4080  
(763) 432-4085 (fax)  
[www.cvcap.com](http://www.cvcap.com)

Convergent Capital is a licensed Small Business Investment Company. It will own approximately 18 percent of the voting equity of DPII Holdings LLC and will not exercise control over DPII Holdings LLC or RCSCS.

Banyan Funds  
1111 Brickell  
Miami, FL 33131  
(305) 755-0378  
(305) 755-0373 (fax)  
[www.banyanmezzaninefunds.com](http://www.banyanmezzaninefunds.com)

Banyan Funds is a licensed Small Business Investment Company. It will own approximately 18 percent of the voting equity of DPII Holdings LLC and will not exercise control over DPII Holdings LLC or RCSCS.

Salem-Halifax Capital Partners  
2849 Paces Ferry Road  
Overlook I, Suite 660  
Atlanta, GA 30339  
(770) 790-5034  
(770) 790-5104 (fax)  
[www.salemhalifax.com](http://www.salemhalifax.com)

Salem-Halifax Capital Partners is a licensed Small Business Investment Company. It will own approximately 18 percent of the voting equity of DPII Holdings LLC and will not exercise control over DPII Holdings LLC or RCSCS.

### **Public Interest Statement**

The Commission may approve a transfer of control if, after weighing “the potential public interest harms of the [transaction] against the public interest benefits,” it concludes that, “on balance,” doing so would serve the public interest, convenience, and necessity.<sup>1</sup> Accordingly, where the potential harms from a proposed transaction are great, the potential benefits must be great; conversely, where the potential harms (if any) are small or limited, the potential benefits need only be of a similar scale.<sup>2</sup>

The proposed transaction poses no potential harms to the public interest, as both Rockwell Collins, Inc. and RCSCS will continue to provide the services they offer today. Indeed, the proposed transaction will create public interest benefits by allowing both companies to devote their resources to their core products and solutions. The sale of RCSCS will allow Rockwell Collins, Inc. to continue its strategy of reshaping its government systems portfolio to focus on its core products and solutions, while also allowing RCSCS, which designs, manufactures, and services ground-based satellite communications systems for military, government, and commercial customers, to devote its resources to those offerings, both domestically and internationally. In addition, the sale of RCSCS to DPII Holdings LLC will allow RCSCS to take advantage of the financial and managerial expertise of White Oak Investments LLC through its management of DPII Holdings LLC.

Post consummation, RCSCS will change its name again to DataPath. The White Oak Group previously owned DataPath through a holding company and David McDonald, an operating partner of The White Oak Group and co-founder of DataPath, will be the executive chairman of DataPath post consummation. Further, Christopher C. Melton, Sr., the co-chairman of DataPath

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<sup>1</sup> See, e.g., *Loral Satellite, Inc. (Debtor-in-Possession) and Loral SpaceCom Corporation (Debtor in Possession), Assignors and Intelsat North America, LLC, Assignee, Order and Authorization*, 19 FCC Rcd 2404, 2411-12 (¶18) (2004) (“*Loral/Intelsat*”); *Comcast Corp., AT&T Corp., and AT&T Comcast Corp., Memorandum Opinion and Order*, 17 FCC Rcd 23246, 23255 (¶ 26) (2002) (“*AT&T/Comcast*”); *Applications for Consent to The Transfer of Control of Licenses and Sect. 214 Authorizations by Time Warner Inc. and America Online, Inc., Transferors, AOL Time Warner Inc., Transferee, Memorandum Opinion and Order*, 16 FCC Rcd 6547, 6554 (¶ 19) (2001) (“*AOL/Time Warner*”); *Applications for Consent to The Transfer of Control of Licenses and Sect. 214 Authorizations from MediaOne Group, Inc. and AT&T Corp., Memorandum Opinion and Order*, 15 FCC Rcd 9816, 9820 (¶ 8) (2000); see also 47 U.S.C. § 310(d).

<sup>2</sup> See, e.g., *AT&T/Comcast*, 17 FCC Rcd at 23,329 (¶ 218) (observing that “in balancing the public interest harms and benefits, we employ a sliding scale approach” that “examine[s] the likelihood and the magnitude of the potential public interest harms”); *TRW Inc., Transferor, and Northrop Grumman Corp., Transferee, Order and Authorization*, 17 FCC Rcd 24,625, 24,630 (¶ 15) (Int’l Bur., Sat. Div. 2002) (“*TRW*”) (“we find no potential harms, and thus, the Applicants’ demonstration of potential benefits need not be as great”).

during The White Oak Group's previous ownership, will be the chairman of DataPath post consummation.

### **Procedural Request for Approval of Additional Authorizations**

The licenses, authorizations, and registrations listed above and in the relevant FCC filings are intended to be complete and to include all licenses held by RCSCS. RCSCS, however, may have on file or may hereafter file additional requests for licenses, authorizations, or registrations, which may be granted or remain pending during the pendency of this transaction. Accordingly, the parties request that the FCC authorize DPII Holdings LLC to acquire control of the following upon the grant of this transfer of control application:

- Any license, authorization, or registration issued to RSCSC during the Commission's consideration of the transfer of control application and the period required for consummation of the transaction following approval.
- Any application that is filed after the date of these transfer applications and that remains pending at the time of the consummation or the requested transfer of control.

Such actions would be consistent with Commission precedent.<sup>3</sup> Moreover, the parties request that Commission approval of the transfer applications include any licenses, authorizations, or registrations that may have been inadvertently omitted from the instant applications.

### **Response to Question 42a**

In addition to U.S. licensed satellites, the license for earth station E030197 authorizes communications to certain satellites in the HORIZONS (Japan) system.

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<sup>3</sup> See *Application of WorldCom, Inc., and MCI Communications Corp. for Transfer of Control of MCI Communications Corp. to WorldCom, Inc.*, Memorandum Opinion and Order, 13 FCC Rcd 18,025, 18,153 (¶ 226) (1998); *Applications of NYNEX Corp., Transferor, and Bell Atlantic Corp., Transferee, for Consent to Transfer Control of NYNEX Corp. and Its Subsidiaries*, Memorandum Opinion and Order, 12 FCC Rcd 19,985, 20,097 (¶ 247) (1997); *Applications of Craig O. McCaw and AT&T for Consent to Transfer of Control of McCaw Cellular Communications, Inc. and Its Subsidiaries*, Memorandum Opinion & Order, 9 FCC Rcd 5836, 5909, n.300 (1994) ("McCaw/AT&T Order").