

DESCRIPTION OF *PRO FORMA* TRANSACTION AND PUBLIC INTEREST STATEMENT

This is one of a series of applications notifying the Commission of the *pro forma* transfer of a minority, non-controlling interest in certain earth station licenses held by New Cingular Wireless PCS, LLC (“New Cingular”), a subsidiary of AT&T Mobility LLC (“Mobility”).¹ The *pro forma* transfer of control occurred as the result of an internal corporate reorganization which closed on January 1, 2019. Specifically, the reorganization inserted a new holding company into Mobility’s ownership structure, diluting SBC Long Distance, LLC’s (“SBC”) ownership interest in Mobility from approximately 60% to under 50%. These corporate changes constituted a non-substantial *pro forma* transfer of control because the ultimate ownership and control of both Mobility and New Cingular is exactly the same before and after the corporate reorganization.

I. Description of the *Pro Forma* Transfer of Control – Response to Question 43

A. Previous Ownership Structure

As shown in Exhibit 2-A, Mobility is an indirect, wholly owned subsidiary of AT&T. Mobility had three direct owners: SBC held a 59.89% interest, Bellsouth Mobile Data, Inc. (“BSMD”) held a 36.84% interest, and SBC Tower Holdings, LLC (“SBC Tower”) held the remaining 3.28% interest. SBC and SBC Tower are indirect, wholly owned subsidiaries of AT&T Teleholdings, Inc. (“Teleholdings”), which is a direct, wholly owned subsidiary of AT&T. BSMD is likewise a direct, wholly owned subsidiary of AT&T.

B. Post-Consummation Ownership Structure

The post-consummation ownership structure is depicted in Exhibit 2-B. The following changes occurred as part of the transaction:

- New Cingular Wireless Services, Inc., (“New Cingular Wireless Services”) acquired a direct non-controlling interest in Mobility.
- The addition of New Cingular Wireless Services into Mobility’s ownership diluted SBC’s ownership interest in Mobility to below 50%.²

Both before and after this *pro forma* transaction, Teleholdings indirectly held the controlling interest in Mobility. Ultimate ownership and control of New Cingular remains the

¹ New Cingular is an indirect wholly owned subsidiary of AT&T, Inc. (“AT&T”). Prior to the closing of the transaction, Teleholdings applied for and received consent to the *pro forma* transfer of private earth station licenses and private wireless radio licenses. See IBFS File No. SES-T/C-20181211-03436, ULS File Nos. 0008453499, 0008453524. Notification is concurrently being filed with the Wireless Telecommunications Bureau with regard to the common carrier radio licenses and with the International Bureau regarding the common carrier earth station licenses impacted by the transaction.

² SBC’s ownership interest is now 47.59%.

same before and after this *pro forma* transaction as AT&T continues to indirectly own and control 100% of New Cingular.

II. Public Interest Statement – Response to Question A.21

Under the FCC’s rules, transfers of control that do not result in a change of the actual controlling party are considered *pro forma*.³ Moreover, a “corporate reorganization that involves no substantial change in the beneficial ownership of the corporation” is presumptively considered to be *pro forma*.⁴ The proposed transaction constitutes a *pro forma* transfer of control because ultimate ownership and control of New Cingular is exactly the same before and after the corporate reorganizations.

This internal corporate reorganization serves the public interest by creating operational and administrative efficiencies for AT&T. The FCC routinely finds that similar corporate changes serve the public interest.⁵ Accordingly, the Commission should find that the transaction is in the public interest and promptly accept this notification.

III. Officers, Directors and Ten Percent Shareholders – Response to Questions 40 and A.20

Teleholdings is 100% directly owned by AT&T. AT&T is a publicly traded corporation whose stock is widely held by the public with no person or entity holding a ten percent or greater ownership interest in AT&T. The name, address, citizenship, and principal business of AT&T is:

AT&T Inc.
208 S. Akard Street
Dallas, TX 75202
Citizenship: Delaware
Principal Business: Holding Company
Direct Ownership Interest: 100% of AT&T Teleholdings, Inc.

The directors and officers of Teleholdings are as follows:

Directors:

Debra L. Dial Director
John J. O'Connor Director

³ 47 C.F.R. § 63.24(d) (“Transfers of control or assignments that do not result in a change in the actual controlling party are considered non-substantial or *pro forma*.”).

⁴ 47 C.F.R. § 63.24(d), Note 2.

⁵ *See, e.g.* Public Notice, Satellite Communications Services Information re: Actions Taken, Report No. SES-01905 (Nov. 23, 2016) (granting New Cingular’s application for consent to transfer earth station and VSAT licenses as part of a planned internal reorganization, IBFS File No. SES-T/C-20161116-00894).

Officers:

John Donovan President and Chief Executive Officer

Daniel J. Fete Chief Financial Officer

George B. Goeke Senior Vice President and Treasurer

Stephen A. McGaw Senior Vice President - Corporate Strategy and Development

Julianne K. Galloway Vice President and Assistant Treasurer

Michael Kay Assistant Vice President - Tax

Stacy W. Roth Assistant Treasurer

Sherri L. Bazan Assistant Treasurer

Marilyn S. Spracker Assistant Secretary

Paul M. Wilson Assistant Secretary

Wayne A. Wirtz Secretary

Teresa G. Blizzard Director - Tax

Terry Britt Director - Tax

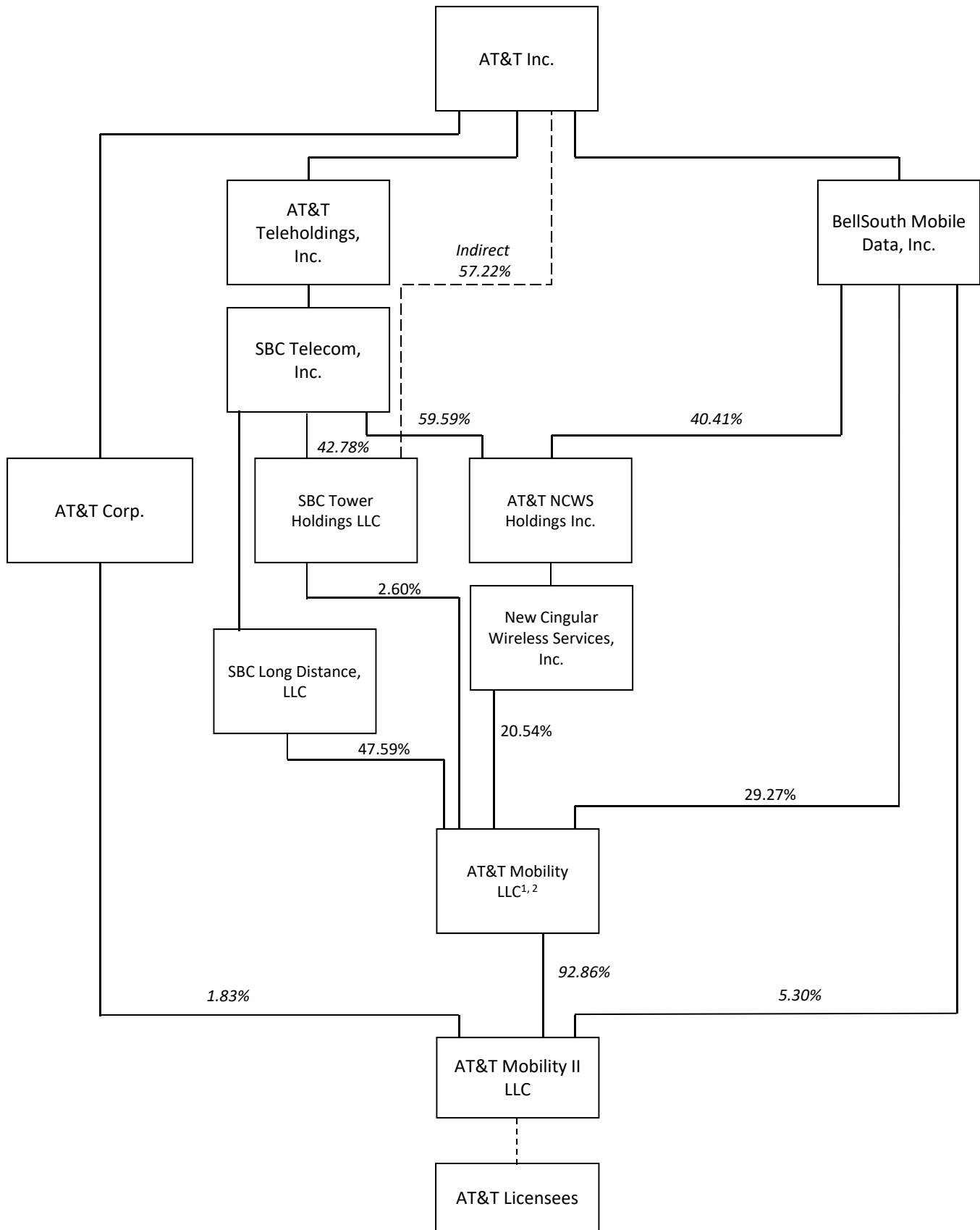
Karen Diorio Director - Tax

Vivian Swierc Director - Tax

Fletcher Ricks Director-Tax

Exhibit 2-B: Post-Pro Forma Transaction Ownership

All interests 100% unless otherwise shown.



1. AT&T Mobility Corporation manages and controls AT&T Mobility LLC, AT&T Mobility II LLC, and New Cingular Wireless PCS, LLC however it does not hold an ownership interest in these entities. Bell South Mobile Data, Inc. holds 100% of AT&T Mobility Corporation.