

## **DESCRIPTION OF TRANSACTION AND PUBLIC INTEREST STATEMENT**

On February 1, 2025, affiliates of AT&T Inc. (“AT&T”) and affiliates of T-Mobile USA, Inc. (“T-Mobile USA”) (each a “Party” and collectively, the “Parties”) entered into an agreement (“Exchange Agreement”) to exchange certain Broadband PCS, AWS-1, AWS-3 and 700 MHz licenses in various markets (“Markets”). Many of the assignments are intra-market license exchanges that are intended to enable more efficient operations by creating larger blocks of contiguous spectrum and/or the alignment of spectrum blocks held in adjacent markets. In nearly all of these Markets, identical amounts and types of spectrum are being swapped. The spectrum being exchanged pursuant to this transaction is described in greater detail in Exhibit 2. By this and other contemporaneously filed Form 603 assignment applications, the Parties respectfully seek the Commission’s consent for the assignments of Broadband PCS, AWS-1, AWS-3 and 700 MHz licenses contemplated by the Exchange Agreement.

For the reasons set forth in more detail below, the Parties submit that Commission approval of the proposed transaction is consistent with the public interest, convenience and necessity and that the applications should be approved expeditiously and without conditions. Indeed, upon the consummation of the transaction contemplated by the Exchange Agreement, the attributable spectrum holdings of AT&T and T-Mobile USA will be unchanged in many of the affected Markets. A few of the intra-market exchanges and some inter-market assignments will result in either AT&T or T-Mobile USA increasing its spectrum holdings in the applicable Market. Nevertheless, in all Markets, this transaction will enable both AT&T and T-Mobile USA to expand capacity, use spectrum more productively, and benefit consumers. In those Markets where AT&T or T-Mobile USA will increase its attributable spectrum holdings, each Party will remain below the applicable spectrum screen post-transaction, with the limited exceptions described below.

### **Description of the Parties**

The four affiliates of T-Mobile USA that are parties to the Exchange Agreement are T-Mobile License LLC (“T-Mobile License”), Sprint Spectrum Realty Company, LLC (“Sprint Realty”), Sprint Spectrum License Holder III LLC (“Sprint Holder II”), and Nextel West Corp. (“Nextel West” and together with T-Mobile License, Sprint Realty and Sprint Holder III, the “T-Mobile Licensees”), which are direct or indirect wholly-owned subsidiaries of T-Mobile USA, which is wholly-owned by T-Mobile US, Inc. (“T-Mobile US”), a publicly traded company, and part of the family of companies that operate under the T-Mobile® brand names. Deutsche Telekom AG, a publicly-traded German company based in Bonn, Germany (“DT”), indirectly holds approximately 51.4 percent of T-Mobile US’s shares. Specifically, DT holds its controlling interest in T-Mobile US through its wholly-owned subsidiary T-Mobile Global Zwischenholding GmbH (“T-Mobile Global”), which owns all of the equity and voting interest of T-Mobile Global Holding GmbH (“T-Mobile Holding”), which holds an 89.01 percent equity and voting interest in Deutsche Telekom Holding B.V. (“DT Holding B.V.”), which in turn holds the approximate 51.4 percent interest in T-Mobile US. In addition, DT holds a direct 10.99 percent equity and voting interest in DT Holding B.V. DT also holds a proxy to vote additional shares of T-Mobile US.

Led by a management team with decades of collective experience in the telecommunications industry, T-Mobile US is headquartered in Bellevue, Washington, offers nationwide wireless voice and data services to consumer and business customers and provides service to 129.5 million customers.<sup>1</sup> The Commission has repeatedly found that T-Mobile and its companies have the requisite character and qualifications to hold Commission authorizations.<sup>2</sup> An FCC Form 602 providing current ownership information for T-Mobile is on file with the Commission.<sup>3</sup>

The four AT&T affiliates that are parties to the Exchange Agreement – New Cingular Wireless PCS, LLC (“New Cingular”), AT&T Mobility Spectrum LLC (“ATM”), Louisiana RSA No. 7 Cellular General Partnership (“RSA 7”) and Acadiana Cellular General Partnership (“Acadiana”) - are wholly owned, indirect subsidiaries of AT&T (New Cingular, ATM, RSA 7 and Acadiana, collectively, the “AT&T Licensees”).

AT&T is a leading provider of telecommunications, and technology services globally. In the United States, AT&T offers an integrated telecommunications network that uses different technological platforms, including wireless, satellite and wireline, to provide instant connectivity.<sup>4</sup> The qualifications of AT&T to hold and control Commission licenses are matters of public record.<sup>5</sup>

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<sup>1</sup> See News, T-Mobile Delivers Best-in-Class Customer Results in 2024 as More People Joined the Un-carrier Than Ever Before and Is Poised for Another Exciting Year of Growth in 2025 (Jan. 29, 2025), <https://www.t-mobile.com/news/business/t-mobile-q4-2024-earnings> (last visited Feb. 7, 2025).

<sup>2</sup> See, e.g., *Applications of T-Mobile US, Inc. and Sprint Corporation for Consent to Transfer Control of License and Authorizations*, WT Docket No. 18-197, Memorandum Opinion and Order, Declaratory Ruling, and Order of Proposed Modification, FCC 19-103, ¶ 44 (rel. Nov. 5, 2019) (“*Merger Approval Order*”); *Applications of Deutsche Telekom AG, T-Mobile USA, Inc., and MetroPCS Communications, Inc. for Consent to Transfer of Control of Licenses and Authorizations*, Memorandum Opinion and Order and Declaratory Ruling, 28 FCC Rcd 2322, 2330, ¶ 19 (WTB/IB 2013); *Applications of T-Mobile USA, Inc. and SunCom Wireless Holdings, Inc.*, Memorandum Opinion and Order, 23 FCC Rcd 2515, 2519-20 ¶ 10 (2008).

<sup>3</sup> See FCC File No. 0011417919. Based on prior guidance from the Wireless Telecommunications Bureau, this Form 602 filing for T-Mobile USA satisfies the ownership reporting requirements of Sections 1.919 and 1.2112(a) of the Commission’s rules for its wholly-owned direct and indirect subsidiaries of T-Mobile USA, Inc., including T-Mobile License, Sprint Realty, Sprint Holder II and Nextel West. See 47 C.F.R. §§ 1.919, 1.2112(a); see also *Wireless Telecommunications Bureau Answers Frequently Asked Questions Concerning Reporting of Ownership Information on FCC Form 602*, Public Notice, 14 FCC Rcd 8261, 8264-65 (WTB 1999).

<sup>4</sup> See AT&T Inc., 2022 Annual Report (Form 10-K), at 1-3 (Feb. 13, 2023).

<sup>5</sup> See, e.g., *Application of AT&T Mobility Spectrum LLC and Kaplan Telephone Company, Inc. for Consent to Assign Licenses*, Memorandum Opinion and Order, 30 FCC Rcd 8502, ¶ 9 (2015) (“*AT&T/Kaplan Order*”); *Applications of AT&T Mobility Spectrum LLC and KanOkla Telephone Association for Consent to Assign Licenses*, Memorandum Opinion and Order, 30 FCC Rcd 8555, ¶ 8 (2015) (“*AT&T/KanOkla Order*”); *Application of AT&T Mobility Puerto Rico Inc. and Worldcall Inc. for Consent to Assign Licenses*, Memorandum Opinion and Order, 30

The Commission has properly found that the qualifications of AT&T to hold Commission licenses are well-settled and that there is no reason to re-evaluate them in each proposed license assignment.<sup>6</sup> Therefore, there is no question that AT&T possesses the qualifications required to acquire the licenses involved in this transaction.

### **Description of the Transaction**

T-Mobile USA and AT&T entered into the Exchange Agreement, pursuant to which the Parties will exchange either the entirety or partitioned and/or disaggregated portions, as applicable, of the Broadband PCS, AWS-1, AWS-3 and 700 MHz spectrum set forth on Exhibit 2 (the “Exchange Licenses”) and the associated Forms 603 (the “Transaction”). Several of the licenses to be exchanged in this Transaction are subject to upcoming license expiration dates. The Exchange Agreement contemplates one or more closings, depending upon the timing of the grant of the renewal applications for licenses with upcoming expiration dates in 2025. The Parties are filing separate assignment applications on FCC Form 603 to take into account the possibility that the Parties may close on subsets of Exchange Licenses as underlying licenses are renewed. Filing separate assignment applications provides the flexibility needed to avoid attempting to close on some but not all of the assignments contemplated by a single application.

### **Transition Issues**

The Transaction involves only the assignments of spectrum and does not include the transfer of any other assets, facilities or customers. There will be no loss of an existing service provider in any area. Although the Parties provide service using their respective Exchange Licenses, all existing operations will be transitioned to other spectrum that the applicable carrier (or its affiliates) has in the same Market or is acquiring in an intra-market swap in this Transaction. These transitions thus will be seamless and invisible to retail customers, and there will be no discontinuance, reduction, loss or impairment of service to customers.

Specifically, in Markets that are the subject of an intra-market exchange of the same amount of spectrum, each of the applicable T-Mobile Licensee and the applicable AT&T Licensee will transition existing operations on the Exchange License(s) that it is assigning to the exchange spectrum that it (or its affiliate) is acquiring from the other Parties in this Transaction. In Markets that are the subject of an inter-market exchange where a T-Mobile Licensee or an AT&T Licensee is assigning Exchange License(s) and not receiving any spectrum from the other Parties (or an intra-market exchange where one Party is assigning more spectrum than it is receiving), each Party will transition its operations to other spectrum licensed available to it or its affiliates in those

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FCC Rcd 9763, ¶ 8 (2015) (“*AT&T/Worldcall Order*”); *Application of AT&T Mobility Spectrum LLC and Data-Max Wireless, LLC*, Memorandum Opinion & Order, 31 FCC Rcd 12662, ¶ 6 (2016) (“*AT&T/Data-Max Order*”).

<sup>6</sup> See, e.g., *AT&T/Kaplan Order* ¶ 9; *AT&T/KanOkla Order* ¶ 8; *AT&T/Worldcall Order* ¶ 8; *AT&T/Data-Max Order* ¶ 6.

Markets with the capacity to add those operations. Therefore, there will be no discontinuance, reduction, loss or impairment of service to customers.

### Public Interest Statement

Section 310(d) of the Communications Act of 1934, as amended (the “Act”), requires that the Commission determine whether the transaction presented herein is consistent with the public interest, convenience and necessity. To make that assessment, the Commission first assesses whether the proposed transaction complies with the specific provisions of the Act, other applicable statutes, and the Commission’s rules.<sup>7</sup> If the proposed transaction does not violate a statute or rule, then the Commission considers whether the transaction could result in public interest harms by substantially frustrating or impairing the objectives or implementation of the Act or related statutes.<sup>8</sup> In the absence of such harms or if any exist but have been ameliorated by narrowly tailored conditions, the Commission next evaluates the transaction’s public interest benefits.<sup>9</sup>

The Commission has determined that transfer and assignment applications that demonstrate on their face that a transaction will yield affirmative public interest benefits and will neither violate the Act or Commission rules nor frustrate or undermine policies and enforcement of the Act do not require extensive review and expenditures of considerable resources by the Commission.<sup>10</sup> The instant applications meet this standard.<sup>11</sup>

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<sup>7</sup> 47 U.S.C. § 310(d); *Applications of AT&T, Inc. and DIRECTV for Consent to Assign or Transfer Control of Licenses and Authorizations*, Memorandum Opinion and Order, 30 FCC Rcd 9131, 9139-40 ¶ 18 (2015) (“AT&T/DIRECTV Order”); *Applications of Comcast Corp., General Electric Co., and NBC Universal, Inc. for Consent to Assign Licenses and Transfer Control of Licensees*, Memorandum Opinion and Order, 26 FCC Rcd 4238, 4247 ¶ 22 (2011) (“Comcast/NBCU Order”); *Application of EchoStar Communications Corp., General Motors Corp., and Hughes Electronics Corp., Transferors, and EchoStar Communications Corp., Transferee*, Hearing Designation Order, 17 FCC Rcd 20559, 20574 ¶ 25 (2002) (“Echostar/DIRECTV HDO”).

<sup>8</sup> See *AT&T/DIRECTV Order* ¶ 18; *Comcast/NBCU Order* ¶ 22; *EchoStar-DIRECTV HDO* ¶ 25.

<sup>9</sup> *Applications of Level 3 Communications, Inc. and CenturyLink, Inc. for Consent to Transfer Control of Licenses and Authorizations*, Memorandum Opinion and Order, 32 FCC Rcd 9581, ¶¶ 9-10 (2017).

<sup>10</sup> See, e.g., *Applications of SoftBank Corp., Starburst II, Inc., Sprint Nextel Corp., and Clearwire Corp. for Consent to Transfer Control of Licenses and Authorizations*, Memorandum Opinion and Order, Declaratory Ruling, and Order on Reconsideration, 28 FCC Rcd at 9682 ¶ 102 (“[U]nder the Commission’s sliding scale approach, where potential public interest harms appear unlikely . . . we will accept a lesser showing of public interest benefits.”).

<sup>11</sup> In other similar transactions where AT&T and T-Mobile USA swapped spectrum, there was no opposition from the public, and the FCC consented to the applications on routine public notice. See *Wireless Telecommunications Bureau Assignment of License Authorization Applications, Transfer of Control of Licensee Applications, De Facto Transfer Lease Applications and Spectrum Manager Lease Notifications, Designated Entity Reportable Eligibility Event Applications, and Designated Entity Annual Reports Action*, Public Notice, Rpt No. 8322 (rel. Dec. 20, 2012) (consenting to ULS file nos. 0005339993 *et al.*), *Wireless Telecommunications Bureau Assignment of License Authorization Applications, Transfer of Control of Licensee Applications, De Facto Transfer Lease Applications and*

Notably, the proposed Transaction will yield public interest benefits. In the Markets that are the subject of an intra-market exchange of the same amounts of spectrum, the proposed assignments will allow the carriers to make more efficient use of their spectrum. By rationalizing a jumble of existing license holdings between AT&T and T-Mobile USA in each such Market, the proposed Transaction will benefit both consumers and competition. Following the Transaction, AT&T and T-Mobile USA will hold materially larger blocks of contiguous spectrum in the PCS and AWS bands in those Markets than these companies did prior to the proposed assignments. Although the Transaction has no material impact on the ability of AT&T or T-Mobile USA to deploy the spectrum, establishing larger contiguous spectrum blocks does allow both AT&T and T-Mobile USA to use the spectrum more efficiently and improve the overall quality of service to subscribers. Operating on contiguous blocks of spectrum allows the carriers to deploy larger channels, providing consumers with access to greater capacity. As a result, the proposed Transaction will allow AT&T and T-Mobile USA to offer more efficient and more reliable mobile wireless broadband services without increasing spectrum concentration in these neutral intra-market exchange Markets.

In the other Markets that are the subject of an inter-market exchange of PCS, AWS or (in the case of assignments from T-Mobile USA to AT&T) 700 MHz spectrum or an intra-market exchange of PCS or AWS spectrum where one carrier is acquiring more spectrum than it is assigning, the assignments augment spectrum holdings of the assignee, expanding capacity and thereby benefiting consumers. This will enable added capacity and improve data throughput speeds within existing coverage areas. Thus, the Transaction will allow both carriers to offer improved services to their customers, thereby enabling each provider to become a stronger competitor.

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*Spectrum Manager Lease Notifications, Designated Entity Reportable Eligibility Event Applications, and Designated Entity Annual Reports Action, Public Notice, Rpt No. 9270 (rel. Jan. 8, 2014) (consenting to ULS file nos. 0005923320 et al.), Wireless Telecommunications Bureau Assignment of License Authorization Applications, Transfer of Control of License Applications, De Facto Transfer Lease Applications and Spectrum Manager Lease Notifications, Designated Entity Reportable Eligibility Event Applications, and Designated Entity Annual Reports Action, Public Notice, Rpt No. 12571 (rel. Sep. 6, 2017) (consenting to ULS file nos. 0007753482 et al.), Wireless Telecommunications Bureau Assignment of License Authorization Applications, Transfer of Control of License Applications, De Facto Transfer Lease Applications and Spectrum Manager Lease Notifications, Designated Entity Reportable Eligibility Event Applications, and Designated Entity Annual Reports Action, Public Notice, Rpt No. 15717 (rel. Mar. 3, 2021) (consenting to ULS file nos. 0009288199 et al.), Wireless Telecommunications Bureau Assignment of License Authorization Applications, Transfer of Control of License Applications, De Facto Transfer Lease Applications and Spectrum Manager Lease Notifications, Designated Entity Reportable Eligibility Event Applications, and Designated Entity Annual Reports Action, Public Notice, Rpt No. 18428 (rel. Feb. 22, 2024) (consenting to ULS file nos. 0010345161 et al.), and Wireless Telecommunications Bureau Assignment of License Authorization Applications, Transfer of Control of License Applications, De Facto Transfer Lease Applications and Spectrum Manager Lease Notifications, Designated Entity Reportable Eligibility Event Applications, and Designated Entity Annual Reports Action, Public Notice, Rpt No. 18901 (rel. Aug. 28, 2024) (consenting to ULS file nos. 0011051564 et al.).*

### **Spectrum Aggregation/Competition Analysis**

As noted above, the proposed spectrum assignments -- which will not reduce the number of competitors, service offerings or customer choices in any Market -- raise no spectrum aggregation, competitive or other public interest concerns.

As an initial matter, the T-Mobile Licensees and the AT&T Licensees will continue to provide service to their respective customers, and there will be no reduction in the number of actual competitors providing service. Moreover, there are numerous other carriers holding CMRS spectrum in all of the Markets (*see Exhibit 4*), which will ensure that a high degree of competition continues to exist. In addition, the efficiency benefits arising in Markets where the carriers will acquire larger blocks of contiguous spectrum and the added capacity and improved data throughput speeds enabled in Markets where the carriers will increase their spectrum holdings will promote competition and provide public interest benefits.

With respect to spectrum aggregation, most Markets involved in this Transaction are the subject of intra-market exchanges where each carrier will be assigning the same amount of spectrum that it is receiving. For these Markets, the proposed Transaction is neutral from a spectrum aggregation standpoint because each Party's attributable spectrum holdings will be the same both before and after the Transaction. Moreover, both carriers' attributable spectrum holdings in these Markets will remain below the spectrum screen levels that the Commission has found may warrant further review, with the exceptions described below for the T-Mobile Licensees (*see Exhibits 3A and 3B*).<sup>12</sup>

In all Markets where the AT&T Licensees' acquisition of Exchange Licenses from the T-Mobile Licensees will result in a gain of spectrum, the AT&T Licensees' spectrum holdings will remain below the Commission's spectrum screen (*see Exhibit 3B*). In the Markets where the T-Mobile Licensees' acquisition of Exchange Licenses from the AT&T Licensees will result in a net gain of spectrum, the T-Mobile Licensees' spectrum holdings (with the four exceptions described below) will remain below the applicable spectrum screen (*see Exhibit 3A*).<sup>13</sup>

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<sup>12</sup> *See Communications Marketplace Report, 2024 Communications Marketplace Report, GN Docket No. 24-119, FCC 24-136, ¶ 69 (rel. Dec. 31, 2024) ("2024 Communications Marketplace Report")*. Consistent with the 2024 Communications Marketplace Report, the Parties understand that the initial spectrum screen is 385 MHz for all spectrum and 68 MHz for below-1-GHz spectrum with the exception of Hawaii, Puerto Rico and Alaska where the spectrum screen is 250 MHz for all spectrum. *See id.* In the instant Transaction, Nextel West is assigning 10 MHz of mid-band PCS spectrum (via partial assignment of call sign KNLF293) to AT&T in two Hawaii markets (HI 1 – Kauai (CMA385) and HI 2 – Maui (CMA386) to effectuate a divestiture of 20 MHz of mid-band spectrum in those two Hawaii markets. *See In the Matter of T-Mobile License LLC Application for 2.5 GHz Band Licenses, Auction 108, Memorandum Opinion and Order, DA 24-171 (February 27, 2024)*. T-Mobile US is assigning another 10 MHz of mid-band spectrum in these two markets to another operator. As a result of these two separate transactions, T-Mobile's total spectrum holdings in these two markets will be between 247 and 340 MHz post-transaction.

<sup>13</sup> *Exhibit 3A* includes all pending transactions its pre- and post-transaction subtotals and totals.

## AT&T

The AT&T Licensees' attributable spectrum holdings will remain below the Commission's current spectrum screen (*see Exhibit 3B*). Nor will the Transaction trigger "enhanced factor" review with respect to AT&T's spectrum holdings.<sup>14</sup>

## T-Mobile USA

In 243 of the 268 counties in the Transaction, T-Mobile USA's resulting attributable spectrum aggregation total will be below the applicable spectrum screen for all suitable and available low- and mid-band spectrum (*see Exhibit 3A*). In 11 of the remaining 25 counties (Lackawanna, PA, Luzerne, PA, Monroe, PA, Hidalgo, TX, Jefferson, KS, Osage, KS, Shawnee, KS, Tuscaloosa, AL, Canyon, ID, Wabaunsee, KS, and Starr, TX), T-Mobile USA's holdings post-Transaction will be the same as its current spectrum holdings, and in 10 of such remaining 14 counties (Crittenden, AR, DeSoto, MS, Kauai, HI, Maui, HI, Shelby, TN, Tipton, TN, Benton, MS, Sandusky, OH, Erie, OH and Huron, OH), T-Mobile USA's holdings after the Transaction will be *lower* than its current spectrum holdings. Therefore, this Transaction does not represent a spectrum aggregation event with respect to those counties.<sup>15</sup>

In the final 4 counties (Stanislaus, CA, Madison, LA, Tensas, LA and Catahoula, LA), T-Mobile USA will gain 5 MHz of PCS spectrum. Specifically, the T-Mobile Licensees will be acquiring from AT&T Licensees either 25 MHz of PCS spectrum (in Madison, LA, Tensas, LA and Catahoula, LA) or 15 MHz of PCS spectrum (in Stanislaus, CA) and will be assigning to the AT&T Licensees either 20 MHz of PCS spectrum (in Madison, LA, Tensas, LA and Catahoula, LA) or 10 MHz of PCS spectrum (in Stanislaus, CA), with the result that the Transaction will increase T-Mobile USA's holdings of all suitable and available low- and mid-band spectrum by 5 MHz – from 402.5 to 407.5 MHz (in Madison, LA, Tensas, LA and Catahoula, LA) or from 395 to 400 MHz (in Stanislaus, CA), in each instance just barely more than a 1 percent increase in its

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<sup>14</sup> Post-Transaction, AT&T's attributable low-band holdings in the affected counties will continue to total no more than 55 MHz, well below the "enhanced factor" trigger. *See Exhibit 3B*.

<sup>15</sup> In the eleven counties that are the subject of an intra-market exchange where each carrier is assigning and receiving the same amount (either 10 MHz or 20 MHz) and type (PCS or AWS) of spectrum and neither carrier's spectrum position will change, T-Mobile USA's post-Transaction attributable spectrum holdings will remain as follows: 390 MHz (Monroe, PA, Jefferson, KS, Osage, KS, Shawnee, KS and Wabaunsee, KS); 400 MHz (Lackawanna, PA, Luzerne, PA and Canyon, ID); 409 MHz (Starr, TX); 419.2 (Tuscaloosa, AL) or 427 MHz (Hidalgo, TX). In the ten counties which are the subject of intra-market exchanges where T-Mobile USA is assigning more spectrum to AT&T than it is receiving from AT&T or inter-market exchange with assignments from T-Mobile USA to AT&T, post-Transaction, T-Mobile USA's attributable spectrum totals will be as follows: 272.MHz (Kauai, HI), 340 MHz (Maui, HI), 398 MHz (Crittenden, AR, DeSoto, MS, Shelby, TN, and Tipton, TN); 388 MHz (Benton, MS); and 410 MHz (Sandusky, OH, Erie, OH and Huron, OH) -- all down from pre-Transaction totals.

spectrum holdings in markets which have already undergone significant Commission review.<sup>16</sup> After the Transaction closes, there will continue to be the same number of competitors in these four counties including all of the major wireless carriers, and the proposed Transaction will result in no loss of competition. Where, as here, other factors normally considered in the Commission's transaction review indicate a low potential for competitive or other public interest harm, the acquisition of spectrum resulting in holdings of approximately one-third or more does not preclude a conclusion that the proposed transaction, on balance, furthers the public interest. As demonstrated here, the Transaction does not pose any harm and will benefit wireless consumers.

In addition, the Transaction will not affect T-Mobile USA's spectrum holdings below 1 GHz in 251 of the 268 counties of the Transaction, and it will *reduce* T-Mobile USA's holdings in the remaining 17 of those 268 counties in which it is assigning 700 MHz spectrum to AT&T. In fact, in 15 of the 17 total counties where T-Mobile USA is assigning 700 MHz spectrum, its attributable below-1-GHz spectrum will be reduced from 68 MHz or above to below 68 MHz, which represents the "enhanced factor" screen, and in 1 of the remaining 2 counties T-Mobile USA's below-1-GHz holdings will be reduced from 66 MHz to 42 MHz.<sup>17</sup>

### **Statement of No Environmental Impact**

As required by Section 1.923(e) of the Commission's rules,<sup>18</sup> the applicants state that the assignment of licenses involved in this Transaction will not have a significant environmental effect, as defined by Section 1.1307 of the Commission's rules.<sup>19</sup> An assignment of licenses does not involve any engineering changes and, therefore, cannot have a significant environmental impact.

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<sup>16</sup> See Merger Approval Order. See also *In the Matter of T-Mobile License LLC Application for 2.5 GHz Band Licenses, Auction 108*, Memorandum Opinion and Order, DA 24-171 (February 27, 2024).

<sup>17</sup> In the following 9 counties, T-Mobile USA's assignment of 12 MHz of 700 MHz spectrum will reduce its below-1-GHz holdings from 78 MHz to 66 MHz: Burleigh, ND; Morton, ND; Granite, MT; Lewis and Clark, MT; Mineral, MT; Missoula, MT; Powell, MT; Ravalli, MT; and Sandusky, OH. In addition, T-Mobile USA's assignment of 24 MHz of 700 MHz spectrum will reduce its below-1-GHz holdings from 90 MHz to 66 MHz in 4 more counties: Emmons, ND; Kidder, ND; Logan, ND; and McIntosh, ND. Further, the assignment of 12 MHz of 700 MHz spectrum will reduce its below-1-GHz holding from 68 MHz to 56 MHz in Erie, OH and Huron, OH counties. T-Mobile USA's assignment of 24 MHz of 700 MHz spectrum will reduce its below-1-GHz holdings from 66 MHz to 42 MHz in Stutsman, ND. The only county in this Transaction that remains above the below-1-GHz screen is Teton, WY which is being reduced from 98 to 86 MHz.

<sup>18</sup> 47 C.F.R. § 1.923(e).

<sup>19</sup> *Id.* § 1.1307.



### Foreign Ownership of T-Mobile

As noted above, each T-Mobile Licensee is a direct or indirect wholly owned subsidiary of T-Mobile USA. T-Mobile USA in turn is a wholly owned direct subsidiary of T-Mobile US, a U.S.-organized entity. DT, a publicly-traded German corporation, indirectly holds approximately 51.4 percent of T-Mobile US's shares as described above. DT also holds a proxy to vote additional shares of T-Mobile US. Accordingly, DT has *de facto* control of T-Mobile US – and thus the T-Mobile Licensees.

By order released November 5, 2019, the Commission granted, subject to certain conditions, T-Mobile US's Petition for Declaratory Ruling under Section 310(b)(4) of the Act on behalf of its current and future licensee and lessee subsidiaries that it would not serve the public interest to prohibit more than 25 percent indirect foreign ownership in T-Mobile US.<sup>20</sup> That ruling also specifically permitted: (i) the foreign entities with a controlling interest in T-Mobile US (*i.e.*, DT Holding B.V., T-Mobile Holding, T-Mobile Global and DT) to increase the aggregate level of their controlling ownership interests in the reorganized T-Mobile US, at some future time, up to any amount, including 100 percent of T-Mobile US's equity and voting interests; and (ii) specific foreign entities with a non-controlling interest in T-Mobile US (*i.e.*, Kreditanstalt für Wiederaufbau, the Federal Republic of Germany (“FRG”), SoftBank Group, SoftBank and Mr. Masayoshi Son, a Japanese citizen and the founder and CEO of SoftBank) to increase their aggregate interest in T-Mobile US, at some future time, up to and including a non-controlling indirect 49.99 percent equity and voting interest.<sup>21</sup> That declaratory ruling, in accordance with Section 1.5001(c)(1) of the rules, specifically listed as covered by such ruling the T-Mobile Licensees (among other licensee subsidiaries of T-Mobile USA) and the types of wireless service licenses that are the subject of the instant Transaction. The foreign ownership in the licensees as approved has not materially changed since November 5, 2019 and will not be affected by the instant Transactions.

### Conclusion

The Parties respectfully submit that each assignee is qualified to hold the applicable spectrum licenses referenced above and that Commission approval of the requested assignments will serve the public interest, convenience and necessity. Accordingly, the Parties respectfully request that the Commission grant the instant applications expeditiously and without conditions.

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<sup>20</sup> See IBFS File No. ISP-PDR-20180618-00002 (filed June 18, 2018); granted by *Merger Approval Order*, ¶¶ 361-63.

<sup>21</sup> *Id.*