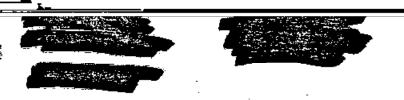
802.70



CONFIDENTIAL

January 13, 2000

VIA FACSIMILE

Mr. Michael Verne Premerger Notification Office Bureau of Competition Federal Trade Commission

e-of Competition

Washington, DC 20580

Re:

doint Venture And Related Acquisition —
Not Reportable Under Hart-Scott-Rodino

Dear Mr. Verne:

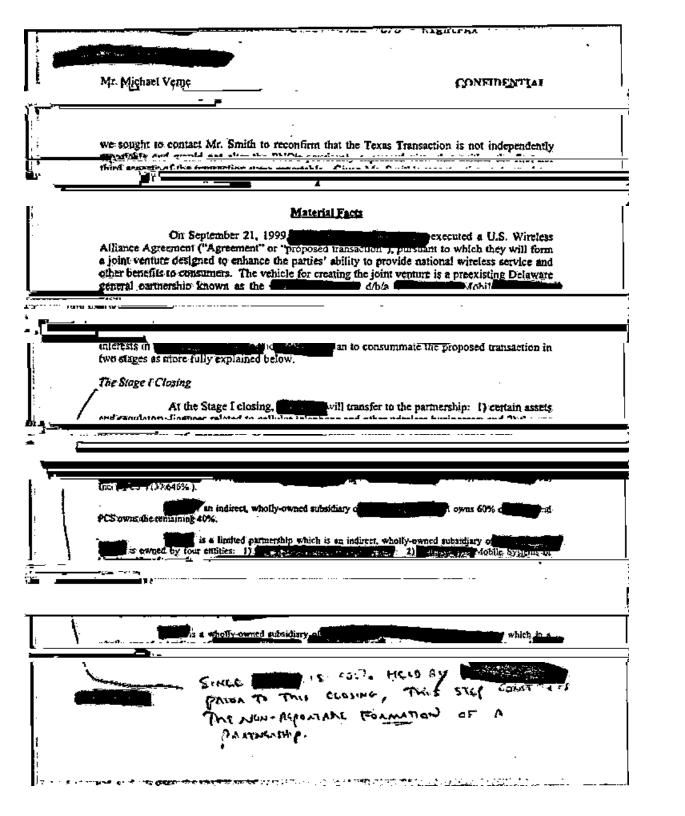
On behalf of our elient, confirm the substance of our conversations on December 17 and 20, 1999 and our joint conference call with counsel for

GENALCO

the transaction are not reportable under HSR: (1) the initial creation of the minimum int venture, (2) the parties' respective contributions of their interests in feveral Texas partnerships to the joint venture (the "Texas Transaction") which will result in the

first and third aspects of the transaction noted above were not themselves reportable, we were unaware of the Texas Transaction at the time of our communication with Mr. Smith. Therefore,

rain alternation the second to the contract of the contract of



Mr. Michael Verne January 13, 2000 . Page 3 CONFIDENTIAL

ownership of competing or overlapping wireless assets and FCC litenses. In return the will issue a new partnership interest to the continuous and approximately 65.1% of assets upon dissolution. Would own the remaining 34.9% of the As presently structured, therefore, the componently will become the claimate parent entity at the Stage I closing.

The Texas Transaction

After the execution of the Agreement, and and reached

by Prior to consummating the Transaction, and the partnership them through their respective 50% partnership interests in a partnership known as a midirect interest in each of three limited partnerships. Dallas MTA, LP, Houston MTA LP, and Sap Antonio MTA LP. Holds 80% of the outstanding partnership interests in each partnership.

Pursuant to the Purchase Agreement, and and and through other

26 thurses bartifered buresest from Section in each bartifered in the Alliance

Agreement." The net effect of the agreements is that both the 80% interest in each partnership presently held by as well as the additional 20% interests presently held separately by

The Stage II Closing

and the contribute certain to wireless assets, liabilities and accompanying FCC and other regulatory licenses and approvals to will contribute additional wireless assets, liabilities and

ngrades se la la gradición <mark>pregerente transpro</mark>manta que la Referenciada e actual de la Celebración de la confección de la

Mr Michsel Verna

interests to reflect their contributions to the partnership. After the Stage II closing

Stage II closing: A contribute the remainder of its domestic wireless operations to the return for additional partnership interests.

will control 579

AND CONSENT LICETEE

On December 6, 1999 the Antitrust Division amounced that and and and address any concerns the Antitrust Division may have regarding the proposed consent decree in the form of an amendment to the Bell Atlantic/GTE Corporation proposed consent decree entered into with the Antitrust Division in May, 1999. The proposed decree address as a party to the earlier proposed decree.

The amended proposed consent decree addresses competitive issues arising from overlaps in the wireless businesses among eated by both the proposed.

Distriction

The Stage I Closing is Not Reportable

You have confirmed that the Stage I closing is not reportable under HSR because if would be deemed to be the formation of a new partnership. Furn shareholdership

interests are field, directly or indirectly, by

OF DISTURBLE AN

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Incress in the Commercial will be deemed, for HSR purposes, to be the formation of a 67% partnership. Pursuant to the PNO's long-standing interpretation that the formation of a partnership days put also for a filled obligation under the LICH Act.

principle further exempts from a reporting obligation both acquisition of its 67%

Deit At the Mitterion transcrious

Accordingly, Stage I of the transaction is not reportable under the HSR Act.

The Texus Utilities Acquisition Is Not Reportable Under HSR

The Transaction can itself be thought of as a two step transaction. In step one, subsidiaries a subsidiaries of the partnership interests in each of the three partnerships. Since neither the partnerships as a result of this acquisition, the PNO would not treat the acquisition of the partnership interests as either an acquisition of essets or of voting securities and therefore such acquisitions would not trigger an HSR filing obligation.

In the second step of the Transaction, the second will each contribute their newly senting a part of the

cartnerships: myolved in the Transaction at the close of Stage I of the

You have explained that where there are several partnerships in the chain of control, it is the PNO's position that a single, non-partnership person must control 100% of the interests in the partnership that is at the highest tier within the chain for the non-partnership.

hall effect their contributions to the property of two ways: (1) by directly

DATESTICAL

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error response in absention overtyblitik Article22.

neither will be deemed to have acquired 100% of the underlying assets of the partnerships that

The second of th

Section 802:70 exempts transactions from the requirements of the HSR Act if,

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two transactions. Indeed, the decree specifically references both the Agreement and Plan of Merger dated July 28, 1998 and the U.S. Wireless Athanac Agreement

Markets:*

Given these facts, you have confirmed that the transfer of additional assets to the state of the confirmed that the transfer of additional assets to the confirmed that the transfer of assets from entities pursuant to or in accordance with the proposed consent decree, and therefore would be exempt from HSR reporting requirements pursuant to 16 C.F.R. § 802.70. Thus, the state of their transaction, and therefore would be refleved of any HSR filing obligation that might otherwise arise for Stage II of their transaction.

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thei reportable. We understand, however, that you disagree that a filing would not be required on this basis for a variety of reasons including: (1) that the timing of the Stage II closing is uncertain; (2) the form and amount of the contributions to made at Stage II closing is uncertain; (2) the form and amount of the contributions to made at Stage II closing eat); and (3) control of the stage if change at the uncertain time of the Stage II closing.

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Accordingly, you have advised us that were it not for the § 802.70 exception, the reportability of Stage II would depend upon whether state partnership law treats the change in respective interests of the partners in the state of the partners existing armership. If viewed as a reformation, then both the shift in control and the

the joint venture may be viewed as a reportable asset acquisition if the other jurisdictional thresholds were met. It is unnecessary to further evaluate these issues, however, given your confirmation that § 802.70 exempts Stage II of the transaction.

Conclusion

· For the foregoing reasons, it is our understanding that you have agreed that each of the following acquisitions is exempt from the reporting requirements of HSR: (1) the acquisitions to occur at the Stage I closing of the

If you believe that this letter is in any way inconsistent with the advice that you have rendered in this matter, I would appreciate your calling me as soon as possible. As always, And the second s

Sincerely,





AGREE THIS IS NOW REGISTRATE
BROWN DIEN
1/13/00