

# Agreement and Plan of Merger

## FCC Regulatory Review and Action Plan

### **Executive Summary:**

This document provides a comprehensive analysis of all Federal Communications Commission (FCC) regulatory matters identified in the Merger Agreement. Nine priority issues are identified related to FCC approvals, license transfers, compliance obligations, and regulatory conditions that could affect transaction timing or completion. The analysis prioritizes matters requiring immediate action. The critical path begins with FCC application filing within 15 business days of Agreement execution, triggering the FCC's informal 180-day review benchmark. Each priority item includes specific tasks, responsible parties, dependencies, and timing considerations to enable efficient execution and risk mitigation.

### **Scope and Methodology:**

The analysis incorporates guidance from FCC public notices, processing guidelines, and practitioner resources to identify implied obligations, assess timing and risk areas not explicitly stated in the Agreement, and align recommendations with FCC staff expectations for transaction reviews. This analysis focuses exclusively on provisions reasonably related to federal telecommunications regulatory law, including:

- References to the FCC
- Federal telecommunications statutes and regulations
- Federal regulation of telecommunications services and facilities
- FCC licensing, authorization, and approval requirements
- FCC compliance obligations and enforcement matters

### **Excluded from scope:**

- Matters under the jurisdiction of the Securities and Exchange Commission, state public utility commissions, local franchise authorities, and other non-FCC regulatory bodies, except where such matters create dependencies or sequencing considerations for FCC regulatory tasks.
- Sections 3.3 (Corporate Authority), 3.13 (Tax Matters), 8.1 (Representations, Warranties, and Covenants), and 8.2 (Expenses) contain FCC-related information but are excluded from this review because the transactional and timing implications of these provisions are minimal, and therefore not included within this transaction-focused action plan.

### **Document Organization:**

Regulatory matters are organized in priority order, with items requiring immediate review and action listed first. Each entry follows a consistent analytical structure:

<b>Priority Level:</b>	Sequential ranking based on urgency and closing impact.
<b>Section:</b>	Specific reference to the relevant section in the Agreement.
<b>Issue:</b>	Clear statement of the regulatory issue.
<b>Implications:</b>	Impact on transaction structure, timing, or execution.
<b>Tasks &amp; Deliverables:</b>	Specific action items required for compliance.
<b>Responsible Parties:</b>	Designation of accountability.
<b>Dependencies:</b>	Prerequisites or coordination requirements.
<b>Timing:</b>	Pre-closing, at-closing, or post-closing obligations.

This structure supports active management of the FCC regulatory workstream and enables the transaction team to maintain momentum toward a successful closing. The following pages detail nine priority FCC regulatory matters identified in the Merger Agreement, with comprehensive guidance for execution and risk mitigation.

## Priority Issues

### Priority 1: FCC Application Filing Deadline

<b>Section</b>	5.7(b)(i), 6.1(c)
<b>Issue</b>	The Agreement requires FCC Applications be filed no later than 15 business days after the Agreement date. This filing deadline triggers the FCC's informal 180-day review benchmark and establishes the foundation for the entire regulatory timeline. Missing or delaying this deadline directly impacts the transaction schedule and may signal execution risk to FCC staff.
<b>Implications</b>	The 15-day deadline is a hard contractual obligation that requires complete preparation of all FCC application materials, including identification of every authorization requiring transfer or assignment, preparation of public interest narratives, ownership exhibits, foreign ownership disclosures, and all supporting documentation. The filing must be substantively complete to avoid rejection or requests for additional information that restart the acceptance clock. Incomplete or deficient applications delay the issuance of the Public Notice, which in turn delays the start of the informal shot clock and pushes out the earliest possible grant date.
<b>Tasks &amp; Deliverables</b>	<ul style="list-style-type: none"><li>– <b>Day 1-3:</b> Finalize the complete FCC filing inventory by reconciling Section 3.26 Disclosure Schedule against FCC licensing databases; confirm all domestic and international Section 214 authorizations and other FCC authorizations that require FCC consent.</li><li>– <b>Day 3-8:</b> Prepare draft applications including public interest statement, competitive analysis, ownership exhibits through ultimate parent, foreign ownership disclosures per Section 4.2(d), and certifications.</li><li>– <b>Day 8-12:</b> Circulate drafts internally for business input and factual verification; prepare public and confidential versions with redaction plan.</li><li>– <b>Day 12-14:</b> Obtain all required signatures, confirm FRN registrations, finalize filing fee payments (Parent responsibility per Section 5.7(f)).</li></ul>
<b>Responsible Parties</b>	<p><b>Lead:</b> FCC regulatory counsel (application preparation and filing)</p> <p><b>Support:</b> Company regulatory team (license inventory and business information); Parent legal (ownership charts and foreign participation analysis); both parties' deal counsel (coordination).</p>
<b>Dependencies</b>	<ul style="list-style-type: none"><li>– Accurate and complete Disclosure Schedule per Section 3.26. Ownership structure and foreign participation analysis per Section 4.2(d).</li><li>– Business data for public interest showing (subscriber counts, service descriptions, network information).</li><li>– FRN registration and filing fee budget approval.</li></ul>
<b>Timing</b>	<b>Pre-closing, immediate.</b> This is the most time-sensitive FCC obligation in the Agreement. The 15-day clock begins running at signing and cannot be extended without Company consent per Section 5.7. Backward planning from Day 15 is essential. Early filing is advisable if materials are ready to maximize review time before any external date pressure.

## **Priority 2: Foreign Ownership and Team Telecom Risk Assessment**

<b>Section</b>	4.2(d)(i)-(iv)
<b>Issue</b>	Parent and Merger Sub represent that they are qualified under the Communications Act, that no Federal Communications Laws disqualify them, and that no waiver or exemption is needed for FCC Consent. They further represent that the transaction will not result in foreign ownership levels that would trigger automatic Team Telecom referral (to the extent standards are publicly available). This representation is a critical diligence and structuring checkpoint that directly affects transaction timing and feasibility.
<b>Implications</b>	Foreign ownership and control issues are among the most significant timing risks in FCC transaction review. If the transaction triggers a national security referral to the Committee for the Assessment of Foreign Participation in the United States Telecommunications Services Sector (Team Telecom), the FCC's informal 180-day shot clock can be paused indefinitely—often adding 6 to 12 months or more to the review timeline. Even if Team Telecom review is not triggered, the FCC requires detailed foreign ownership disclosures in the applications, and any uncertainty or incompleteness in those disclosures invites information requests that delay acceptance and grant. The accuracy of Parent's Section 4.2(d) representations is therefore foundational to the transaction schedule.
<b>Tasks &amp; Deliverables</b>	<ul style="list-style-type: none"><li>– <b>Day 1-5:</b> Prepare a comprehensive ownership and control analysis tracing Parent's ownership structure through all direct and indirect interests to ultimate controlling parties, including any non-U.S. ownership, voting and equity percentages, board composition, governance rights, and veto rights.</li><li>– <b>Day 5-8:</b> Confirm FCC reportable ownership thresholds under Section 310(b) of the Communications Act; assess whether any petition for declaratory ruling, waiver, or exemption may be required; identify any ownership interests that approach or exceed the 25% benchmark for foreign ownership.</li><li>– <b>Day 5-10:</b> If any national security referral risk exists, engage dedicated Team Telecom counsel immediately and prepare a mitigation strategy, including draft responses to standard national security questionnaires and assessment of data security, network security, and lawful intercept practices.</li><li>– <b>Day 8-12:</b> Review financing documents, investor rights agreements, and any side letters to ensure no rights could be construed as conferring de facto control to foreign persons prior to FCC grant.</li><li>– <b>Day 10-14:</b> Finalize foreign ownership exhibits for FCC applications with complete ownership chains and certifications.</li></ul>
<b>Responsible Parties</b>	<p><b>Lead:</b> Parent legal and regulatory counsel (ownership analysis and foreign participation assessment)</p> <p><b>Support:</b> National security counsel (risk assessment and mitigation); Company regulatory counsel (coordination); both parties' deal counsel (financing document review)</p>
<b>Dependencies</b>	<ul style="list-style-type: none"><li>– Complete capitalization table for Parent and all intermediate holding companies</li><li>– Investor rights agreements, board composition documents, and governance documents</li><li>– Financing term sheets and credit agreements</li><li>– Any prior FCC foreign ownership rulings or petitions involving Parent or its affiliates</li></ul>
<b>Timing</b>	<b>Pre-filing, critical path.</b> This analysis must be completed before FCC applications can be finalized, as foreign ownership disclosures are mandatory filing requirements. Any uncertainty or delay in this analysis directly delays the Day 15 filing deadline. More critically, if Team Telecom review is triggered after filing, it becomes the longest pole in the tent and can extend the transaction timeline by many months beyond the FCC's 180-day benchmark. Early identification of foreign ownership issues allows for proactive mitigation strategies, including potential restructuring or advance informal consultations with national security agencies. Treat this as a gating item for filing readiness.

### **Priority 3: FCC Compliance Diligence & Remediation**

<b>Section</b>	3.7
<b>Issue</b>	Company agrees that it is in compliance with the Communications Act, CALEA, and other federal telecommunications laws, and that there are no pending or threatened actions by the FCC or other relevant authorities for alleged violations. This representation supports the certifications required in FCC applications and reduces the risk of heightened regulatory scrutiny during transaction review.
<b>Implications</b>	The FCC's transaction review includes an assessment of the parties' regulatory compliance history. Unresolved enforcement matters, pending investigations, consent decrees with ongoing obligations, or patterns of non-compliance can trigger additional information requests, delay grant, or result in transaction-specific conditions. CALEA (Communications Assistance for Law Enforcement Act) compliance is particularly sensitive, as lawful intercept capabilities are a national security consideration that can elevate scrutiny or trigger coordination with law enforcement agencies. Any compliance gaps discovered during FCC review—rather than disclosed proactively—undermine credibility and can materially slow the process. The representation also creates ongoing disclosure obligations: new compliance issues arising between signing and closing must be escalated promptly to avoid supplemental disclosure requirements or representational breaches.
<b>Tasks &amp; Deliverables</b>	<ul style="list-style-type: none"> <li>– <b>Day 1-7:</b> Conduct focused FCC compliance diligence covering: Enforcement Bureau matters (open investigations, warning letters, notices of apparent liability); pending informal or formal complaints; active consent decrees or compliance plans; prior transaction conditions requiring ongoing performance; universal service fund (USF) contribution and payment status; and any audit history or outstanding data requests.</li> <li>– <b>Day 5-10:</b> Validate CALEA compliance posture for all applicable services, including lawful intercept technical capabilities, policies and procedures, and any prior CALEA-related inquiries or deficiencies.</li> <li>– <b>Day 7-12:</b> Identify any compliance gaps requiring remediation; prioritize issues that would require disclosure in FCC applications or that could generate staff questions; develop mitigation narratives for any matters that cannot be fully resolved pre-filing.</li> <li>– <b>Day 10-14:</b> Brief senior management and deal counsel on compliance posture; incorporate any necessary disclosures into FCC application drafts; establish escalation protocols for new issues arising between signing and closing.</li> <li>– <b>Ongoing through closing:</b> Monitor for new enforcement actions, complaints, or regulatory inquiries; update FCC and deal teams immediately if any material compliance issue emerges.</li> </ul>
<b>Responsible Parties</b>	<p><b>Lead:</b> Company regulatory and compliance counsel (diligence execution and remediation planning)</p> <p><b>Support:</b> Outside FCC counsel (assessment of disclosure requirements and mitigation strategies); operational teams (CALEA, USF, and technical compliance confirmation); deal counsel (representational risk assessment)</p>
<b>Dependencies</b>	<ul style="list-style-type: none"> <li>– Compliance records and enforcement history files</li> <li>– Outside counsel diligence memos from transaction due diligence</li> <li>– Operational confirmation of CALEA capabilities and USF payment status</li> <li>– Access to FCC Enforcement Bureau and Consumer and Governmental Affairs Bureau correspondence files</li> </ul>
<b>Timing</b>	<b>Signing through closing, with pre-filing priority.</b> Compliance diligence must be substantially complete before FCC applications are finalized, as material compliance issues require disclosure and may necessitate mitigation narratives in the public interest statement. Unresolved enforcement matters discovered after filing can trigger FCC information requests that pause the shot clock and extend review timelines. Delayed remediation of known issues signals poor execution discipline and invites additional scrutiny. Establish clear internal protocols to ensure that any new compliance issues arising post-signing are escalated immediately, as failure to supplement disclosures can create both regulatory and contractual risk. Treat this as a critical path item for filing readiness and ongoing transaction management.

#### **Priority 4: License Inventory Reconciliation**

<b>Section</b>	3.26
<b>Issue</b>	The Disclosure Schedule must contain a complete and accurate list of all FCC permits used in the business. This inventory defines the scope of authorizations requiring transfer consent and serves as the baseline for satisfying the Section 6.1(c) FCC Consent closing condition.
<b>Implications</b>	An incomplete or inaccurate inventory creates representational exposure under Section 3.26, risks late discovery of required approvals that restart review timelines, and creates ambiguity about closing condition satisfaction. The inventory also determines filing fees (Parent's responsibility per Section 5.7(f)). Missing authorizations discovered after initial filing require supplemental applications that may not be processed simultaneously, creating material schedule risk.
<b>Tasks &amp; Deliverables</b>	<ul style="list-style-type: none"><li>– Reconcile the Disclosure Schedule list against FCC databases and internal license management records; confirm that each authorization is current (renewals, updates, name changes, special conditions).</li><li>– Identify any authorizations that are pro forma eligible or may not require approval and document the basis to reduce filing scope where appropriate.</li><li>– Confirm whether any license conditions require notice of consummation, post-closing reports, or other continuing obligations; incorporate into the post-closing checklist.</li></ul>
<b>Responsible Parties</b>	<b>Lead:</b> Company regulatory counsel and compliance team <b>Support:</b> Outside FCC counsel (pro forma analysis); Company operations (service confirmation); deal counsel (Disclosure Schedule accuracy)
<b>Dependencies</b>	Section 3.26 Disclosure Schedule; FCC database access; internal license management records; operational confirmation of active services
<b>Timing</b>	<b>Pre-filing, critical path.</b> Must be substantially complete by Day 5-7 to enable timely application preparation for the Day 15 filing deadline. Late discovery of missing authorizations after initial filing creates material schedule risk, as supplemental applications require separate processing and may not be granted simultaneously with the main package.

#### **Priority 5: FCC Information Request Response Protocol**

<b>Section</b>	5.7(a)-(b); 5.7(b)(vi)
<b>Issue</b>	Best efforts covenant to obtain required governmental actions and supply additional information requested by the FCC. This requires disciplined management of staff information requests, third-party comments, and record building.
<b>Implications</b>	Slow or inconsistent responses are a common source of timeline delays and can pause the informal 180-day shot clock. The FCC's review depends on complete and timely responses to data requests, and any delay in providing information extends the review period.
<b>Tasks &amp; Deliverables</b>	<ul style="list-style-type: none"><li>– Establish a single FCC response team with clear authority to gather information quickly and coordinate consistent submissions.</li><li>– Create templates for responding to FCC data requests; maintain a substantiation file for all factual claims in the public interest statement.</li><li>– Monitor ECFS daily after Public Notice; prepare opposition drafts to potential petitions to deny and coordinate external messaging.</li><li>– Coordinate with FCC staff on timing for responses to avoid clock stops where appropriate.</li></ul>
<b>Responsible Parties</b>	<b>Lead:</b> Deal counsel and outside FCC counsel. <b>Support:</b> Business owners (data provision); regulatory team (coordination)
<b>Dependencies</b>	Business data, competitive analyses, network maps and service descriptions, customer metrics.
<b>Timing</b>	<b>Pre-closing.</b> Slow responses directly impact the shot clock and extend closing timelines. Establish response protocols before Public Notice to ensure rapid turnaround.

### **Priority 6: Confidentiality Protocol for FCC Filings**

<b>Section</b>	5.7
<b>Issue</b>	If information submitted in regulatory filings is deemed confidential by either party, the parties must use reasonable best efforts to maintain confidentiality and seek authorization to withhold it from public view. FCC transaction reviews are generally public, but the FCC can use protective orders for confidential material.
<b>Implications</b>	Over-redaction can draw staff pushback and delay review; under-protection can create competitive harm. Competitively sensitive data must be identified early to enable proper handling
<b>Tasks &amp; Deliverables</b>	<ul style="list-style-type: none"><li>– Decide which information must be treated as confidential (customer counts by market, pricing, network maps).</li><li>– Prepare confidentiality plan: public version plus confidential version; request protective order or submit under confidential treatment procedures where available.</li><li>– Train internal stakeholders that informal emails and submissions may enter the record; route all submissions through appropriate legal counsel.</li></ul>
<b>Responsible Parties</b>	<b>Lead:</b> Deal counsel and outside FCC counsel <b>Support:</b> Business teams (data classification); regulatory team (coordination)
<b>Dependencies</b>	Early identification of competitively sensitive data; FCC confidentiality procedures.
<b>Timing</b>	<b>Pre-filing through grant.</b> Plan for iterative redaction under FCC procedures. Confidentiality requests must be made at time of filing or promptly when submitting responsive information.

### **Priority 7: Withdrawal and Timing Restrictions**

<b>Section</b>	5.7(b)
<b>Issue</b>	Neither Parent nor its affiliates may withdraw filings, enter timing agreements, or extend waiting periods without the Company's prior written consent (subject to the Special Committee). This is an internal control to prevent accidental delay or loss of leverage with the FCC.
<b>Implications</b>	Uncoordinated actions by business teams or regulatory personnel can materially delay closing or create inconsistent record statements. Any staff request that could be construed as a schedule change must be carefully managed.
<b>Tasks &amp; Deliverables</b>	<ul style="list-style-type: none"><li>– Implement internal escalation rule: any proposal to amend, withdraw, or toll FCC dockets requires deal counsel approval and Special Committee consent where applicable.</li><li>– Maintain log of all FCC interactions and commitments; document any staff requests that could be construed as schedule changes.</li><li>– Align communications protocols so business teams do not make commitments directly to agency staff.</li></ul>
<b>Responsible Parties</b>	<b>Lead:</b> Deal counsel and Company regulatory counsel <b>Support:</b> Parent regulatory team; business stakeholders
<b>Dependencies</b>	Disciplined governance protocols; clear escalation pathways
<b>Timing</b>	<b>Pre-closing.</b> Uncoordinated actions can materially delay closing or create inconsistent record statements. Establish protocols immediately after signing.

## **Priority 8: Voluntary Commitments and Conditions Strategy**

<b>Section</b>	5.7(a)
<b>Issue</b>	The Agreement contemplates actions to eliminate impediments asserted by Governmental Entities. For FCC review, this is the "conditions/commitments" pathway. The FCC may approve with or without conditions; poorly scoped commitments can create long-term operational obligations.
<b>Implications</b>	Conditions negotiations can extend review timelines. Commitments may become enforceable license conditions that constrain future operational flexibility.
<b>Tasks &amp; Deliverables</b>	<ol style="list-style-type: none"><li>1) Develop conditions strategy: identify acceptable voluntary commitments and unacceptable constraints (including operational restrictions that could limit future flexibility).</li><li>2) Pre-clear decision-making pathway for offering commitments, including business owner sign-off and Board/Special Committee approvals.</li><li>3) If conditions are expected, draft commitments that are clear, measurable, time-bounded where possible, and do not create closing conditions beyond FCC grant.</li></ol>
<b>Responsible Parties</b>	<b>Lead:</b> Deal counsel and FCC counsel <b>Support:</b> Business owners (operational impact assessment); Board/Special Committee (approval authority)
<b>Dependencies</b>	Competitive analysis; stakeholder mapping; internal alignment on acceptable commitments
<b>Timing</b>	<b>Pre-closing.</b> Conditions negotiations can extend review; commitments may become enforceable license conditions. Establish strategy before Public Notice to enable rapid response to staff inquiries.

## **Priority 9: International Section 214 Discontinuance and Surrender**

<b>Section</b>	5.20
<b>Issue</b>	Company must discontinue International Common Carrier Services with 30 days advance customer notice and FCC notice under 47 CFR 63.19, then surrender International Section 214 Licenses. The surrender and public notice obligation can interact with transaction timing and national security posture, including DOJ Letter of Agreement.
<b>Implications</b>	The discontinuance process requires 30-day customer notice and FCC filing, which must be sequenced carefully to avoid customer disruption while meeting transaction requirements. Early surrender may simplify the FCC application set and reduce Team Telecom sensitivity.
<b>Tasks &amp; Deliverables</b>	<ol style="list-style-type: none"><li>1) Confirm scope: whether the Company currently provides any international common carrier services and to whom.</li><li>2) Prepare customer notice (30 days advance) and communications plan; schedule issuance to avoid customer disruption and complaint risk.</li><li>3) File FCC discontinuance notice; track FCC approval or Public Notice milestones tied to surrender.</li><li>4) Deliver written surrender notice to FCC; coordinate DOJ Letter of Agreement termination request (with Parent consent timing as specified).</li><li>5) Evaluate whether surrender should occur before FCC transaction filings to simplify application set and potentially reduce Team Telecom sensitivity.</li></ol>
<b>Responsible Parties</b>	<b>Lead:</b> Company regulatory counsel <b>Support:</b> Operations (customer list and service inventory); outside FCC counsel (filing mechanics); deal counsel (DOJ coordination)
<b>Dependencies</b>	Customer list, service inventory, template notices, FCC submission logistics, Parent consent for DOJ notice timing
<b>Timing</b>	<b>Pre-closing</b> (potentially immediately post-signing). Customer complaints or incomplete discontinuance filings can delay acceptance; sequencing should be coordinated with broader FCC transaction strategy.

## **Part C: Practical Deliverables and Closing-Readiness Checklist**

### **Pre-Filing Deliverables (Days 1-15)**

<b><u>Deliverable</u></b>	<b><u>Owner</u></b>	<b><u>Target Date</u></b>	<b><u>Dependencies</u></b>
Complete FCC license inventory reconciliation	Company regulatory	Day 5	Section 3.26 Disclosure Schedule; FCC licensing databases.
Foreign ownership analysis and Team Telecom risk assessment	Parent legal	Day 8	Cap table; investor agreements; financing documents.
FCC compliance diligence report	Company regulatory counsel	Day 10	Enforcement files; CALEA confirmation; USF records.
Draft FCC applications package (forms, exhibits, public interest statement)	FCC counsel	Day 12	License inventory; ownership charts; business data
Confidentiality plan and redaction strategy	Deal counsel and FCC counsel	Day 12	Competitively sensitive data identification
Final applications with signatures and filing fees	FCC counsel	Day 15	All above items; FRN registration

### **Post-Filing Through Grant**

<b><u>Deliverable</u></b>	<b><u>Owner</u></b>	<b><u>Timing</u></b>
FCC information request response protocol	Deal Counsel	Immediately after Public Notice
Daily ECFS monitoring log	FCC Counsel	Per FCC deadlines (typically 10-15 days)
Staff meeting preparation materials	FCC counsel, business teams	As requested by FCC staff
Conditions/commitments decision matrix	Deal counsel and Board	Before substantive negotiations

### **Post-Grant/Pre-Closing**

<b><u>Deliverable</u></b>	<b><u>Owner</u></b>	<b><u>Timing</u></b>
Consummation notices for all granted authorizations	FCC counsel	Within 30 days of closing
International Section 214 discontinuance notice (30-day customer notice and FCC filing)	Company regulatory	Per Section 5.20 timeline
International Section 214 surrender notice	Company regulatory	After discontinuance approval
DOJ Letter of Agreement termination request	Company (with Parent consent)	Coordinated with Section 214 surrender