PUBLIC NOTICE

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COMMISSION SEEKS COMMENT ON DOMESTIC SECTION 214 APPLICATION FOR CONSENT TO TRANSFER CONTROL FILED BY TELIGENT, INC.

PLEADING CYCLE ESTABLISHED

WC Docket No. 02-103

On May 2, 2002, Teligent, Inc. (debtor-in-possession), ("Teligent DIP" or "Old Teligent") and Teligent, Inc. ("New Teligent") pursuant to section 214 of the Communications Act of 1934, amended, 47 U.S.C. § 214 (the "Act"), filed an application for approval of a transfer of control of Teligent Services, Inc. ("TSI"), a wholly-owned subsidiary of Teligent DIP that holds domestic section 214 authority, from Teligent DIP to New Teligent.

Teligent DIP is a corporation organized under the laws of the State of Delaware with its principal business office located at 400 Herndon Parkway, Herndon, Virginia 20170. Its wholly-owned subsidiary, TSI, provides facilities-based fixed-wireless broadband telecommunications services as well as resold services, including resold long distance services to customers. TSI also has authority to provide intrastate interexchange service in every state and instrastate local exchange service to 39 states and the District of Columbia.[1]

Old Teligent has been operating under Chapter 11 protection since May 21, 2001.[2] Applicants seek authority, subject to the Bankruptcy Court's approval, to enable New Teligent to emerge from Chapter 11 under new ownership with new funding. Pursuant to a Plan of

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[1] TSI discontinued its facilities-based local exchange and other facilities-based switched services late last year pursuant to section 63.71 of the Commission's rules, NSD File No. W-P-D-514, which became effective on September 10, 2001. (TSI's resold long distance services were not affected.) TSI continues to retain all of its state and federal service authorizations, however, to enable it to resume the offering of these services once it emerges from bankruptcy if market conditions warrant. TSI currently continues to provide resold services using the facilities of other carriers as well as facilities-based non-switched service.

[2] Teligent, Inc. and its subsidiaries (Old Teligent) filed for bankruptcy on May 21, 2001, and currently operate under the protection of Chapter 11 of the U.S. Bankruptcy Code before the U.S. Bankruptcy Court for the Southern District of New York ("the Bankruptcy Court"). *See* Chapter 11 Case No. 01-12974 (SMB) (Bankr. S.D.N.Y.)

Reorganization ("POR") to be formally submitted to the Bankruptcy Court, Teligent's current senior secured lenders ("New Equity Owners") will provide the necessary capital to permit Old Teligent and certain of its wholly-owned subsidiaries, including TSI, to emerge from Chapter 11 and continue the provision of existing and new services. In exchange for the financial backing necessary to fund a reorganized Old Teligent until it is projected to be cash flow positive, each New Equity Owner will obtain an ownership interest in New Teligent in proportion to the size of its capital investment.[3]

Applicant states that after several difficult months of diligently working through its financial challenges and revising its business plan to reflect the realities of today's current marketplace in terms of customer expectation, investor expectation, and service demand, New Teligent is anxious to emerge as quickly as possible and begin to rebuild its businesses to better enable it to bring the benefits of competition and efficient spectrum utilization to the public in a manner which maximizes the use of the capital Teligent will have at its disposal for its on-going operations rather than relying on future "anticipated" capital funding which, as the industry has recently seen, may never be available. Moreover, Teligent's creditors continue to fund its operations in weekly increments from a pool of funds created at the onset of the bankruptcy proceeding. Applicant states that the pool of funds is extremely limited and thus it is critical that the POR be confirmed and consummated as soon as possible. As a result, Applicant respectfully requests that this application be granted as expeditiously as possible.

Upon court confirmation of the POR, New Teligent will emerge from Chapter 11 under a more simplified corporate structure, owned by the New Equity Owners, all of which are banks and other financial institutions.[4] Applicant states that no competing domestic or international carrier will own any Teligent shares. The current shares of Old Teligent stock, which are currently publicly traded, will be cancelled and new privately-held shares of New Teligent will be issued. Applicant asserts that the transaction will in no way diminish competition, as no merger, consolidation, or acquisition involving another carrier or licensee is part of Teligent's POR. Moreover, by providing the necessary capital to support the operations of the emerged Teligent, the POR, upon consummation, will enable Teligent to continue competitive telecommunications operations, thereby having a positive effect on competition in the telecommunications industry.

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[3] Separate applications are also being filed seeking consent to assign the wireless licenses of other subsidiaries of Old Teligent to New Teligent. Thus, in addition to the instant section 214 application, New Teligent is seeking consent for the assignment of certain of its Part 101 FCC licenses of Teligent License Co. I L.L.C., (debtor-in-possession), Teligent License Co. II L.L.C. and BackLink, L.L.C. (debtor-in-possession), as well as its international section 214 authority.

[4] New Teligent is concurrently filing a FCC Form 602 ownership report with respect to its Part 101 licenses setting forth its anticipated ownership structure at the time the POR becomes effective and Teligent emerges. At the time this occurs, ownership of New Teligent will be widely dispersed such that no single entity will hold a *de jure or de facto* controlling interest in New Teligent or the FCC licenses that New Teligent will hold. As set forth on the FCC Form 602, only one disclosable interest will hold a greater than 10% interest in New Teligent, *i.e.,* JPMorgan Chase Bank with a 14% interest.

Under its revised business plan, Teligent will continue to provide its current non-switched facilities-based fixed wireless transport, private line and other wholesale and carrier-to-carrier services as well as switched resold services, while it explores other market opportunities for the efficient use of its fixed-wireless capabilities.

GENERAL INFORMATION

The transfer of control application identified herein has been found, upon initial review, to be acceptable for filing. The Commission reserves the right to return any transfer of control application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Interested parties may file a petition to deny on or before **May 28, 2002**.[5] Final action will not be taken on the application earlier than 15 days following the date of this Public Notice. Comments may be filed using the Commission's Electronic Comment Filing System (ECFS) or by filing paper copies. *See Electronic Filing of Documents in Rulemaking Proceedings*, 63 Fed. Reg. 24121 (1998).

Comments filed through the ECFS can be sent as an electronic file via the Internet to <http://www.fcc.gov/e-file/ecfs.html>. Generally, only one copy of an electronic submission must be filed. If multiple docket or rulemaking numbers appear in the caption of this proceeding, however, commenters must transmit one electronic copy of the comments to each docket or rulemaking number referenced in the caption. In completing the transmittal screen, commenters should include their full name, U.S. Postal Service mailing address, and the applicable docket or rulemaking number. Parties may also submit an electronic comment by Internet e-mail. To get filing instructions for e-mail comments, commenters should send an e-mail to ecfs@fcc.gov, and should include the following words in the body of the message, "get form <your e-mail address>." A sample form and directions will be sent in reply.

Parties who choose to file by paper must file an original and four copies of each filing. If more than one docket or rulemaking number appear in the caption of this proceeding, commenters must submit two additional copies for each additional docket or rulemaking number. Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail (although we continue to experience delays in receiving U.S. Postal Service mail). The Commission's contractor, Vistronix, Inc., will receive hand-delivered or messenger-delivered paper filings for the Commission's Secretary at 236 Massachusetts Avenue, N.E., Suite 110, Washington, D.C. 20002. The filing hours at this location are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes must be disposed of before entering the building. Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to

[5] *See* 47 C.F.R. § 63.52.

9300 East Hampton Drive, Capitol Heights, MD 20743. U.S. Postal Service first-class mail, Express Mail, and Priority Mail should be addressed to 445 12th Street, SW, Washington, D.C. 20554. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

In addition, one copy of each pleading must be sent to each of the following:

(1) the Commission's duplicating contractor, Qualex International, 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554; e-mail: qualexint@aol.com; facsimile: (202) 863-2898; phone: (202) 863-2893.

(2) Tracey Wilson, Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-C437, Washington, D.C. 20554; e-mail: twilson@fcc.gov, and

(3) Bill Dever, Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-C266, Washington, D.C. 20554; e-mail: wdever@fcc.gov; and

(4) Jeff Tobias, Commercial Wireless Division, Wireless Telecommunications Bureau, 445 12th Street, S.W., Room 2-828, Washington, D.C. 20554; e-mail: jtobias@fcc.gov, and

(5) Imani Ellis-Cheek, Telecommunications Division, International Bureau, 445 12th Street, S.W., Room 6-A739, Washington, D.C. 20554; e-mail: iellis@fcc.gov.

(6) Nandan Joshi, Office of General Counsel, 445 12th Street, S.W., Room 8-A820, Washington, D.C. 20554; e-mail: njoshi@fcc.gov.

Filings and comments are also available for public inspection and copying during regular business hours at the FCC Reference Information Center, Portals II, 445 12th Street, SW, Room CY-A257, Washington, DC, 20554. They may also be purchased from the Commission's duplicating contractor, Qualex International, Portals II, 445 12th Street, SW, Room CY-B402, Washington, DC, 20554, telephone 202-863-2893, facsimile 202-863-2898, or via e-mail qualexint@aol.com.

For further information, please contact Tracey Wilson, at (202) 418-1394 or Bill Dever, Competition Policy, Wireline Competition Bureau at (202) 418-1578.

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