



PUBLIC NOTICE

FEDERAL COMMUNICATIONS COMMISSION
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**Non Streamlined International Applications/Petitions Accepted For Filing
Section 214 Applications (47 C.F.R. § 63.18); Section 310(b) Petitions**

Unless otherwise specified, the following procedures apply to the applications listed below:

The applications listed below have been found, upon initial review, to be acceptable for filing. These applications are not subject to the streamlined processing procedures set forth in Section 63.12 of the Commission's rules, 47 C.F.R. § 63.12. These applications shall not be deemed granted until the Commission affirmatively acts upon the application, either by public notice or by written order. Operation for which authorization is sought may not commence except in accordance with any terms or conditions imposed by the Commission.

Unless otherwise specified, interested parties may file comments with respect to these applications within 28 days of the date of this public notice. We request that such comments refer to the application file number shown below. No application listed below shall be granted by the Commission earlier than the day after the date specified in this public notice for the filing of comments.

Unless otherwise specified, ex parte communications between outside parties and Commission staff concerning these applications are permitted subject to the Commission's rules for "permit-but-disclose proceedings." See 47 C.F.R. § 1.1206.

Copies of all applications listed here are available for public inspection in the FCC Reference and Information Center, located in room CY-A257 at the Portals 2 building, 445 12th Street SW, Washington DC 20554. The center can be contacted at (202) 418-0270. People with Disabilities: To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an e-mail to fcc504@fcc.gov or call the Consumer & Governmental Affairs Bureau at 202-418-0530 (voice), 1-888-835-5322 (tty). All applications listed are subject to further consideration and review, and may be returned and/or dismissed if not found to be in accordance with the Commission's rules, regulations, and other requirements.

Petition for Declaratory Ruling

Sprint Corporation (Sprint), on behalf of its wholly-owned, U.S. subsidiaries holding common carrier wireless licenses (Joint Petitioners), has filed a petition with the Commission for a declaratory ruling (Petition) pursuant to section 310(b)(4) of the Communications Act of 1934, as amended, 47 U.S.C. § 310(b)(4), and section 1.990(a)(1) of the Commission's rules, 47 C.F.R. § 1.990(a)(1), that it would not serve the public interest to prohibit more than 25 percent foreign ownership in the Joint Petitioners. The Petition is being filed in connection with a planned internal restructuring with respect to the intermediate holding companies through which Softbank Group Corp. (SoftBank) holds its majority (83.4%) controlling ownership interest in Sprint. Pursuant to the planned pro forma restructuring, SoftBank will introduce a new, wholly-owned subsidiary, SoftBank Group International GK (SoftBank Group Int'l), into Sprint's vertical chain of ownership. SoftBank Group Int'l is organized in Japan as a "godo kaisha," which is analogous to a limited liability company.

The Petition notes that the Commission reviewed and approved the current ownership structure of and foreign interests in Sprint and the Joint Petitioners in the Sprint/SoftBank Order, FCC 13-92, 28 FCC Rcd 9642 (2013) (Sprint/SoftBank Order). In particular, and subject to certain conditions, the Commission's foreign ownership ruling authorized Sprint, the controlling U.S.-organized parent of the Joint Petitioners, to be 100 percent owned by SoftBank (individually) and by SoftBank's shareholders (collectively, including Mr. Masayoshi Son). SoftBank is a publicly traded joint stock corporation organized in Japan. Mr. Son is a citizen of Japan and serves as SoftBank's Chief Executive Officer and Chairman of the Board of Directors. Mr. Son currently holds 23.1 percent of SoftBank's equity and voting interests. Sprint certifies in the Petition that it is in compliance with the foreign ownership ruling issued in the Sprint/SoftBank Order.

Currently, Softbank holds its 83.4 percent equity and voting interest in Sprint through two wholly-owned U.S. subsidiaries: Starburst I, Inc. (Starburst I) (77.5% direct equity and voting interest in Sprint) and Galaxy Investment Holdings, Inc. (Galaxy) (5.9% direct equity and voting interest in Sprint). The remaining 16.6 percent of Sprint's outstanding stock is widely held by diverse shareholders. The Petition states, pursuant to Sections 1.991(i) and 1.991(e)-(f) of the rules, respectively, that none of these shareholders are foreign individuals or entities holding a greater than five percent equity or voting interest in Sprint, and that none of these shareholders (U.S. or foreign) hold a 10 percent or greater equity or voting interest in Sprint.

After the planned reorganization, SoftBank Group Int'l will hold an aggregate 60.5 percent indirect equity interest in Sprint through Starburst I and Galaxy, consisting of: a direct 70.4 percent equity interest in Starburst I and, in turn, an indirect 54.6 percent equity in Sprint through Starburst I ($70.4\% \times 77.5\% = 54.6\%$) plus a direct 100 percent equity interest in Galaxy and, in turn, an indirect 5.9 percent equity interest in Sprint ($54.6\% + 5.9\% = 60.5\%$). SoftBank will hold directly the remaining 29.6 percent equity interest in Starburst I and, thus, an indirect 22.9 percent equity interest in Sprint through Starburst I ($29.6\% \times 77.5\% = 22.9\%$). Because SoftBank wholly owns SoftBank Group Int'l, SoftBank would hold an aggregate 83.4 percent indirect equity interest in Sprint ($60.5\% + 22.9\% = 83.4\%$), the same level as it holds under SoftBank's current ownership structure. Mr. Son's indirect equity interest in Sprint similarly would not change from the current 19.3% amount ($23.1\% \times 83.4\% = 19.3\%$).

The post-closing indirect voting interests of SoftBank Group Int'l and SoftBank would track their indirect equity interests in Sprint (i.e., 60.5% and 83.4%, respectively). The Petition explains further that, because their respective indirect voting interests in Sprint would exceed 50%, each of SoftBank Group Int'l and SoftBank would be viewed as holding a 100 percent indirect voting interest in Sprint under Sections 1.991(f) and 1.992 of the rules. As a result, Mr. Son's post-closing indirect voting interest in Sprint (held through SoftBank and its intervening holding companies) would be calculated as 23.1% ($23.1\% \times 100\%$).

Sprint states that under the rules adopted in the Foreign Ownership Second Report and Order, FCC 13-50, 28 FCC Rcd 5741 (2013), 78 Fed. Reg. 41314 (July 10, 2013) (2013 Second Report and Order), Commission approval is not required for a pro forma transaction such as the transaction related to this Petition. However, because the foreign ownership ruling granted in the Sprint/SoftBank Order was issued prior to the effective date of the rules adopted in the 2013 Second Report and Order, Sprint seeks a new foreign ownership ruling pursuant to the new rules. In doing so, Sprint notes that it will continue to be subject to the terms of a National Security Agreement (NSA) entered into as a precondition to clearance of the Sprint/SoftBank transaction by the Committee on Foreign Investment in the United States (CFIUS) (see Sprint/SoftBank Order, 28 FCC Rcd at 9693-9696, paras. 125-131). The Petition states that, once the proposed transaction closes, SoftBank Group Int'l will be automatically covered by the NSA.

In addition, pursuant to section 1.991(i) of the rules, Sprint requests that the Commission specifically approve the above-described, post-closing foreign equity and voting interests that would be held directly or indirectly in Sprint, the controlling U.S. parent of Joint Petitioners, by SoftBank Group International GK, SoftBank Group Corp., and Mr. Masayoshi Son. Pursuant to section 1.991(k)(1) of the rules, Sprint also requests advance approval for SoftBank and SoftBank Group Int'l to increase their interests in Sprint up to and including 100 percent of Sprint's direct and/or indirect equity and/or voting interests. Pursuant to section 1.991(k)(2) of the rules, Sprint also requests advance approval for Mr. Masayoshi Son to increase his direct and/or indirect equity and/or voting interests in Sprint up to and including a non-controlling 49.99 percent.

The Petition states that the purpose of the reorganization is to separate SoftBank's global and domestic operations. It states that grant of the Petition will serve the public interest by providing greater transparency to SoftBank's shareholders, increasing efficiency in SoftBank's corporate operations, and improving SoftBank's value, which in turn will allow SoftBank to be better positioned to manage and invest in Sprint's operations over the long term.

Interested parties may file comments on or before May 26, 2016, and reply comments on or before June 3, 2016.

REMINDER:

Applicants must certify that neither the applicant nor any party to the application is subject to a denial of federal benefits by federal and/or state courts under authority granted in 21 U.S.C. § 862. See 47 C.F.R. §§ 1.2001–2003.