

**Before the  
Federal Communications Commission  
Washington, D.C. 20554**

In the Matter of	)	
	)	
Numbering Resource Optimization	)	CC Docket No. 99-200
	)	
Telephone Number Portability	)	CC Docket No. 95-116
	)	
North American Numbering Plan Administration	)	CC Docket No. 92-237
	)	
Telecommunications Relay Services and Speech-to-Speech Services for Individuals with Hearing and Speech Disabilities	)	CG Docket No. 03-123
	)	
E911 Requirements for IP-Enabled Service Providers	)	WC Docket No. 05-196
	)	

**MEMORANDUM OPINION & ORDER**

**Adopted: August 4, 2017**

**Released: August 4, 2017**

By the Chief, Wireline Competition Bureau:

**I. INTRODUCTION**

1. Today, the Wireline Competition Bureau (Bureau) approves Neustar, Inc.'s (Neustar's) request for its change of ownership to Aerial Investors LLC (Ariel Investors), which is ultimately controlled by Golden Gate Private Equity, Inc. (Golden Gate Capital).<sup>1</sup> Neustar currently serves as the Local Number Portability Administrator (LNPA),<sup>2</sup> the North American Numbering Plan Administrator

<sup>1</sup> This transaction involves multiple entities. For a complete description of each party involved, *see* Request of Neustar, Inc. to Approve New Ownership of the Numbering Administrator, CC Docket Nos. 99-200 et al. at 2 – 6 (filed Jan. 31, 2017), <https://www.fcc.gov/ecfs/filing/101311270013045> (Request); *see also* Neustar Structure Chart, attached as Appx. A. Note: Hux Investment Pte. Ltd. is a private limited company organized under the laws of Singapore and is referred to as “GIC Investor” in the Request, but there are no references to any GIC entities on the Neustar Structure Chart. GIC Investor is managed by GIC Special Investments Pte. Ltd., an arm of GIC Private Limited (GIC). GIC is a private limited company formed to manage the foreign reserves of the Government of Singapore. Golden Gate Capital also plans to add a second minority investor indirectly owning approximately 8.2 percent of Neustar - Koch Redwood Investments, LLC (Koch Investor), a wholly-owned indirect subsidiary of Koch Industries (together with Koch Investor, Koch). *See* Letter from Meredith S. Senter, Jr., Counsel to Golden Gate Capital, to Marlene H. Dortch, Secretary, FCC, CC Docket Nos. 99-200 et al. (filed July 23, 2017) (Golden Gate Capital July 23, 2017 *Ex Parte* Letter); *see also* Letter from Bruce A. Olcott, Counsel to Koch Redwood Investments, LLC, to Marlene H. Dortch, Secretary, FCC, CC Docket Nos. 99-200 et al. (filed Aug. 2, 2017) (Koch Aug. 2, 2017 *Ex Parte* Letter).

<sup>2</sup> Neustar will continue to serve as the LNPA until iconectiv becomes the new LNPA. *See Telcordia Technologies, Inc. Petition to Reform Amendment 57 and to Order a Competitive Bidding Process for Number Portability Administration et al.*, Order, 30 FCC Rcd 3082, para. 1 (2015), *aff'd sub nom, Neustar Inc. v. FCC*, No. 15-1080 (D.C. Cir. 2017) (selecting iconectiv as the next LNPA, subject to certain conditions); *Telcordia Technologies, Inc. Petition to Reform Amendment 57 and to Order a Competitive Bidding Process for Number Portability Administration et al.*, Order, 31 FCC Rcd 8406, para. 1 (2016), *aff'd sub nom, Neustar Inc. v. FCC*, No. 15-1080 (D.C. Cir. 2017) (approving iconectiv as the new LNPA) (*LNPA Approval Order*). *See also* North American

(continued....)

(NANPA), the National Thousand-Block Pooling Administrator (PA), and the Internet-Based Telecommunications Relay Services (iTRS) Numbering Administrator (collectively referred to in this Order as the Numbering Administrators). This Order finds that the changes to the Neustar ownership structure will not adversely affect its neutrality, subject to compliance with this Order, the adoption of the Neutrality Plan,<sup>3</sup> the creation of the Voting Trust,<sup>4</sup> and the adoption of the Code of Conduct.<sup>5</sup>

## II. BACKGROUND

2. In June 2016, Neustar announced its intention to separate its business into two independent publicly traded companies, numbering and non-numbering businesses.<sup>6</sup> Subsequently, prior to the separation of its business, Neustar accepted an offer from Golden Gate Capital to acquire the entire company.<sup>7</sup> Golden Gate Capital formed Aerial Investors for the sole purpose of acquiring Neustar and will own approximately 61 percent of Neustar through intermediary entities.<sup>8</sup> The remaining approximately 39 percent of Neustar will be owned by GIC Investor, which is an indirect subsidiary of a company owned by the Government of Singapore, and Koch Investor.<sup>9</sup> Accordingly, Neustar requires the Commission's consent to allow the transaction to proceed because the Commission needs to reassess Neustar's neutrality when under new ownership.

3. In its request, Neustar asks the Commission to approve its new owner, Aerial Investors (and, ultimately, Golden Gate Capital and GIC Investor).<sup>10</sup> Neustar states that its new ownership should be approved because the nature of its business and its day-to-day management will not change and it will remain impartial and neutral after the change to new ownership.<sup>11</sup> In order to ensure that it remains impartial and neutral, Neustar indicates that its new ownership has agreed to implement a Neutrality Plan. In this plan, among other things, Aerial Investors (for as long as Neustar continues to serve as a Numbering Administrator) would place all of the stock in the ultimate corporate parent of Neustar in a Voting Trust, controlled by Golden Gate Capital.<sup>12</sup> In addition to the Neutrality Plan, and as part of its

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Number Portability LLC, Timeline, [https://www.napmlc.org/pages/npacrfp/npacRFP\\_Timeline.aspx](https://www.napmlc.org/pages/npacrfp/npacRFP_Timeline.aspx) (last visited July 28, 2017).

<sup>3</sup> Neustar New Ownership Request Exh. A, Neutrality Plan (Neutrality Plan).

<sup>4</sup> See Letter from Thomas J. Navin, Counsel to Neustar, Inc. to Marlene H. Dortch, Secretary, FCC, CC Docket Nos. 99-200 et al. (filed May 22, 2017) (attaching the Voting Trust, the Code of Conduct, a Certification from David C. Dominik, and a revised Neustar Structure Chart) (Neustar May 22, 2017 *Ex Parte* Letter); see also a Voting Trust that has been revised by the Commission, attached in Appx. B (Voting Trust).

<sup>5</sup> See Neustar May 22, 2017 *Ex Parte* Letter; see also Letter from Meredith S. Senter, Jr., Counsel to Golden Gate Capital, and Thomas Navin, Counsel to Neustar, to Marlene H. Dortch, Secretary, FCC, CC Docket Nos. 99-200 et al. (filed July 17, 2017) (*ex parte* notice and revised Code of Conduct) (Golden Gate Capital July 17, 2017 *Ex Parte* Letter); see also Code of Conduct attached in Appx. C (Code of Conduct).

<sup>6</sup> Request at 3.

<sup>7</sup> *Id.*

<sup>8</sup> *Id.*

<sup>9</sup> Request at 3-4. Golden Gate Capital is wholly owned by an individual, David C. Dominik, a U.S. citizen (Mr. Dominik). As discussed *supra*, in the proposed transaction, the principal purchaser will be Golden Gate Capital which will hold about 61 percent of Neustar and a minority investor, GIC Investor, which will own about 31 percent, and a second minority investor, Koch, which will hold approximately 8.2 percent. See Neustar Structure Chart illustrating the parties included in the transaction, attached as Appx. A. See also Koch Aug. 2, 2017 *Ex Parte* Letter.

<sup>10</sup> Request at 1. See also Golden Gate Capital July 23, 2017 *Ex Parte* Letter.

<sup>11</sup> *Id.*

<sup>12</sup> *Id.* at 1-2, 8.

Request, Neustar submitted a Neustar Structure Chart, a Certification from Golden Gate Capital, and a Certification from GIC Investor.<sup>13</sup> Subsequently, Neustar provided the proposed Voting Trust on May 22, 2017<sup>14</sup> and a revised Code of Conduct on July 17, 2017.<sup>15</sup>

4. On February 7, 2017, the Bureau released a Public Notice soliciting comments on the Neustar Request.<sup>16</sup> Three parties filed comments: Betty Ann Kane, Chairman of the Public Service Commission of the District of Columbia and the North American Numbering Council, filing comments in her personal capacity; the North American Portability Management, LLC (NAPM), the industry consortium that oversees the LNPA contract; and iconectiv.<sup>17</sup> Neustar replied to the concerns raised by these parties in its reply comments<sup>18</sup> and in additional *ex parte* submissions to the Commission.<sup>19</sup> On May 25, 2017, the Bureau sent the parties questions to clarify certain aspects of the Request, principally regarding neutrality issues due to its proposed corporate structure, investors, and affiliations.<sup>20</sup> On June 12, 2017, the Bureau received a response and, on June 30 and July 23, 2017, supplemental responses from Golden Gate Capital.<sup>21</sup>

### III. DISCUSSION

5. To approve the acquisition of Neustar by Golden Gate Capital and GIC Investor, we must be satisfied that Neustar's neutrality will be maintained under its new owners. The Communications Act requires that the Commission create or designate one or more impartial entities to administer

<sup>13</sup> See Request, Exhs. A – D. Both certifications (Exhs. C and D) indicate that neither Golden Gate Capital nor GIC Investor have a vested interest in the outcome of numbering administration and activities. See also Neustar June 23, 2017 *Ex Parte* Letter (attaching a revised Neustar Structure Chart).

<sup>14</sup> See Neustar May 22, 2017 *Ex Parte* Letter.

<sup>15</sup> See *id.*; see also Golden Gate Capital July 17, 2017 *Ex Parte* Letter (attaching a revised Code of Conduct, see Appx. C).

<sup>16</sup> *Wireline Competition Bureau Seeks Comment on Request to Approve New Ownership of the Numbering Administrator*, CC Docket Nos. 99-200 et al., Public Notice, 32 FCC Rcd 1128 (WCB 2017) (Public Notice).

<sup>17</sup> Comments of Betty Ann Kane, Chairman of the Public Service Commission of the District of Columbia, CC Docket Nos. 99-200 et al. (filed Mar. 9, 2017) (Kane Comments); Comments of the North American Portability Management LLC, CC Docket Nos. 99-200 et al. (filed Mar. 9, 2017) (stating it has no objections to the ownership change so long as Neustar fulfills its contractual and regulatory obligations); Comments of Telcordia d/b/a iconectiv, CC Docket Nos. 99-200 et al. (filed Mar. 9, 2017) (iconectiv Comments); see also *infra* Section III Discussion.

<sup>18</sup> Neustar, Inc., Golden Gate Private Equity, Inc., Hux Investment Pte. Ltd. Reply, CC Docket Nos. 99-200 et al. (filed Mar. 24, 2017) (stating that Neustar and its new owner are neutral, concerns about GIC Investor are misplaced, concerns about the LNPA transition are outside the scope of this proceeding, as are national security issues, which are being addressed by the Committee on Foreign Investment in the United States) (Neustar Reply); see also *infra* Section III Discussion.

<sup>19</sup> See Letter from Thomas J. Navin, Counsel to Neustar, Inc., to Marlene H. Dortch, Secretary, FCC, CC Docket Nos. 99-200 et al. (filed Apr. 20, 2017) (stating that Golden Gate Capital will not alter the existing management of Neustar; and it will utilize a Voting Trust and adopt a Code of Conduct to ensure Neustar's continued neutrality); see also Neustar May 22, 2017 *Ex Parte* Letter.

<sup>20</sup> Letter from Kris Anne Monteith, Chief, Wireline Competition Bureau, FCC, to Thomas Navin, Counsel to Neustar, Inc., and Meredith S. Senter, Jr., Counsel to Golden Gate Private Equity, Inc., CC Docket Nos. 99-200 et al. (filed May 25, 2017) ([https://ecfsapi.fcc.gov/file/0525240759608/DA-17-521A1\\_Rcd.pdf](https://ecfsapi.fcc.gov/file/0525240759608/DA-17-521A1_Rcd.pdf)) (Information Request).

<sup>21</sup> Letter from Meredith S. Senter, Jr., Counsel to Golden Gate Private Equity, Inc., and Thomas Navin, Counsel to Neustar, Inc., to Marlene H. Dortch, Secretary, FCC, CC Docket Nos. 99-200 et al. (filed June 12, 2017) (Information Response); see also Letter from Meredith S. Senter, Jr., Counsel to Golden Gate Private Equity, Inc., and Thomas Navin, Counsel to Neustar, Inc., to Marlene H. Dortch, Secretary, FCC, CC Docket Nos. 99-200 et al. at 1 (filed June 30, 2017) (Supplemental Information Response) and Golden Gate Capital July 23, 2017 *Ex Parte* Letter; see also *infra* Section III Discussion.

telecommunications numbering.<sup>22</sup> The neutrality criteria set forth in Section 52.12 (a)(1)<sup>23</sup> of the Commission's rules explain the statutory requirement by adopting a test to establish neutrality of the Numbering Administrators<sup>24</sup> (currently, Neustar).<sup>25</sup> Under the rules, the Numbering Administrators are obligated to be "impartial and not aligned with any particular telecommunication industry segment."<sup>26</sup> In addition to a prohibition on the Numbering Administrators being an affiliate of a telecommunications service provider (TSP),<sup>27</sup> the rules also prohibit them from deriving a majority of their revenues from a TSP or issuing a majority of their debt to a TSP.<sup>28</sup> Section 52.12 of our rules also provides that the Numbering Administrators can be subject to undue influence by parties with a vested interest in the outcome of numbering administration and activities, even if they comply with the specific neutrality criteria set forth in Sections 52.12(a)(i) and (ii).<sup>29</sup> Finally, Section 52.13 of the Commission's rules requires the North American Numbering Plan Administrator (NANPA)<sup>30</sup>, in this case, Neustar, to be "independent and impartial,"<sup>31</sup> and to "assign and administer NANP resources in an efficient, effective, fair, unbiased, and non-discriminatory manner...."<sup>32</sup>

6. If approved, Neustar will be acquired by two principal purchasers: the controlling purchaser will be Golden Gate Capital which will hold approximately 61 percent of Neustar and a minority investor, GIC Investor, which will own approximately 31 percent.<sup>33</sup> Golden Gate Capital may accept some additional minority investors prior to closing but, if this occurs, such investors will hold less than 10 percent of Neustar.<sup>34</sup> We examine each purchaser against our neutrality criteria to determine whether the acquisition of Neustar by either of them could adversely affect Neustar's neutrality.

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<sup>22</sup> 47 U.S.C. § 251(e).

<sup>23</sup> 47 CFR § 52.12 (a)(1)(i)-(iii).

<sup>24</sup> While Section 52.12(a)(1)(i) imposes neutrality requirements on the NANPA and Section 52.20(d)(1) extends those requirements to the PA, the Commission considers that all Numbering Administrators are subject to the neutrality requirements in our rules as those rules implement the neutrality requirements of Section 251(e)(1) of the Communications Act. *See LNPA Approval Order* at 8414, para. 20.

<sup>25</sup> 47 CFR §§ 52.12, 52.13.

<sup>26</sup> 47 CFR § 52.12(a)(1).

<sup>27</sup> 47 CFR § 52.12(a)(1)(i).

<sup>28</sup> 47 CFR § 52.12(a)(1)(ii).

<sup>29</sup> 47 CFR § 52.12(a)(1)(iii).

<sup>30</sup> While Section 52.13 refers to the independence and impartiality of the NANPA, as noted above all Numbering Administrators are subject to the neutrality requirements in our rules. *See supra* n. 24.

<sup>31</sup> 47 CFR § 52.13(a).

<sup>32</sup> 47 CFR § 52.13(b).

<sup>33</sup> Neustar Request at 4-5. Koch will also own approximately 8.2%. *See* Golden Gate Capital July 23, 2017 *Ex Parte* Letter at attached Neustar Structure Chart. *See also* Koch Aug. 2, 2017 *Ex Parte* Letter.

<sup>34</sup> *Id.* at n. 8. If Golden Gate Capital adds any investors other than those expressly named in this Order, our rules require that Golden Gate Capital inform us of material changes to its application. *See* 47 CFR § 1.65. On July 23, 2017, Neustar informed us that Koch would be added as a minority investor. Koch will own 8.2 percent of Ariel Investors and 1.5 percent of Ariel Topco. *See* Golden Gate Capital July 23, 2017 *Ex Parte* Letter and Attached Neustar Structure Chart. Given the level of investment by Koch, we are not concerned about compliance with our rules relating to TSP affiliates. However, because of Koch's minority investments in Transaction Network Services, Inc. and Magna5, which are both involved with the provision of telecommunications services, we take steps in this Order to ensure that there is no undue influence or violation of our rules in connection with these interests. *See* 47 C.F.R. § 52.12 (a)(1)(iii). Accordingly, as Koch is in a similar position to GCI Investor, although without governance rights, we will treat Koch the same way we treat GCI Investor in this Order, namely, require that (1) the  
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### A. Compliance with Neutrality Rules

7. *Criterion One: Affiliate Relationship with Telecommunications Providers.* Section 52.12(a)(1)(i) of our rules provides that a Numbering Administrator may not be an affiliate of any TSP, interconnected Voice over Internet Protocol (iVoIP), or internet based telecommunications relay service (iTRS) provider. Golden Gate Capital has formed Aerial Investors, a Delaware limited liability company, for the purpose of acquiring Neustar.<sup>35</sup> Golden Gate Capital is owned by David C. Dominik, a U.S. citizen. Mr. Dominik and Golden Gate Capital represent that neither controls, nor is an affiliate of, any TSP, iVoIP provider, or iTRS provider.<sup>36</sup> In response to a request from the Commission, it was further confirmed that none of Golden Gate Capital, Mr. Dominik, or any investment fund that Golden Gate Capital or Mr. Dominik manages or advises, is affiliated with a TSP, iVoIP provider, or iTRS provider.<sup>37</sup>

8. GIC Investor discloses that it is under common control with an entity that has a non-controlling 43 percent interest in DQE Holdings, LLC, which ultimately, through various subsidiaries, owns DQE Communications, LLC, a TSP.<sup>38</sup> Neustar points out that it will continue to be neutral, notwithstanding GIC Investor's relationship with DQE Communications, due to protections that it intends to put in place which are described later in this Order. iconectiv argues that while DQE Communications may not technically be an affiliate under our first criterion, there is cause for concern under our third criterion relating to undue influence.<sup>39</sup> We agree with iconectiv and address this matter under the third criterion below and consider Criterion One satisfied.

9. *Criterion Two: Debt or Revenues from Telecommunications Services Providers.* Section 52.12(a)(1)(ii) of our rules provides that neither a Number Administrator nor any of its affiliates may issue a majority of its debt to, or derive a majority of its revenues from, any TSP. Neustar states that it will continue to issue debt and derive income in the same previously approved manner as before the transaction.<sup>40</sup> Further, Golden Gate Capital and Mr. Dominik confirm that no investment fund managed by Golden Gate Capital or Mr. Dominik is affiliated with a company that had issued the majority of its debt to, or derives a majority of its revenues from, any single TSP. They also confirm that no investment fund managed or advised by Golden Gate Capital or Mr. Dominik is affiliated with a company that has issued a majority of its debt to, or derives a majority of its revenues from, a TSP.<sup>41</sup> Accordingly, Criterion Two is satisfied.

10. *Criterion Three: Undue Influence.* Under Section 52.12(a)(1)(iii) of our rules, we may determine that a Numbering Administrator may or may not be subject to undue influence by parties with a vested interest in the outcome of numbering administration and activities. Accordingly, we must

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Koch minority investment sits behind the protective wall of the Voting Trust; (2) the Code of Conduct refers to Koch to prevent unauthorized discussions between Neustar and Koch, and (3) Koch must supply commitments substantially similar to the commitments supplied by GCI Investor ensuring the it will not (a) be involved in numbering administration activities, (b) influence or attempt to influence the conduct of the numbering administration activities, or (c) communicate regarding the day-to-day numbering administration activities of Neustar. The Koch commitments must also state that it will not, through communications with Golden Gate Capital or otherwise, attempt to influence the numbering administration activities of Neustar. *See infra* paras. 14-16. *See also* Koch Aug. 2, 2017 *Ex Parte* Letter.

<sup>35</sup> Request at 3.

<sup>36</sup> *Id.* at 4.

<sup>37</sup> Information Response at 2.

<sup>38</sup> Request at 5.

<sup>39</sup> iconectiv Comments at 5. *See also infra* paras. 11 – 13.

<sup>40</sup> Request at 8.

<sup>41</sup> Information Response at 2.

determine if ownership by Golden Gate Capital and GIC Investor could subject Neustar to undue influence by parties with a vested interest in the outcome of numbering administration and activities.

11. As far as Golden Gate Capital is concerned, the parties represent that neither “Ariel Investors nor Golden Gate Capital, which controls Ariel Investors, has any vested interest in the outcome of numbering administration or activities.”<sup>42</sup> Further, in a supplement to its Information Response, Golden Gate Capital provides additional information to show that none of Golden Gate Capital’s five percent or greater investments has, to the knowledge of Golden Gate Capital or Mr. Dominik, a vested interest in the outcome of Neustar’s numbering administration activities.<sup>43</sup>

12. As described above, iconectiv has raised the issue of undue influence with respect to GIC Investor’s affiliation with DQE Holdings. Additionally, iconectiv points out that, while Neustar has disclosed the DQE Holdings affiliation, iconectiv asserts that it has failed to disclose other telecommunications’ holdings owned by the Government of Singapore through affiliates of GIC Investor and GIC Investor’s parent.<sup>44</sup> Neustar argues that we should only focus our attention on the controlling shareholder, Golden Gate Capital<sup>45</sup> but we believe that our neutrality rules require us to focus our attention on all shareholders, not simply the controlling shareholder.

#### **B. The Neutrality Plan, Changes to Voting Trust, and Code of Conduct**

13. The Neutrality Plan<sup>46</sup> that Neustar offers to implement no later than the day after the closing of the transaction, among other things, describes the formation of a Voting Trust to shield Neustar’s numbering administration business and activities from any influence of the minority interest-holder and, in addition, describes certain covenants that will be included in Neustar’s organizational documents concerning continued compliance with our neutrality rules.

14. When formed, the Voting Trust will hold all of the stock of Neustar or one of Neustar’s intermediate corporate parents.<sup>47</sup> Structurally, the placement of the Voting Trust in the ownership chain is designed to effectively sever the link between the corporate entities in which GIC Investor has certain governance rights, including the right to nominate directors, and Neustar’s holding companies. The trustees of the Voting Trust will be employees of Golden Gate Capital with no business connection to a TSP. The trustees will have the right to vote on the election of all members of Neustar’s board and on all matters normally coming before stockholders for a vote with the exception of certain investor protection rights. No changes may be made to the Voting Trust without our consent.<sup>48</sup> iconectiv argues that the trustees should be independent rather than employees of Golden Gate Capital because employees can be influenced by their employer who, in turn, may be influenced by GIC Investor.<sup>49</sup> Neustar points out in its Reply that because Golden Gate Capital is neutral, concerns about Neustar’s post-closing neutrality are unfounded.<sup>50</sup> We agree that Neustar does not need neutrality protection from Golden Gate Capital and that, accordingly, use of Golden Gate Capital employees as trustees is acceptable. When the Voting Trust is coupled with the Neutrality Plan and the proposed Code of Conduct, which we address below, we believe that Neustar will be adequately protected from the influence of the minority investor.

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<sup>42</sup> Request at 8.

<sup>43</sup> Supplemental Information Response at 1.

<sup>44</sup> iconectiv Comments at 8.

<sup>45</sup> Reply at 2.

<sup>46</sup> See Neutrality Plan.

<sup>47</sup> See Neustar Structure Chart, Appx. A.

<sup>48</sup> See Voting Trust, Appx. B.

<sup>49</sup> iconectiv Comments at 13.

<sup>50</sup> Reply at 4-5.

15. Neustar is currently required to have a Code of Conduct in place to provide safeguards, for example, against misuse of proprietary data and confidential information; to prohibit directors from serving on the board of a TSP; and to require a regular neutrality review from an independent third party. The Code of Conduct is an important neutrality tool and one that has been in place since the Commission adopted the *Warburg Transfer Order* in 1999.<sup>51</sup> Initially, Neustar proposed to abandon its Code of Conduct on the basis that Neustar had no need of one with Golden Gate Capital as its neutral controlling shareholder. After iconectiv, in its comments, pointed out that Neustar was being acquired, in part, by a foreign government investor that could exercise improper influence,<sup>52</sup> Neustar offered to adopt an “appropriate” Code of Conduct at the closing of the transaction.<sup>53</sup> We have reviewed the proposed Code of Conduct that Neustar submitted, which is based largely on the iconectiv Code of Conduct that the Commission approved concurrently with its order approving iconectiv as the next LNPA.<sup>54</sup> The Code of Conduct provides the necessary safeguards, for example, for the protection of confidential information, impartiality, disclosure of numbering administration activities with the GIC Investor, neutrality training, and a semi-annual neutrality audit. We are satisfied that adoption of a Code of Conduct in the form proposed by Neustar will, together with the Voting Trust and the GIC Investor assurances described below, ensure that Neustar remains neutral for its remaining time as the LNPA, as well as for the time it continues to serve in other Numbering Administrator capacities.<sup>55</sup>

16. While the Code of Conduct ensures that Neustar personnel will not discuss numbering administration activities with the GIC Investor, there is no prohibition on improper communications by the GIC Investor to Neustar. Accordingly, the GIC Investor offers several commitments to ensure Neustar’s neutrality.<sup>56</sup> Among other things, the GIC Investor agrees that it will not (1) be involved in numbering administration activities, (2) influence or attempt to influence the conduct of the numbering administration activities or (3) communicate regarding the day-to-day numbering administration activities of Neustar. The GIC Investor adds that it will not, through communications with Golden Gate Capital or otherwise, attempt to influence the numbering administration activities of Neustar. We accept the GIC Investors commitments and find that together with the Neutrality Plan, the Voting Trust, and the Code of Conduct there are sufficient protections to ensure that Neustar’s neutrality is maintained.

### C. Security and Transition

17. iconectiv argues that, because the minority investor is an entity ultimately owned by the Government of Singapore, we should evaluate whether the GIC Investor introduces security risks to critical infrastructure, that is, the LNPA database.<sup>57</sup> Neustar responds by saying that matters of national security are addressed by the Committee on Foreign Investment in the United States (CFIUS).<sup>58</sup> We note that the Commission has a policy of deferring to the Executive Branch Agencies on matters of national security in license assignment and transfer cases and we see no reason that such policy should not apply

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<sup>51</sup> See *Request of Lockheed Martin Corporation and Warburg, Pincus & Co. for Review of Transfer of the Lockheed Martin Communications Industry Services Business*, Order, 14 FCC Rcd 19792, 19813-14, paras. 34-35 (1999) (*Warburg Transfer Order*).

<sup>52</sup> iconectiv Comments at 13-14.

<sup>53</sup> Reply at 9.

<sup>54</sup> *LNPA Approval Order*, Exh. B.

<sup>55</sup> See Code of Conduct, Appx. C. See also para. 1, *supra*.

<sup>56</sup> See Supplemental Information Request; see also Supplemental Information Request Attach., Five Percent or Greater Beneficial Ownership Interests Held by Investment Funds Managed by or Advised by David Dominik or Golden Gate Private Equity, Inc.

<sup>57</sup> iconectiv Comments at 12.

<sup>58</sup> Reply at 11.

in this case.<sup>59</sup> The parties advise that they initiated the CFIUS review process and note that CFIUS completed its review on June 12, 2017, notifying Neustar that “it will not take action to prevent the transactions contemplated by the Merger Agreement from being consummated.”<sup>60</sup> In this instance, we are satisfied that the results of the CFIUS review adequately addressed any national security and critical infrastructure concerns there might be.

18. Both iconectiv and Ms. Kane raise the issue of timing of the LNPA transition duties from Neustar to iconectiv.<sup>61</sup> Neither commenter wants to see the transition slowed by this transaction. We agree with Neustar that this is not the transaction in which to impose conditions relating to the timing of the transition. However, we would be very concerned if the ownership change that we approve today should, in any way, delay the transition. We expect Neustar and its new owners to cooperate in the transition to ensure that the transition in LNPA from Neustar to iconectiv proceeds in an effective, seamless and timely way.

19. In her comments, Ms. Kane expresses concern that Neustar has failed to substantiate its claim that its new ownership should be approved “because the nature of Neustar’s business and its day-to-day management will not change.”<sup>62</sup> We agree with Neustar that this proceeding is about Neustar’s neutrality when under new ownership.<sup>63</sup> It is beyond the purview of this proceeding to question how Golden Gate Capital will supervise the operation of Neustar’s business as long as Golden Gate Capital does not do anything to affect Neustar’s neutrality.

#### IV. CONCLUSION AND ORDERING CLAUSES

20. In accordance with the terms of this Order, we approve Neustar’s request for its change of ownership to Golden Gate Capital and the GIC Investor, subject to the adoption of the Neutrality Plan, the creation of the Voting Trust, in the form attached to this Order as Appendix B, and the adoption of the Code of Conduct, in the form attached as Appendix C. A copy of the Voting Trust, which should be effective on the day of closing of the transaction, should be filed with the Commission within seven days of its execution.

21. Although we find the new ownership structure of Neustar, as approved in this Order, to be consistent with our neutrality criteria, we recognize that any change in the structure of the Voting Trust, the Code of Conduct, or overall ownership structure may render Neustar in violation of our neutrality requirements. Thus, we condition our approval of Neustar’s requests on its maintenance of the organizational structure, Neutrality Plan, Voting Trust, and Code of Conduct, described in this Order during its term as the LNPA.

22. Accordingly, IT IS ORDERED, pursuant to the authority contained in Sections 1-4, 251(e), and 303(r) of the Communications Act of 1934, as amended, 47 U.S.C. §§ 151-154, 251(e), and 303(r), Sections 1.3 and 52.26 of the Commission’s rules, 47 C.F.R. §§ 1.3 and 52.26, that Neustar, Inc. file a copy of the Voting Trust with the Commission within seven days of its execution.

23. IT IS FURTHER ORDERED, pursuant to the authority contained in sections 1-4, 251(e), and 303(r) of the Communications Act of 1934, as amended, 47 U.S.C. §§ 151-154, 251(e) and 303(r), and pursuant to authority delegated under sections 0.41, 0.91, 0.251 and 0.291 of the Commission’s rules,

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<sup>59</sup> See *Commission Policies and Procedures Under Section 310(b)(4) of the Communications Act, Foreign Investment in Broadcast Licensees*, Declaratory Ruling, 28 FCC Rcd 16244, 16251, para. 14 (2013).

<sup>60</sup> See <https://marketexclusive.com/neustar-inc-nysensr-files-an-8-k-other-events/2017/06/> (last visited July 26, 2017).

<sup>61</sup> iconectiv Comments at 14-16; Kane Comments at 3-5.

<sup>62</sup> Kane Comments at 2.

<sup>63</sup> Reply at 2.



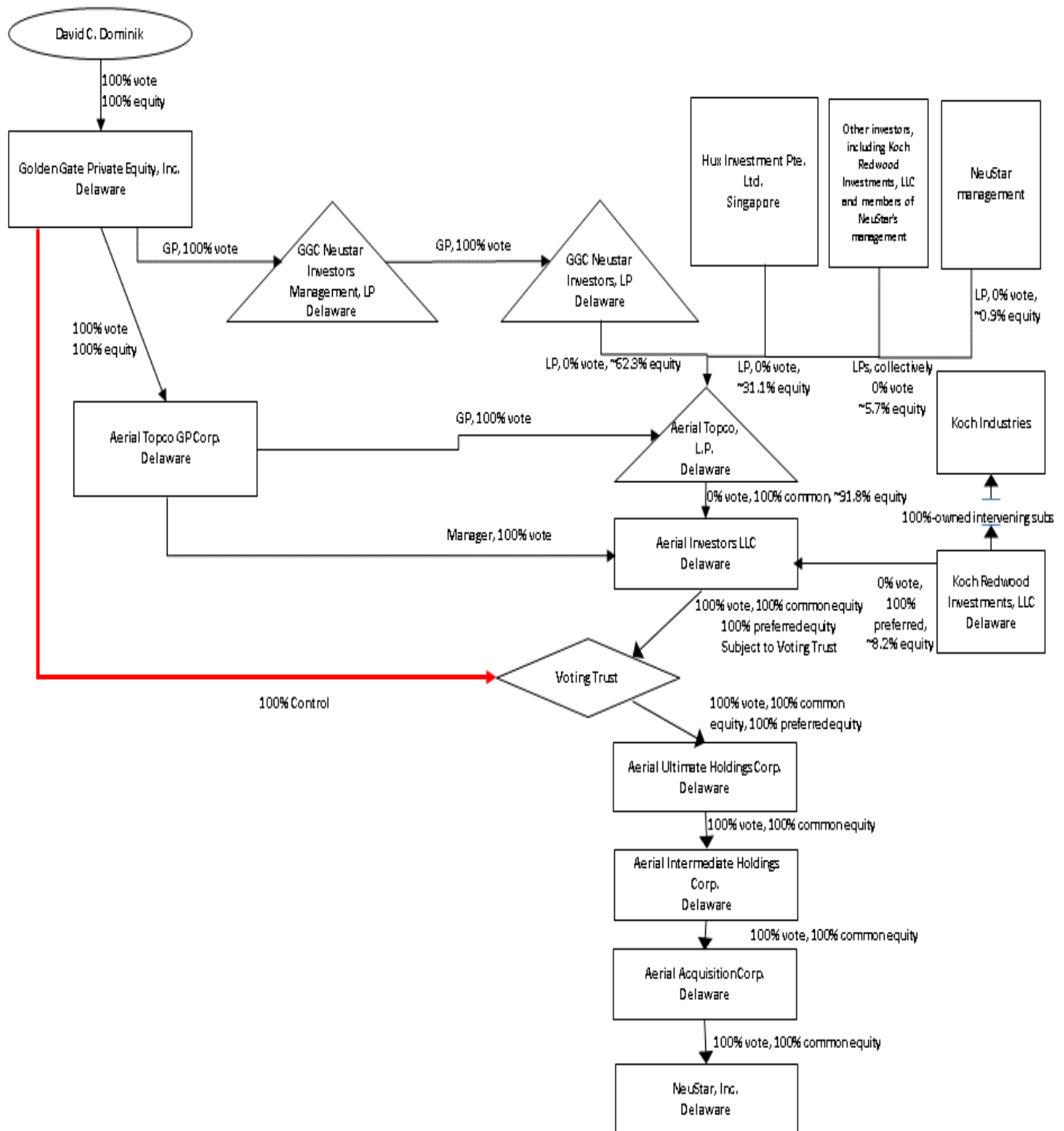
47 C.F.R. §§ 0.41, 0.91, 0.251 and 0.291, that the Request of Neustar, Inc. to Approve New Ownership of the Numbering Administrator IS GRANTED to the extent set forth herein.

24. IT IS FURTHER ORDERED, pursuant to the authority contained in Sections 1-4, 251(e), 303(r) and 408 of the Communications Act of 1934, as amended, 47 U.S.C. §§ 151-154, 251(e), and 303(r), Section 1.103 of the Commission's rules, 47 C.F.R. § 1.103, that this Order in CC Docket Nos. 99-200, 95-116, and 92-237, CG Docket No. 03-123, and WC Docket No. 05-196 IS ADOPTED and IS EFFECTIVE UPON RELEASE.

FEDERAL COMMUNICATIONS COMMISSION

Kris Anne Monteith  
Chief  
Wireline Competition Bureau

# **APPENDIX A** **Neustar Structure Chart**



**APPENDIX B****Voting Trust Agreement**

THIS AGREEMENT, dated as of \_\_\_\_\_, 2017 (this "Agreement"), is by and among Aerial Investors LLC ("Aerial Investors"), a Delaware limited liability company, Golden Gate Private Equity, Inc., a Delaware corporation ("Golden Gate Capital"), and [two Golden Gate Capital employees] (collectively, and including their successors, the "Voting Trustees" or "Trustees").

WITNESSETH:

WHEREAS, Aerial Investors is the direct owner of Aerial Ultimate Holdings Corp. (the "Ultimate Corporate Owner," which, together with its subsidiaries including the Company, is referred to as the "Corporate Group") and controls all of the voting and non-voting equity interests in the Ultimate Corporate Owner described on Schedule A attached hereto (the "Trust Stock");

WHEREAS, Aerial Investors has issued two series of membership interests, one common (which is the owner of the voting common stock of Ultimate Corporate Owner) held by Aerial TopCo, L.P. ("TopCo"), and the other preferred (which is the owner of the non-voting preferred stock of Ultimate Corporate Owner) held by Koch Redwood Investments, LLC (the "Koch Investor");

WHEREAS, Golden Gate Capital is the sole shareholder of Aerial Topco GP Corp., the general partner of TopCo and manager of Aerial Investors LLC and of the series of Aerial Investors that holds the voting common stock of Ultimate Corporate Owner;

WHEREAS, Ultimate Corporate Owner indirectly owns all of the voting and non-voting equity interests in Neustar, Inc., a Delaware corporation (including any successor entity) ("the Company" or "Numbering Related Entity");

WHEREAS, in connection with the Company's service as North American Numbering Plan Administrator, the Local Number Portability Administrator, the Pooling Administrator, and the Internet-based Telecommunications Relay Service Administrator (collectively, the "Numbering Business"), the Federal Communications Commission (the "FCC") has required Aerial Investors to cause all of the voting capital stock of the Company (or an entity which, in turn, owns, directly or indirectly, all of the voting capital stock of the Company) to be deposited in a voting trust, as provided for herein;

WHEREAS, Aerial Investors has agreed that, during the term of this Agreement, stock certificates representing the Trust Stock shall be held in a voting trust and that the trustees of such voting trust shall be designated by Golden Gate Capital; and.

WHEREAS, Golden Gate Capital has designated [names of trustees] as the initial Voting Trustees.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and obligations set forth in this Agreement, and the payment of ONE DOLLAR (\$1.00) by Aerial Investors to each of the Voting Trustees, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Creation of Trust; Transfer of Voting Rights; Exercise in Voting Trustee's Discretion.

1.1. Subject to the terms and conditions hereof, a voting trust in respect of the Trust Stock is hereby created and established under the laws of the state of Delaware (the "Trust" or the "Voting Trust"). Aerial Investors hereby constitutes and appoints the Voting Trustees from and after the date

hereof until the termination of this Agreement (at which point such constitution and appointment shall automatically be revoked), as Aerial Investors' voting trustees, attorneys, agents and proxies to vote the Trust Stock (or execute a written consent in lieu of a vote of such Trust Stock) on all matters on which the holder of such Trust Stock is entitled to vote (or execute a written consent in lieu of voting).

1.2. During the term of this Agreement, except as provided in Sections 1.3, the Voting Trustees shall have the sole, exclusive, absolute, and unqualified power to vote the Trust Stock as the Trustees determine in their discretion on all matters on which the holder of such Trust Stock is entitled to vote (or execute a written consent in lieu of voting). The Trustees shall vote on such matters in a manner consistent with and complying with all neutrality requirements associated with the Company's Numbering Business. The sole purpose of this Voting Trust is to vote the Trust Stock, and the Voting Trust will not hold any voting or economic investments in any other entity, including any Telecom Related Entity.<sup>64</sup>

1.3. Notwithstanding Section 1.2 above, Aerial Investors shall have the ability to direct the Voting Trustees to vote their interests, and the Voting Trustees shall vote and cause each Member of the Corporate Group to act in accordance with the Aerial Investors' instructions, on the following matters:

- (a) any merger or consolidation or other reorganization of any member of the Corporate Group with or into another corporation (including employee or director compensation specifically associated with such transaction);
- (b) the issuance by any member of the Corporate Group of any shares of capital stock or rights to acquire capital stock (including employee or director compensation specifically associated with such transaction);
- (c) the acquisition by any member of the Corporate Group of another corporation or business by means of a purchase of all or substantially all of the capital stock or other assets of such corporation (including employee or director compensation specifically associated with such transaction);
- (d) any sale, lease, transfer or other disposition of all or substantially all the assets of the Corporate Group (including employee or director compensation specifically associated with such transaction);
- (e) (i) any sale, lease, transfer or other disposition of any assets of any member of the Corporate Group that are unrelated to the Company's performance or duties regarding the Numbering Business, and (ii) any matter related to a Non-Numbering Business and any other matters unrelated to the Company's duties regarding the Numbering Business;
- (f) a liquidation, wind-up, receivership, bankruptcy or dissolution or adoption of any plan for the same;
- (g) the incurrence of any indebtedness for borrowed money or the issuance of any debt securities or assumption, guarantee or endorsement, or otherwise becoming responsible for the obligations, of any person for borrowed money;

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<sup>64</sup> "Telecom Related Entity" means a telecommunications service provider ("TSP"), interconnected VoIP provider ("iVoIP provider") or Internet-based TRS provider ("iTRS provider") as such terms are defined in 47 C.F.R. §§ 52.12(a) & 64.601(a)(15).

(f) the appointment of any individuals to the boards or other governing bodies of all subsidiaries of the Company other than the Numbering Related Entity; and

(g) any conversion, stock exchange, re-domestication or other reorganization of any member of the Corporate Group.

1.4. Notwithstanding the provisions of this Agreement, Aerial Investors may, at any time with the written consent of the FCC, transfer, and may cause the Voting Trustees to take any steps necessary to transfer the capital stock held by the Voting Trust in connection with any disposition or distribution by Aerial Investors of the capital stock of the Ultimate Corporate Owner, the Company or any other entity that directly or indirectly wholly owns the Company to any third party or parties, subject at all times to applicable law and governmental rules and regulations. Upon such a disposition, the Trustees, upon the receipt by them of a proper discharge or release from Aerial Investors, or its successors or assigns, and upon payment of any stamp taxes or other governmental charges in connection with such surrender and delivery, will cause to be delivered to Aerial Investors, or its successors or assigns, certificates of capital stock of the Ultimate Corporate Owner in amounts corresponding to the Trust Stock issued, delivered or transferred to the Trustees at any time pursuant to this Agreement and being sold or distributed in that disposition. The Trustees will not be entitled to sell any capital stock of the Ultimate Corporate Owner, unless expressly instructed by Aerial Investors. Aerial Investors will for so long as the Trust has not been terminated, remain the beneficial owner of the capital stock held in the Trust and shall be entitled to all dividends and distributions made in respect of such Trust Stock and all proceeds of any dispositions thereof.

1.5. The Trustees may act hereunder either by the affirmative vote of both of the Trustees, in person, at a meeting duly called and held, and such vote shall be deemed the decision or act of both of the Trustees, or by a written instrument without a meeting of the Trustees signed by both Trustees. The Trustees may adopt their own rules of procedure and shall keep reasonable minutes of their proceedings.

## 2. Dividends, Distributions, etc.

2.1. Aerial Investors shall be entitled to any dividends or distributions on any Trust Stock, and if the same are paid to the Trustees, such dividends or distributions shall be disbursed by the Trustees to Aerial Investors; provided that if any dividend or distribution is in the form of any security that entitles its holder to voting rights in the entity making such dividend or distribution, such voting rights shall be treated for all purposes of this Agreement as voting rights attendant to such Trust Stock, and shall be automatically deposited in the Voting Trust and the Voting Trustees shall have the right to exercise such voting rights to the same extent provided herein with respect to the Trust Stock.

2.2. In the event of any recapitalization or similar change in, or any conversion or exchange of, any Trust Stock, the provisions of this Agreement shall be equitably adjusted to eliminate the effects thereof and, to the extent required by applicable law, the Ultimate Corporate Owner shall issue additional certificates of Trust Stock to the Voting Trustees.

## 3. Voting Trustees.

3.1. Each Voting Trustee (a) accepts the trust and proxy hereby created in accordance with all of the terms and conditions and reservations herein contained and agrees to serve as Voting Trustee hereunder, and (b) agrees that he or she will exercise the powers and perform the duties of the Voting Trustee as herein set forth according to his best judgment.

3.2. Any Trustee or successor Trustee may at any time resign by delivery to each of the other Trustee(s), Aerial Investors and Golden Gate Capital his or her resignation in writing. In the event of a vacancy or vacancies occurring in the office of Trustee or successor Trustee through the death, incapacity,

resignation, refusal to act, or removal from the role of Trustee under this Agreement, Golden Gate Capital may appoint a successor Trustee to fill each such vacancy. Golden Gate Capital may remove a Trustee with or without cause at any time and appoint a successor Trustee to fill any vacancy. Any successor Trustee so appointed shall be clothed with all the rights, privileges, duties and powers conferred upon the Trustees herein named. Upon the appointment of a successor Trustee, new certificates of Trust Stock shall be issued in the names of the current Voting Trustees and the certificates of Trust Stock previously issued in the name of any former Trustee shall be canceled.

3.3. No Trustee, whether an initial Trustee or a successor Trustee, shall have any business connection with the management of any Telecom Related Entity, Hux Investment Pte. Ltd. (the "GIC Investor"), or the Koch Investor, but for the avoidance of doubt, the Trustees may be employees of Golden Gate Capital or approved by the FCC, and such approval shall not be unreasonably withheld or delayed.

3.4. Aerial Investors hereby waives any and all claims of every kind and nature which hereafter Aerial Investors may have against the Voting Trustees, and agrees to release and by such act does release each Voting Trustee and his respective successors and assigns from any liability whatsoever arising out of or in connection with the exercise of his powers or the performance of his duties hereunder, except for such claims or liability as may arise out of the willful misconduct or gross negligence of such Voting Trustee. Each Voting Trustee shall be free from liability in acting upon any paper, document or signature reasonably believed by the Voting Trustee to be genuine and to have been signed by the proper party. No Voting Trustee shall be liable for any error of judgment in any act done or omitted, nor for any mistake of fact or law, nor for anything that the Voting Trustee may do or refrain from doing, unless, in each case, the Voting Trustee's action or failure to act constitutes willful misconduct or gross negligence. Each Voting Trustee may consult with legal counsel and action under this Agreement suffered or taken in good faith by such Voting Trustee in accordance with the opinion of the Voting Trustee's counsel shall be conclusive on the parties to this Agreement and such Voting Trustee shall be fully protected and be subject to no liability with respect thereto.

3.5. No Voting Trustee shall be entitled to compensation hereunder, unless such Voting Trustee is at any time not an employee of Golden Gate Capital, whereupon such Voting Trustee shall become entitled to compensation of Two Thousand Five Hundred Dollars (US\$2,500) per calendar month. This compensation, and any formula for varying such compensation, may not be altered by Aerial Investors without the prior written consent of the FCC. In addition, Aerial Investors shall pay all reasonable expenses of the Voting Trustees, including, without limitation, counsel fees, and shall discharge all liabilities incurred by the Voting Trustees, or either of them, in connection with the exercise of their powers and performance of their duties under this Agreement, except such as shall arise from the willful misconduct or gross negligence of a Voting Trustee. Aerial Investors shall also indemnify and hold the Voting Trustees harmless from and against any and all claims and liabilities in connection with or arising out of the administration of the voting trust created by this Agreement or the exercise of any powers or the performance of any duties by him as herein provided or contemplated, except such as shall arise from the willful misconduct or gross negligence of a Voting Trustee.

#### 4. Termination and Amendment.

4.1. This Agreement and the voting trust hereby created shall be irrevocable, except as set forth in Sections 4.2, 4.3 and 4.4, or upon the request of Aerial Investors and receipt of the written consent of the FCC.

4.2. This Agreement will terminate in the event of the sale of the Company or of any entity that directly or indirectly wholly owns the Company, including the Ultimate Corporate Owner.

4.3. This Agreement will terminate at such time the Company or the ownership of the Company by both the GIC Investor and the Koch Investor is not then subject to regulation by the FCC as a result of the ownership structure of the Company or otherwise.

4.4. This Agreement will terminate upon notice by Aerial Investors to the Trustees that the Company ceases to be engaged in the Numbering Business.

4.5. Upon termination, the Trustees, upon the receipt by them of a proper discharge or release from Aerial Investors, or its permitted successors or assigns, and upon payment of any stamp taxes or other governmental charges in connection with such surrender and delivery, will cause to be delivered to Aerial Investors, or its permitted successors or assigns, certificates of capital stock of the Ultimate Corporate Owner in amounts corresponding to the Trust Stock issued, delivered or transferred to the Trustees at any time pursuant to this Agreement.

4.6. No amendments will be made to the Voting Trust without the prior written consent of the FCC. Any amendment to this Agreement shall be in writing and signed by the parties hereto.

5. Miscellaneous. This Agreement shall be governed by and construed and enforced in accordance with the laws of the state of Delaware regardless of the laws that otherwise might govern under applicable principles of conflicts of laws thereof. This Agreement shall be binding upon and inure solely to the benefit of each party hereto and their respective successors, legal representatives and permitted assigns except that the FCC shall be an express third party beneficiary hereto. This Agreement shall not be assignable by any party hereto without the prior written consent of each other party hereto and without the prior written consent of the FCC. In case any provision of this Agreement shall be held to be invalid or unenforceable in whole or in part, neither the validity nor the enforceability of the remainder of this Agreement shall in any way be affected. This Agreement constitutes the entire understanding of the parties hereto and supersedes all prior agreements or understandings with respect to the subject matter hereof among the parties. The headings in this Agreement are for convenience of reference only and shall not limit or otherwise affect the provisions hereof. This Agreement may be executed simultaneously in several counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument

6. All formal notices given under this Agreement shall be in writing and shall be deemed to have been duly given when delivered in person or by overnight express or mailed by first-class, registered or certified mail, postage prepaid, or email and addressed to the parties as follows:

If to the Voting Trustees:

If to Aerial Investors or Golden  
Gate Capital:

[INSERT ADDRESSES]

[INSERT ADDRESS]

With copies to:

Competition Policy Division  
Wireline Competition Bureau  
Federal Communications Commission  
445 12th Street, S.W.  
Washington, D.C. 20554  
Facsimile: (202) 418-1413  
Attention: Chief, CPD

With a copy to

[GGC's counsel]

and

Office of General Counsel  
Federal Communications Commission  
445 12th Street, S.W.  
Washington, D.C. 20554  
Facsimile: (202) 418-2822  
Attention: General Counsel

Each notice which shall be delivered, mailed or transmitted in the manner described above shall be deemed sufficiently received for all purposes at such time as it is delivered to the addressee (with any return receipt, delivery receipt being deemed conclusive evidence of such delivery) or at such time as delivery is refused by the addressee upon presentation.

[Signature page to follow]



IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be duly executed and delivered as of the date first above written.

AERIAL INVESTORS, LLC

By: \_\_\_\_\_  
Name:  
Title

GOLDEN GATE PRIVATE EQUITY, INC.

By: \_\_\_\_\_  
Name:  
Title

TRUSTEES

By: \_\_\_\_\_  
Name:

By: \_\_\_\_\_  
Name:

## APPENDIX C

## Neustar Neutrality Code of Conduct

For so long as Neustar, Inc. (“Neustar”) serves as the North American Numbering Administrator, the National Thousands-Block Pooling Administrator, the Internet-Based TRS Administrator or the Local Number Portability Administrator (collectively “numbering administration duties”), and except as expressly authorized by the Federal Communications Commission (“FCC”):

1. As a numbering administrator, Neustar shall not, directly or indirectly, show any preference or provide any special consideration to any “service provider,” as defined in 47 C.F.R. §§ 52.5(e) (collectively “TSP”), with respect to numbering administration duties.
2. Neustar shall not disclose any user data<sup>65</sup> or proprietary information or any law enforcement-related information acquired in its role as a numbering administrator, except as necessary for the performance of Neustar’s numbering administration duties in one of those capacities, or pursuant to the LNPA Master Services Agreement or its contracts with the FCC or law enforcement agencies.
3. Neustar’s direct or indirect owners shall not disclose user data or proprietary information from any TSP to Neustar (other than the sharing of data incident to the performance of core numbering administration duties).<sup>66</sup>
4. Neustar shall not disclose user data or confidential information about Neustar’s numbering administration business duties or operations with employees of any TSP, except as necessary for the performance of Neustar’s number administration duties.
5. No person employed by, or serving in the management of, any direct or indirect shareholder or interest-holder of Neustar<sup>67</sup> (except employees and managers of Golden Gate Capital) will be directly involved in the day-to-day operations of Neustar. No employees of any company that is a TSP will be simultaneously employed (full-time, part-time or shared in any way) by Neustar.
6. No employee, officer, director or dedicated employee of any subcontractor of Neustar directly involved in core numbering administration duties shall hold any interest, financial or otherwise, that would cause Neustar to no longer be neutral, without obtaining prior approval from the FCC or recusing himself or herself from all activities relating to the provision of numbering administration duties.<sup>68</sup>

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<sup>65</sup> As defined in the contract between the Northeast Carrier Acquisition Company, L.L.C. and Lockheed Martin IMS, dated November 7, 1997 (the “LNPA Master Services Agreement”).

<sup>66</sup> As defined in *In the Matter of Implementation of Telcordia Technologies, Inc. Petition to Reform Amendment 57 and to Order a Competitive Bidding Process for Number Portability Administration; Petition of Telcordia Technologies, Inc. to Reform or Strike Amendment 70, to Institute Competitive Bidding for Number Portability Administration, and to End the NAPM LLC’s Interim Role in Number Portability Administration Contract Management; Telephone Number Portability*, WC Docket Nos. 09-109, 07-149, CC Docket 95-116, Order, 30 FCC Rcd 3082, ¶ 177.

<sup>67</sup> For the avoidance of doubt, the term “any direct or indirect shareholder or interest-holder of Neustar” includes Hux Investments, Pte. Ltd. (“Hux”) and Koch Redwood Investments, LLC or Koch Industries, Inc. (together, the “Koch Investor”), but does not include any indirect owner that is a passive limited partner invested through investment funds.

<sup>68</sup> For avoidance of doubt, an “interest” does not include holdings by a mutual fund, life insurance policy, annuity, or  
(continued....)

7. No officer or director of Neustar directly involved in core numbering administration duties shall serve (i) in the management, (ii) as a member of the board of directors, (iii) as a managing member of a limited liability company, or (iv) as a general partner of a partnership of any TSP without obtaining prior approval from the Federal Communications Commission or recusing himself or herself from all core numbering administration duties.
8. Any subcontractor of Neustar directly involved in core numbering administration duties shall provide such services at the specific direction of Neustar and shall not have discretionary decision-making authority regarding core numbering administration duties.
9. The members of Neustar's board of directors shall meet the following requirements:
- a. Each member shall be vetted for neutrality issues.
  - b. No member shall be an employee, recently retired employee, officer, director, managing member, or partner of a TSP.
  - c. No member shall communicate directly or indirectly with (i) Hux or (ii) the Koch Investor), regarding Neustar's core numbering administration activities. Each member shall report to Neustar's chief compliance officer any communications from Hux or Koch concerning Neustar's core numbering administration duties and the chief compliance officer shall report any such communications to the FCC.
10. No Neustar employee directly involved in core numbering administration duties will be a shared employee with Hux or the Koch Investor, detailed from Hux or the Koch, receive any compensation from Hux or the Koch Investor, or communicate directly or indirectly with Hux or the Koch Investor regarding Neustar's core numbering administration duties.
11. All employees of Neustar, including employees of subcontractors dedicated to Neustar, directly involved in core numbering administration duties shall receive impartiality/neutrality training (i) when hired or upon commencement of core numbering administration duties and (ii) on an annual basis.
12. For so long as Neustar serves as the Local Number Portability Administrator, Neustar will hire an independent party to conduct a neutrality review of Neustar, ensuring that Neustar and its owners (direct or indirect) comply with all provisions of this Code of Conduct. The neutrality analyst will be mutually agreed upon by Neustar and the FCC. The neutrality review will be conducted semi-annually. Neustar will pay the expenses of conducting the review. Neustar will provide the analyst with reasonable access

(Continued from previous page) \_\_\_\_\_

similar vehicle over which the employee does not control the vehicle's investment decisions. For the purposes of this section, interests of one percent or less are not cognizable as ownership.

to information and records necessary to complete the review. The results of the review will be provided to the FCC and shall be deemed to be confidential and proprietary information of Neustar and Golden Gate Capital.

When Neustar no longer serves as the Local Number Portability Administrator but continues to have numbering administration duties, Neustar shall conduct a semi-annual audit of compliance with this Code of Conduct.