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August 1, 2019

VIA ECFS

Marlene H. Dortch
Secretary
Federal Communications Commission
445 Twelfth Street, S.W.
Washington, DC 20554

REDACTED – FOR PUBLIC INSPECTION

Re: Applications of T-Mobile US, Inc. and Sprint Corporation for Consent to Transfer Control of Licenses and Authorizations; WT Docket No. 18-197

Dear Ms. Dortch:

Pursuant to Section 1.1206(b) of the Commission's Rules, 47 C.F.R. § 1.1206(b), notice is hereby provided of oral *ex parte* presentations in the above-referenced docket. On July 30, 2019 Kathleen Ham, Senior Vice President, Government Affairs of T-Mobile US, Inc. ("T-Mobile"), Vonya McCann, Senior Vice President-Government Affairs of Sprint Corporation ("Sprint," and collectively with T-Mobile, "Applicants"), and other representatives of the Applicants¹ met separately with Umair Javed, Legal Advisor to Commissioner Jessica Rosenworcel, and members of the FCC's T-Mobile/Sprint Transaction Team.² On August 1, 2019 the representatives of the Applicants met separately with William Davenport, Chief of Staff and Legal Advisor to Commissioner Geoffrey Starks, Will Adams, Legal Advisor to Commissioner Brendan Carr, and Erin McGrath, Legal Advisor to Commissioner Michael O'Rielly. During the meetings, the representatives discussed the requirements imposed by the Department of Justice's Proposed Final Judgment, utilizing the presentation deck submitted herewith as Attachment A.³

¹ These other representatives included R. Michael Senkowski and the undersigned of DLA Piper LLP, Mark Nelson of Cleary Gottlieb Steen & Hamilton LLP, and Sam Feder of Jenner & Block LLP.

² The Transaction Team members in attendance were David Lawrence, Charles Mathias, Joel Rabinovitz, Monica DeLong, Stacy Ferraro, and Catherine Matraves (by phone).

³ Although the attached presentation deck is dated August 1, 2019, the same deck (with different date) was also distributed during the July 30, 2019 meetings.



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This filing contains information that is “Highly Confidential” pursuant to the Protective Order filed in WT Docket No. 18-197.⁴ Accordingly, pursuant to the procedures set forth in the Protective Order, a copy of the filing is being provided to the Secretary’s Office. In addition, two copies of the Highly Confidential Filing are being delivered to Kathy Harris, Wireless Telecommunications Bureau. A copy of the Redacted Highly Confidential Filing is being filed electronically through the Commission’s Electronic Comment Filing System.

Please direct any questions regarding the foregoing to the undersigned.

Respectfully submitted,

DLA Piper LLP (US)

/s/ Nancy Victory

Nancy Victory
Partner

cc: Erin McGrath
Will Adams
Umair Javed
William Davenport
David Lawrence
Charles Mathias
Joel Rabinovitz
Monica DeLong
Stacy Ferraro
Catherine Matraves
Kathy Harris
Linda Ray
Jim Bird
David Krech

⁴ Applications of T-Mobile US, Inc., and Sprint Corporation for Consent to Assign Licenses, Protective Order, WT Docket No. 18-197 (June 15, 2018).

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ATTACHMENT A

THE PROPOSED MERGER OF

T-Mobile & **Sprint** 

August 1, 2019

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DOJ Consent Decree: Expanding 5G Output and Putting Spectrum to Use for Consumers



“With this merger and accompanying divestiture, we are expanding output significantly by ensuring that large amounts of currently unused or underused spectrum are made available to American consumers in the form of high quality 5G networks. Today’s settlement will provide Dish with the assets and transitional services required to become a facilities-based mobile network operator that can provide a full range of mobile wireless services nationwide. ...

In crafting this remedy, we are also mindful of the significant commitments T-Mobile, Sprint, and Dish have made to the Federal Communications Commission.”

– Makan Delrahim, Assistant Attorney General,
Antitrust Division, Department of Justice



DOJ Consent Decree: DISH Will Acquire Sprint's Prepaid Businesses

DISH will acquire Sprint's entire prepaid business,¹ including Boost, Virgin, and Sprint prepaid – gaining access to millions of customers, thousands of cell sites, and hundreds of retail stores

9.3M

Number of Boost, Virgin, and Sprint prepaid customers to be acquired by DISH

20,000

Minimum number of decommissioned cell sites to be made available, with equipment available for purchase

400

Minimum number of retail stores to be offered to DISH

\$1.4B

Price paid by DISH for the Boost, Virgin, and Sprint prepaid businesses

- After closing of the T-Mobile/Sprint merger, **New T-Mobile will divest to DISH Sprint's prepaid businesses and their millions of customers**, as well as tangible and intangible assets primarily used by those businesses and the right to offer jobs to prepaid personnel. New T-Mobile may not reacquire these assets during Final Judgment term.
- **New T-Mobile will make available to DISH ALL cell sites decommissioned within 5 years of divestiture**, which shall be no fewer than 20,000 cell sites. Where rights are not assignable, New T-Mobile will cooperate with DISH in its attempt to gain such rights. New T-Mobile will also make certain decommissioned equipment available for purchase.
- **New T-Mobile will make available ALL assignable retail locations decommissioned within 5 years of divestiture**, which shall be no fewer than 400 stores.
- Divested prepaid customers and DISH wireless customers will have **access to the New T-Mobile network for 7 years**. Access will be through a wholesale arrangement and an MNO arrangement enabling roaming in certain areas until DISH's 5G network is built out.
- New T-Mobile will also offer to DISH **transition services for 2-3 years**.
- DISH must use the divested assets to offer retail mobile wireless services, **including offering nationwide postpaid service within one year of divestiture**, and **may not sell or lease the divested assets to any national facilities-based wireless carrier during the term of the Final Judgment**.

¹Excluding the Assurance brand Lifeline customers and the prepaid wireless customers of Shenandoah Telecommunications Company and Swiftel Communications, Inc..

Additional DOJ Consent Decree Commitments

800 MHz SPECTRUM SALE & AUCTION

- Within approximately 3 years of merger closing, New T-Mobile must divest ALL of Sprint's 800 MHz spectrum licenses to DISH, but New T-Mobile can lease back up to 4 MHz for up to 2 years.
- If DISH decides not to purchase the spectrum (potential \$360M penalty), New T-Mobile must auction its 800 MHz spectrum licenses within 6 months, unless no bidder can match DISH's original purchase price (\$3.6B).

600 MHz SPECTRUM DEPLOYMENT

- T-Mobile, Sprint and DISH must negotiate in good faith for New T-Mobile to lease some or all of DISH's 600 MHz spectrum for "a sufficient period of time" to make adequate use of the spectrum.

EXTENSION OF EXISTING MVNO ARRANGEMENTS

- New T-Mobile must abide by all terms of T-Mobile's and Sprint's existing MVNO agreements and agree to extend existing terms of those agreements (other than MFNs) until expiration of the Final Judgment (7 years), except that any existing infrastructure-based MVNO agreement that includes reciprocal facility sharing need only be extended if it is on terms that include "a mutually beneficial reciprocal facility sharing arrangement for the duration of the MVNO agreement."

eSIM & UNLOCKING

- New T-Mobile and DISH must support eSIM technology on smartphones and not discriminate against devices using remote SIM provisioning and eSIM technology.
- New T-Mobile and DISH will abide by certain "unlocking" principles, including automatic unlocking of devices after one year, if technically possible.

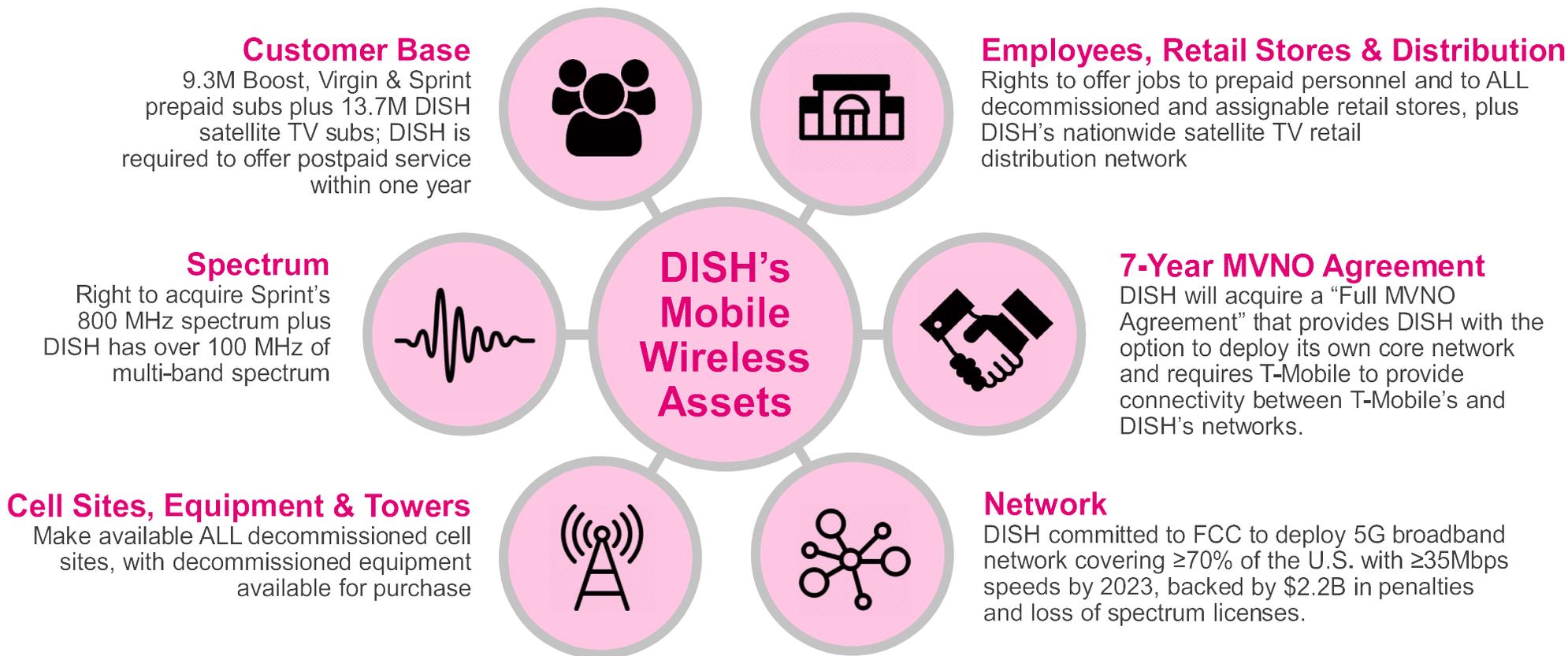
COMPLIANCE WITH FCC COMMITMENTS

- New T-Mobile and DISH must comply with network build commitments made to the FCC. Where Final Judgment and FCC commitments are inconsistent, the most stringent obligation applies. Both companies must provide to DOJ and plaintiff states regular reporting of their progress in meeting these commitments.

Monitoring Trustee will be appointed to monitor New T-Mobile's and DISH's compliance with the Final Judgment

DOJ Final Judgment Gives DISH Assets to Accelerate its Emergence as a Facilities-Based Competitor

Boost, Virgin, and Sprint-branded prepaid will be divested to DISH, who will have the assets to compete aggressively with other MNOs



New T-Mobile's FCC Commitments Will Benefit Consumers & Competition

NATIONWIDE & RURAL 5G NETWORK

- New T-Mobile will bring 5G for all with at least 99% of the population receiving download speeds of 50 Mbps or more and at least 90% of the population receiving 100 Mbps or more within six years.
- At least 55% of rural Americans will get more than 100 Mbps in three years, which will increase to at least two-thirds of all rural Americans in six years.

IN-HOME BROADBAND

- New T-Mobile's in-home broadband service will be marketed to at least 28M eligible households (████ rural) and serve at least █████ supported households (2.8 M rural) within six years, as well as save consumers billions of dollars annually.

BOOST DIVESTITURE

- Boost will be divested to a serious and credible buyer who can compete aggressively in prepaid services via a long-term MVNO agreement.
- That MVNO agreement must be for a term of at least 6 years, contain pricing terms that meaningfully improve upon T-Mobile's and Sprint's largest MVNO agreements, and contain stringent non-discrimination and competitive safeguards. In addition, buyer gets 2 years of transition services.

PRICING COMMITMENT

- All rate plans of T-Mobile and Sprint as of 02/04/19 will be made available for 3 years of closing, with 5G at no extra charge. Ensures consumers will pay less for more.

ENFORCEMENT

- 5G, Rural, and In-Home Broadband Commitments backed by over \$3B in potential penalties (rural requirements covered by double penalties) will continue until all obligations are met.

FCC and DOJ Conditions Guarantee Merger Benefits and Intensify Competition

FCC Conditions

- **New T-Mobile Must Deploy a World-Leading Nationwide 5G Network:** Detailed commitments for speed, coverage and 5G spectrum by sites backed by over \$3B in penalties.
- **Rural America Gets Accelerated and Improved 5G:** Detailed commitments for speed, coverage and 5G spectrum backed by 2X penalties for rural.
- **In-Home Broadband Service:** Detailed deployment and marketing commitments, including in rural areas.
- **Pricing Commitment:** All rate plans of T-Mobile and Sprint as of 02/04/19 made available for 3 years with 5G at no extra charge.
- **Boost Divestiture:** Boost must be divested to a serious and credible buyer subject to FCC review and approval.
- **Competitive Protections:** Buyer gets 6-year MVNO agreement, pricing terms that meaningfully improve upon T-Mobile's and Sprint's largest MVNO agreements, stringent non-discrimination and competitive safeguards, and 2-year transition services agreement.
- **MVNO Condition:** Altice's MNVO agreement with Sprint not terminated due to Sprint change of control, and good faith negotiations to extend agreement to NTM 5G network.
- **Enforcement:** Significant penalties for non-compliance.

DOJ Consent Decree

- **DISH Must Deploy a Nationwide Broadband Network:** Detailed DISH commitments for speed, coverage and 5G spectrum backed by over \$2B in penalties and loss of spectrum licenses.
- **DISH Must Offer Nationwide Retail Mobile Wireless Service:** Includes offering nationwide postpaid retail mobile wireless service within 1 year of divestiture.
- **DISH Acquires Sprint's Prepaid Business:** 9.3M Boost, Virgin Mobile, and Sprint prepaid (but not Assurance) customers are divested to DISH.
- **DISH Gets Access to Assets for Facilities-Based Network:** DISH has rights to ≥20k decommissioned T-Mobile or Sprint cell sites, ≥400 decommissioned retail stores, Sprint's 800 MHz spectrum, and any other assets primarily used in the divested businesses.
- **Competitive Protections:** DISH gets 7-year MVNO agreement with prohibition on NTM reacquiring divested assets during Final Judgment term, best efforts for operational support, no unreasonable refusal of DISH devices, non-discrimination of DISH traffic, supported by 2-3 year transition services agreement.
- **MVNO Conditions:** New T-Mobile must honor and agree to extend existing T-Mobile/Sprint MVNO agreements for term of Final Judgment; DISH and New T-Mobile must support eSIM technology and abide by device 'unlocking' principles.

Where Final Judgment and FCC commitments are inconsistent, the most stringent obligation applies

Thank You