

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554**

In the Matter of the Joint Application of	)	
	)	
TeleGuam Holdings, LLC	)	WC Docket No. 15-_____
<i>Licensee</i>	)	
	)	IB File No. _____
AP TeleGuam Holdings, Inc.	)	
<i>Transferor</i>	)	
	)	
and	)	
	)	
Telekomunikasi Indonesia International (USA) Inc.,	)	
<i>Transferee</i>	)	
	)	
For Grant of Authority to Complete a Transfer of Control	)	
of the Licensee Pursuant to Section 214	)	
of the Communications Act of 1934, as Amended, and	)	
Sections 63.04 and 63.24 of the Commission’s Rules	)	
	)	
	)	

**JOINT DOMESTIC AND INTERNATIONAL APPLICATION**

TeleGuam Holdings, LLC (“TeleGuam”); AP TeleGuam Holdings, Inc. (“AP TG”); and Telekomunikasi Indonesia International (USA) Inc. (“Telkom USA”) (collectively, the “Applicants”) hereby respectfully request authority, pursuant to Section 214 of the Communications Act of 1934, as amended (the “Act”), 47 U.S.C. § 214, and Sections 63.04 and 63.24 of the Federal Communications Commission’s (“Commission”) Rules, 47 CFR §§ 63.04, 63.24(3), to transfer control of TeleGuam to Telkom USA.

TeleGuam, a wholly-owned subsidiary of AP TG, serves as the incumbent local exchange provider in Guam and provides local, long distance and wireless services in Guam. TeleGuam holds Section 214 authorization to provide international telecommunications services and

provides interstate telecommunications services pursuant to blanket domestic Section 214 authorization under Section 63.01 of the Commission's Rules. 47 C.F.R. § 63.01.<sup>1</sup> Telkom USA is a U.S. communications company, incorporated under the laws of Delaware, and is a wholly owned direct subsidiary of PT Telekomunikasi Indonesia International ("Telin"), a holding company, and a wholly owned, indirect subsidiary of PT Telekomunikasi Indonesia Tbk ("PT Telkom Indonesia"), the semi-privatized, majority state-owned telecommunications and network service provider in Indonesia. Telkom USA has a pending application for Section 214 authority to provide facilities-based and resold international services.<sup>2</sup>

As discussed in more detail below, the Applicants and certain individuals and entities holding the direct and indirect interests in AP TG have entered into an agreement whereby Telkom USA will acquire all of the ownership interests in AP TG and, indirectly, in TeleGuam. The transaction will not result in any loss or impairment of service for any TeleGuam customers and will have no adverse effects upon competition in Guam, the rest of the United States, or abroad. Indeed, as a result of the proposed transaction, TeleGuam will enjoy access to the financial and technical resources of PT Telkom Indonesia and its subsidiaries as well as greater opportunities to collaborate on international communications ventures. Consequently, although the transaction will result in a change in the ultimate ownership of TeleGuam, the Commission should find that the transaction will serve the public interest.

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<sup>1</sup> TeleGuam holds four wireless licenses and two short-term *de facto* spectrum leases from the Commission. Applicants are concurrently filing applications for Commission consent to transfer control under Section 310(d) of the Act of these wireless licenses and leases as well as any licenses subsequently granted to TeleGuam. *See* FCC File Number 0006489830 (requesting consent for Club 42 CM Limited Partnership to assign three wireless licenses to TeleGuam).

<sup>2</sup> IB File No. ITC-214-20140918-00265.

Pursuant to Section 63.04(b) of the Commission's Rules, 47 C.F.R. § 63.04(b), the Applicants are filing a combined domestic and international application for the proposed transfer of control of TeleGuam. The Applicants provide below the information required by Sections 63.24(e)(2) and 63.04(a)(6) through (a)(12) of the Commission's Rules, 47 C.F.R. §§ 63.24(e)(2), 63.04(a)(6-12).

The Applicants respectfully request streamlined treatment for this Application, pursuant to Sections 63.03 and 63.12 of the Commission's Rules, 47 CFR §§ 63.03, 63.12. This Application is eligible for streamlined processing pursuant to Section 63.03 because Telkom USA, the transferee, will not provide domestic telecommunications services in Guam, TeleGuam serves fewer than two (2) percent of nationwide U.S. subscriber lines and, combined, Telkom USA and TeleGuam will hold less than a ten percent share of the interstate interexchange market. Thus the transaction presents no risk of competitive harm in Guam or elsewhere. The Application qualifies for streamlined processing pursuant to Section 63.12 because, although TeleGuam will be affiliated with foreign carriers post-close, none of those carriers holds market power except in Indonesia, and TeleGuam accepts dominant carrier status for the U.S.-Indonesia route. Alternatively, for the reasons set forth above, Applicants request streamlined treatment on a case-by-case approach, and for the Commission to process this Application using similar timeframes for comments and approvals as would be used for an Application granted streamlined processing.<sup>3</sup>

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<sup>3</sup> See *Implementation of Further Streamlining Measures for Domestic 214 Authorizations*, Report and Order, 17 FCC Rcd 5517, ¶ 34 (2002).

## **I. DESCRIPTION OF THE APPLICANTS**

### **A. TeleGuam Holdings, LLC (“TeleGuam”) & AP TeleGuam Holdings, Inc. (“AP TG”)**

TeleGuam is a limited liability company formed under the laws of Delaware. Its principal place of business is 624 North Marine Corps Dr., Tamuning, GU 96913.

TeleGuam operates as the incumbent local exchange carrier in Guam, following its winning bid in the privatization of Guam’s state-owned network.<sup>4</sup> TeleGuam provides local wireline, long distance (both international and domestic) and wireless services in Guam. TeleGuam also provides video services and Internet access services within Guam.

Currently, TeleGuam is a wholly-owned subsidiary of AP TG, a Delaware holding company. Approximately 92% of AP TG is held by three private investment funds: AP Cayman Partners II, L.P., Advantage Partners IV, ILP, and Japan Ireland Investment Partners (collectively, the “AP Entities”).<sup>5</sup> A diagram of the pre-transaction corporate structure of TeleGuam and AP TG is provided hereto as **Exhibit A**.

### **B. Telekomunikasi Indonesia International (USA) Inc. (“Telkom USA”)**

Telkom USA is a corporation organized under the laws of Delaware. Its principal place of business is The Bloc Executive Suites, 700 S Flower Street, 11th Floor, Office No. 36, 37A-B, Los Angeles, CA 90017.

Telkom USA’s immediate parent company is Telin, a company organized under the laws of Indonesia. Telkom USA is a wholly owned subsidiary of Telin, which in turn is wholly owned by PT Telkom Indonesia. Telin is Telkom USA’s direct parent and holding company of

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<sup>4</sup> In 2012, GTA Telecom, LLC, GTA Services, LLC and Pulse Mobile, LLC merged into TeleGuam, with TeleGuam surviving and holding all FCC telecommunications authorizations and licenses.

<sup>5</sup> See Notification Regarding Pro Forma Change in Indirect Ownership of TeleGuam Holdings, LLC, ITC-T/C-20150427-00100 (filed April 27, 2015).

PT Telkom Indonesia's operating subsidiaries outside of Indonesia. These subsidiaries provide telecommunications, broadband and information services as well as media and edutainment offerings on a wholesale and end user basis in multiple countries. The Telin subsidiaries outside the U.S. serve as Mobile Virtual Network Operators ("MVNO") in Malaysia, Hong Kong, Macau and Saudi Arabia, and as a Mobile Network Operator ("MNO") in Timor Leste. Telkom companies also provide Business-Process Outsourcing ("BPO") services in Australia and New Zealand and manage other telecommunications-related businesses in Taiwan and Myanmar.

Telkom USA's ultimate parent, PT Telkom Indonesia,<sup>6</sup> is Indonesia's largest provider of telecommunications and network services, delivering a full range of communications services, including wireline, wireless, interconnection, Internet and data services. In support of enhanced global connectivity, PT Telkom Indonesia, beyond the businesses engaged in by Telin and its subsidiaries, is collaborating to develop an inter-regional and intercontinental gateway via submarine cable communications systems.<sup>7</sup> Collectively, the PT Telkom Indonesia companies' undertakings have met with measurable success. Illustrative of this, PT Telekom Indonesia's 2014 annual report listed double-digit growth in revenues, EBITDA and net income for its core

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<sup>6</sup> PT Telkom Indonesia is a licensee on the Asia America Gateway Consortium ("AAG") submarine cable system. See FCC File No. SCL-LIC-20070824-00015 (July 3, 2008).

<sup>7</sup> Telin and Telkom USA are members of a consortium that announced in August 2014 plans to build a new submarine cable system (SEA-US) linking areas and territories of Manado (Indonesia), Davao (Philippines), Piti (Guam), Oahu (Hawaii), and Los Angeles. The system will be approximately 9000 miles in length and will avoid earthquake-prone areas in East Asia, thereby helping to ensure stable connectivity. Globe Telecom, RAM Telecom International (RTI), Hawaiian Telecom, GTI Corp. (a member of the Globe Telecom group of companies), and TeleGuam Holdings (GTA) are also members of the consortium. See <http://www.lightwaveonline.com/articles/2014/09/global-consortium-to-build-sea-us-undersea-cable-system.html>. Last visited on June 6, 2015.

mobile business operations.<sup>8</sup> The Government of the Republic of Indonesia owns 52.56 % of PT Telkom Indonesia.

Telkom USA was formed in 2013 to provide communications services in the U.S. The company has a pending application for international Section 214 authority to provide facilities-based and resold services to all international points.<sup>9</sup> A diagram of the pre-transaction corporate structure of Telkom USA is provided hereto as **Exhibit B**.

## **II. DESCRIPTION OF THE TRANSACTION**

Pursuant to the terms of an Agreement and Plan of Merger (“Agreement”) dated May 29, 2015, Telkom USA will acquire all of the ownership interests in AP TG, including indirect ownership of TeleGuam. Specifically, Merger Sub will merge with and into AP TG and AP TG will be the surviving entity. As a result of this merger, AP TG will become a direct wholly-owned subsidiary of Telkom USA; and TeleGuam (the licensee), will become an indirect wholly-owned subsidiary of Telkom USA.

The transaction will be transparent to TeleGuam’s customers. All existing customers of TeleGuam will continue to be served by TeleGuam pursuant to its existing authorizations as well as its existing tariffs and contracts. The Applicants intend that TeleGuam’s existing management team and personnel will remain in place, ensuring that TeleGuam’s managerial, technical and operational standards will be maintained. The only change resulting from the transaction from the current organization of TeleGuam will be that TeleGuam will ultimately be owned by Telkom USA and its parents rather than AP Entities. Following closing, TeleGuam will enjoy access to the considerable financial and technical resources of PT Telkom Indonesia companies

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<sup>8</sup> Telkom Indonesia *2014 Annual Report: Sustainable Competitive Growth Through Digital Business* P. 2-3 (Mar. 26, 2015).

<sup>9</sup> IB File No. ITC-214-20140918-00265 (currently under review by Team Telecom).

as well as a heightened opportunity to collaborate on international communications ventures. PT Telkom Indonesia, through its subsidiaries Telin and Telkom USA, is financially well-qualified to become the new ultimate owner of TeleGuam, and TeleGuam will be able to maintain and advance its state-of-the-art infrastructure and bring even more innovative service offerings to customers in Guam.

A diagram of the post-closing corporate structure of the Applicants is provided hereto as

**Exhibit C.**

**III. PUBLIC INTEREST STATEMENT**

Pursuant to Section 214 of the Act, the Commission will approve a proposed transfer of control of an authorization if it concludes that, after balancing the potential benefits and harms, doing so serves the public interest, convenience, and necessity.<sup>10</sup> The Commission will inquire whether the proposed transaction complies with relevant provisions of the Act, other applicable statutes, and the Commission's Rules, including whether the proposed transferee is qualified to hold the authorizations.

Consistent with its Rules and precedents, the Commission should find that the proposed transaction is in the public interest and approve this Application. Telkom USA is well qualified to become the new owner of TeleGuam. Telkom USA benefits from the considerable financial, managerial, operational, and technical resources both of its ultimate parent, Telkom Indonesia, and its immediate parent, Telin, as well as the numerous Telkom Group operating subsidiaries. As a result of its proposed new ownership, TeleGuam will enjoy access to these resources as well. Moreover, TeleGuam and the Telkom companies will be positioned to collaborate more

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<sup>10</sup> 47 U.S.C. § 214.

effectively in efforts to develop and introduce new services to customers and expand global network facilities and capabilities.

At the same time, TeleGuam will maintain and even improve its quality of service and will continue to operate pursuant to existing service arrangements and authority. The transaction will be effectively transparent to TeleGuam's customers and those customers will incur no loss or diminishment of service whatsoever.

The transaction also poses no threat to competition in Guam, the national U.S. market, or abroad. The Telkom companies do not operate in Guam and thus there will be no concentration of resources or elimination of competitors in that market. Instead, the communications market sectors in Guam will remain highly competitive. Additionally, even combined, Telkom USA and TeleGuam will hold well below ten (10) percent of the interstate interexchange market in the U.S.<sup>11</sup> Post-close, TeleGuam will be affiliated with a number of foreign carriers. Of all the Telkom Indonesia companies, only PT Telkom Indonesia and, its mobile telephone subsidiary, PT Telekomunikasi Selular ("Telkomsel"), both operating in Indonesia, have market share above 50 percent in their respective product markets. Both companies are subject to Indonesian regulation designed to promote competition and curb potential abuses. Telkom USA accepts dominant status and the related regulatory obligations, under FCC regulation, on the Indonesian route. For the foregoing reasons, the transaction presents no adverse competitive effect.

Transactions resulting in material foreign ownership of a U.S. carrier can raise additional concerns triggering increased scrutiny to ensure they do not present a threat to national security or raise law enforcement concerns although only in "very rare circumstances" will such national security and foreign policy considerations outweigh the presumption established by the Commis-

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<sup>11</sup> Indeed, at this time, Telkom USA does not provide any interexchange services in the United States.

sion in favor of open entry into the U.S. communications markets.<sup>12</sup> In this regard, TeleGuam and AP TG have already been vetted by the U.S. Department of Justice, U.S. Department of Defense and U.S. Department of Homeland Security (collectively, the “Executive Branch Agencies”) when the AP Entities in 2011 obtained indirect control of TeleGuam. That review resulted in the creation of a Security Agreement, which AP TG and TeleGuam have strictly followed since it was instituted in 2011. The Applicants submit that this transaction raises no additional concerns. Simultaneously with this Application, the Applicants intend to initiate discussions with the Executive Branch Agencies to address any concerns about national security, foreign policy, or related issues.

The Applicants anticipate that, following closing of the transaction, AP TG and TeleGuam will continue to be subject to the existing Security Agreement, or a modified Security Agreement. The transfer of indirect control of TeleGuam to Telkom USA will not alter the security protections in that Security Agreement. Accordingly, any national security concerns pertaining to TeleGuam’s operations will remain safeguarded after closing, the same way as they are at present. Telkom USA understands the importance of ensuring TeleGuam continues to operate in a manner that protects national security and supports law enforcement. The Executive Branch Agencies are already well acquainted with Telkom USA as a result of their ongoing independent review of its pending Section 214 application. Telkom USA fully intends to continue working with the Executive Branch Agencies in connection with the instant applications to ensure that any concerns the Executive Branch Agencies may have concerning the acquisition of

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<sup>12</sup> See *Rules and Policies on Foreign Participation in the U.S. Telecommunications Market*, Report and Order and Order on Reconsideration, 12 FCC Rcd 23891, ¶ 113 (1997) (“*Foreign Participation Order*”).

control of TeleGuam are properly addressed through the existing Security Agreement, and if necessary, any appropriate revisions to that agreement.

In the event that the Executive Branch Agencies should intervene in the Commission review of this Application, the Applicants will cooperate fully to resolve the agencies' concerns with the instant application and to negotiate any amendments to the Security Agreement that may be deemed necessary. For this reason, Applicants would not object to the Commission's making approval of the proposed transaction contingent upon Applicants' compliance with the existing Security Agreement and any amendments of the Security Agreement deemed appropriate.

#### **IV. INFORMATION REQUIRED BY COMMISSION RULE SECTION 63.24(e)**

The Applicants submit the following information pursuant to Section 63.24(e) of the Commission's Rules, including the information requested in Section 63.18:

**(a) Name, address and telephone number of each Applicant:**

Telekomunikasi Indonesia International (USA) Inc.                      FRN: 0023747660  
The Bloc Executive Suites  
700 S Flower Street  
11th Floor, Office No. 36, 37A-B  
Los Angeles, CA 90017  
Tel: 202-813-7569  
FRN: 0023747660

TeleGuam Holdings, LLC    FRN: 0011458999  
624 North Marine Corps. Dr.  
Tamuning, GU 96913  
Tel: 671-687-9363  
FRN: 0011458999

AP TeleGuam Holdings, Inc.    FRN: 0020386967  
c/o 160 Greentree Drive, Suite 101  
Dover, DE 19904  
Tel: 302-674-4089  
FRN: 0020386967

**(b) Government, State, or Territory Under the Laws of Which Each Applicant is Organized.** Telkom USA is a Delaware corporation. TeleGuam is a Delaware limited liability company. AP TG is a Delaware corporation.

**(c) Correspondence concerning the Application should be sent to:**

For TeleGuam and AP TG:

Daniel J. Tydingco, EVP-Legal & Regulatory  
TeleGuam Holdings, LLC  
624 North Marine Corps Drive  
Tamuning, GU 96913  
671-687-9363 (Tel)  
671-644-0010 (Fax)  
[djtydingco@gta.net](mailto:djtydingco@gta.net)

with a copy to:

Russell M. Blau  
Danielle C. Burt  
Morgan, Lewis & Bockius LLP  
2020 K Street, N.W.  
Washington, DC 20006-1806  
Tel: 202-373-6000  
Fax: 202-373-6001  
[russell.blau@morganlewis.com](mailto:russell.blau@morganlewis.com)  
[danielle.burt@morganlewis.com](mailto:danielle.burt@morganlewis.com)

For Telkom USA:

Mr. Gabriel Eka Dhany Widjajanta  
VP Corporate Secretary  
Menara Jamsostek, North Tower 24<sup>th</sup> Floor  
Jl. Jend. Gatot Subroto Kav. 38  
Jakarta 12710 - Indonesia  
Tel: +62 21 2995 2300  
Fax: +62 21 5296 2358  
[dhany@telin.co.id](mailto:dhany@telin.co.id)

with a copy to:

Edward A. Yorkgitis, Jr.  
Denise N. Smith  
Kelley Drye & Warren, LLP  
3050 K Street, NW  
Washington, DC 20007  
Tel: 202.342.8400  
Fax: 202-342-8451  
[cyorkgitis@kelleydrye.com](mailto:cyorkgitis@kelleydrye.com)  
[dsmith@kelleydrye.com](mailto:dsmith@kelleydrye.com)

**(d) Section 214 Authorizations.** TeleGuam holds blanket domestic Section 214 authority pursuant to 47 C.F.R. § 63.01, and international Section 214 authority to provide global, or limited global, facilities-based and resold services granted in FCC File Nos. ITC-214-2004111700453<sup>13</sup> and ITC-214-20060202-00082.<sup>14</sup> Telkom USA has a pending application for

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<sup>13</sup> This authorization was assigned to TeleGuam as a result of a pro forma merger between TeleGuam and GTA Services, LLC. See IB File No. ITC-ASG-20120525-00138.

<sup>14</sup> This authorization was assigned to TeleGuam as a result of a pro forma merger between TeleGuam and Pulse Mobile, LLC. See IB File No. ITC-ASG-20120525-00137.

international Section 214 authority, under review in FCC File No. ITC-214-20140918-00265, to provide facilities-based and resold services to all international points. AP TG does not hold Section 214 authority.

**(h) Ownership Information.** Post-close, TeleGuam will remain a direct wholly-owned subsidiary of AP TG, a Delaware holding company located at the address provided in (a) above. AP TG will be a direct wholly owned subsidiary of Telkom USA, a Delaware corporation located at the address provided in (a) above. Telkom USA's principal business is telecommunications. The following individuals or entities hold a 10 percent or greater interest in Telkom USA and thus will hold a 10 percent or greater interest in TeleGuam post-close:

PT Telekomunikasi Indonesia International ("TELIN")  
Menara Jamsostek, North Tower 24<sup>th</sup> Floor  
Jl. Jend. Gatot Subroto Kav. 38  
Jakarta 12710 - Indonesia  
Citizenship – Indonesia  
Principal Business – Telecommunications  
Resulting interest in TeleGuam: 100% (indirect)

TELIN holds 100% of the direct ownership of Telkom USA. TELIN is wholly-owned by:

PT Telekomunikasi Indonesia Tbk ("PT Telkom")  
Jl. Japati No. 1  
Bandung 40133 – Indonesia  
Citizenship - Indonesia  
Principal Business - Telecommunications  
Resulting interest in TeleGuam: 100% (indirect)

The Government of the Republic of Indonesia holds a 52.56% direct interest in PT Telkom. The remaining 47.44% ownership of PT Telkom is widely held and no other entity or individual or entity holds more than 5% of PT Telkom. TeleGuam has no interlocking directorates with any foreign carrier. Telkom USA has the following interlocking directorates:

- Tulus Sudarsono is a director of Telkom USA and of Telekomunikasi Indonesia International (TL), S.A.

- Budi Satria Dharma Purba is a director of Telkom USA and of Telekomunikasi Indonesia International (Malaysia) Sdn. Bhd.

(i) Applicants certify that they are not foreign carriers. Post-close, Applicants will be affiliated with foreign carriers in Indonesia, Singapore, Hong Kong, Timor Leste, Taiwan, and Malaysia.

(j) Applicants are not foreign carriers in any market and do not control an entity that is a foreign carrier in any market. Post-close, entities that both control and own more than twenty-five percent (25%) of Applicants will also either: (i) control foreign carriers; and/or (ii) own more than twenty-five percent (25%) of the foreign carriers listed below:

<b>Country</b>	<b>Carrier</b>
Indonesia	Perusahaan Perseroan (Persero) PT Telekomunikasi Indonesia Tbk trades as “PT Telekomunikasi Indonesia Tbk.”
Indonesia	PT Telekomunikasi Selular
Indonesia	PT Telekomunikasi Indonesia International
Indonesia	PT Citra Sari Makmur (“CSM”), Jakarta
Indonesia	PT Multimedia Nusantara
Indonesia	PT Patra Telekomunikasi Indonesia
Indonesia	PT Satelit Multimedia Indonesia
Singapore	Telekomunikasi Indonesia International Pte. Ltd.
Hong Kong	Telekomunikasi Indonesia International (Hong Kong) Ltd.,
Timor Leste	Telekomunikasi Indonesia International (TL) S.A.
Taiwan	Telkom Taiwan Limited
Malaysia	Telekomunikasi Indonesia International (Malaysia) Sdn. Bhd.

(k) All of the countries listed in response to section 63.18(i) above, with the exception of Timor Leste, are members of the World Trade Organization. With respect to Timor Leste, Applicant's post-close foreign carrier affiliate, Telekomunikasi Indonesia International (TL) S.A., lacks market power in that country.

(l) Not applicable.

(m) Post-close, TeleGuam qualifies for non-dominant carrier status on all international routes with the exception of Indonesia. Each of its foreign carrier affiliates (except in Indonesia) lacks 50% market share in the fixed local access and international transport markets on the foreign end of the route. Perusahaan Perseroan (Persero) PT Telekomunikasi Indonesia Tbk. trading as PT Telekomunikasi Indonesia Tbk., is the incumbent telecommunications service provider in Indonesia and its mobile telephone subsidiary, Telkomsel, has market share above 50 percent in its product market. Accordingly, TeleGuam certifies that it will comply with the dominant safeguards in Section 63.10 of the Commission's rules with respect to TeleGuam's provision of international service between the United States and Indonesia.

(n) As evidenced by the signatures of Applicants' representatives to this Application, Applicants certify that they have not agreed to accept special concessions directly or indirectly from any foreign carrier with respect to any U.S. international route where the foreign carrier possesses market power on the foreign end of the route, and they will not enter into such agreements in the future.

(o) As evidence by the signatures of Applicants' representatives to this Application, Applicants certify that, pursuant to Sections 1.2001 through 1.2003 of the Commission's Rules, they are not subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988.

(p) Applicants respectfully request streamlined processing of this Application pursuant to Section 63.12 of the Commission's Rules, 47 C.F.R. § 63.12. This Application qualifies for streamlined treatment under Section 63.12 for the following reasons:

- (i) Post-close, Applicants will be affiliated with the foreign carriers identified in response to (j) above. None of the foreign carrier affiliates possesses 50% market share in the international transport or local access markets in those countries except Applicants' foreign carrier affiliates in Indonesia. Accordingly, TeleGuam qualifies for non-dominant treatment or a presumption of non-dominant treatment, under Section 63.10(a)(3), on all routes except U.S.-Indonesia and with respect to these destination countries the Application qualifies for streamlined processing pursuant to Section 63.12(c)(1)(ii).
- (ii) With regard to Indonesia, post-close, TeleGuam will be affiliated with Telkom Indonesia, the incumbent telecommunications provider in that country and Telkomsel. Indonesia is a WTO member and TeleGuam agrees to accept dominant carrier classification on the U.S.-Indonesia route. Accordingly, with respect to Indonesia, the Application qualifies for streamlined processing pursuant to Section 63.12(c)(1)(v).

**V. INFORMATION REQUIRED BY COMMISSION RULE SECTION 63.04(b)**

The Applicants submit the following information pursuant to Section 63.04(b) of the Commission's Rules:

**(b)(6):** The proposed transaction is described in Section II of the Application above.

**(b)(7):** A description of the geographic service areas and services provided in each area is included in Section I of the Application above.

**(b)(8):** Applicants respectfully submit that this Application is eligible for streamlined processing pursuant to Sections 63.03 of the Commission's Rules, 47 C.F.R. §63.03. With respect to domestic authority, this Application is eligible for streamlined processing because, immediately following the transaction,

- Applicants (and their Affiliates) will have a market share in the interstate, interexchange market of less than 10 percent.

- Although Telkom USA is (or will shortly be) a telecommunications carrier, it will provide service exclusively outside of Guam and thus there is no risk of anticompetitive concentration in the Guam telecommunications market.
- TeleGuam serves fewer than two (2) percent of U.S. subscriber lines nationwide and Telkom USA does not provide local exchange services (and may not provide any domestic services).

**(b)(9):** In addition to its Section 214 authorizations, TeleGuam holds four wireless licenses and two short-term *de facto* spectrum leases from the Commission. Additionally, TeleGuam has submitted an application seeking FCC consent to the assignment of three wireless licenses from Club 42 CM Limited Partnership, which remains pending.<sup>15</sup> The Applicants are filing contemporaneously herewith a series of applications seeking consent from the Wireless Telecommunications Bureau under Section 310(d) of the Act to transfer control of the licenses and leases to Telkom USA. Finally, the Applicants are submitting a petition for declaratory ruling that, pursuant to 310(b)(4), it is not contrary to the public interest that PT Telkom Indonesia and the Government of the Republic of Indonesia hold foreign ownership interests in excess of the 25 percent foreign ownership benchmark.

**(b)(10):** No party is requesting special consideration because it is facing imminent business failure.

**(b)(11):** In conjunction with this Application, Applicants will file a Petition for Declaratory Ruling seeking the Commission's approval of the proposed 100% foreign ownership of TeleGuam.

**(b)(12):** Consummation of the proposed transaction will serve the public interest for the reasons detailed in Section III of the Application above.

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<sup>15</sup> See FCC File Number 0006489830. The proposed assignments include the two licenses under which TeleGuam holds the spectrum leases.

**VI. CONCLUSION**

Based on the foregoing, the Applicants respectfully submit that the public interest, convenience, and necessity would be furthered by grant of this Application. Respectfully submitted,

**TELEKOMUNIKASI INDONESIA  
INTERNATIONAL (USA) INC.**



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*Counsel for AP TG and TeleGuam*

**VI. CONCLUSION**

Based on the foregoing, the Applicants respectfully submit that the public interest, convenience, and necessity would be furthered by grant of this Application. Respectfully submitted,

**TELEKOMUNIKASI INDONESIA  
INTERNATIONAL (USA) INC.**

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*Counsel for AP TG and TeleGuam*

## LIST OF EXHIBITS

<b>EXHIBIT A</b> – Corporate structure of TeleGuam and AP TG pre-transaction
<b>EXHIBIT B</b> -- Corporate structure of Telkom USA pre-transaction
<b>EXHIBIT C</b> -- Corporate structure of Telkom USA, APTG and TeleGuam post-close
<b>VERIFICATIONS</b>

## **EXHIBIT A**

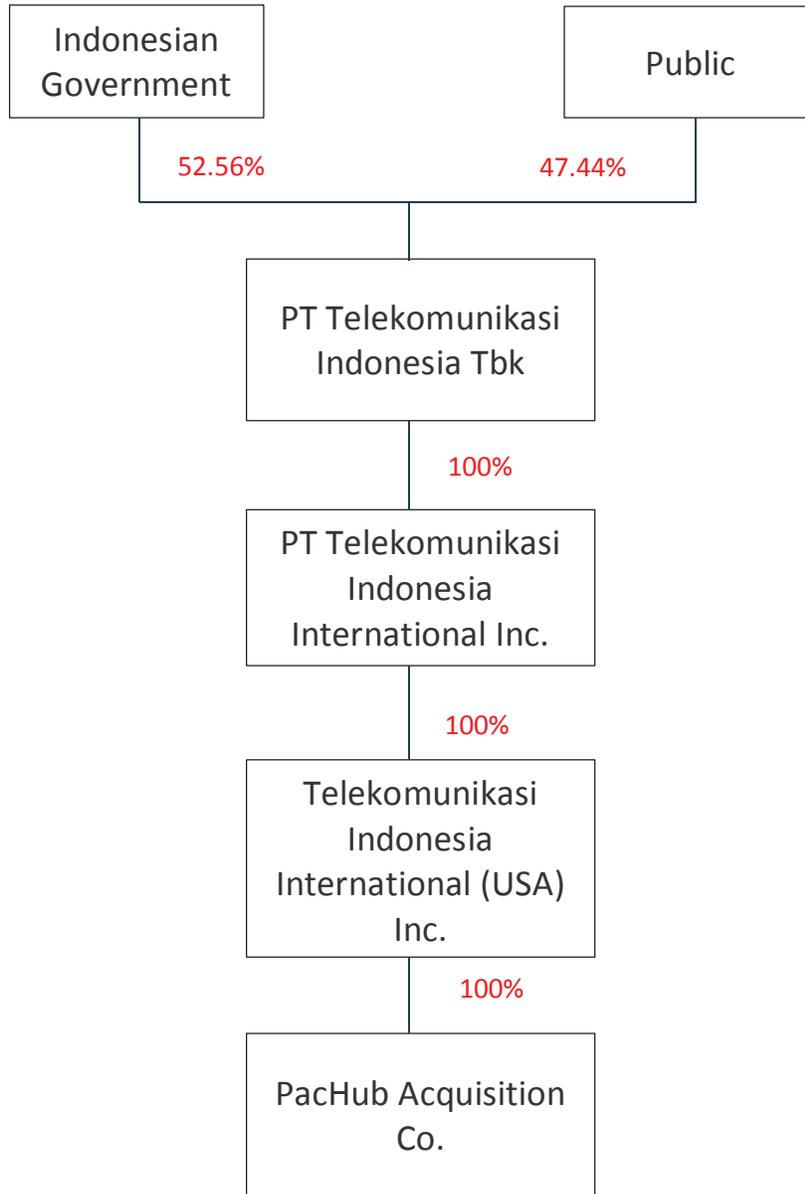
Diagram of the pre-transaction corporate structure of  
TeleGuam and AP TG



## **EXHIBIT B**

Diagram of the pre-transaction corporate structure of Telkom USA

Telkom Indonesia International (USA) Inc.  
Pre-Merger Ownership and Structure Chart\*



\* Note that these diagrams highlight the ownership chain of the entities impacted by the transaction; unaffected affiliate entities have been omitted to provide greater clarity of the transaction.

## **EXHIBIT C**

Diagram of the corporate structure of  
Telkom USA, AP TG and TeleGuam post-closing

Telkom Indonesia International (USA) Inc.  
Post-Merger Ownership and Structure Chart\*



\* Note that these diagrams highlight the ownership chain of the entities impacted by the transaction; unaffected affiliate entities have been omitted to provide greater clarity of the transaction.

\*\* AP TeleGuam Holdings will have merged with PacHub Acquisition with AP TeleGuam surviving the merger.

## VERIFICATION

I, Joseph Sahat Raja, Panggabean, state that I am the Chief Executive Officer; that I am authorized to make this Verification on behalf of Telekomunikasi Indonesia International (USA), Inc. and its affiliates; that the foregoing Joint Application of TeleGuam Holdings, LLC, Licensee, AP TeleGuam Holdings, Inc., Transferor and Telekomunikasi Indonesia International (USA), Inc., Transferee For Grant of Authority to Complete a Transfer of Control of the Licensee Pursuant to Section 214 of the Communications Act of 1934, as Amended, and Sections 63.04 and 63.24 of the Commission's Rules, was prepared under my direction and supervision; and that the contents thereof and the certifications contained therein, regarding Telekomunikasi Indonesia International (USA), Inc., its subsidiaries, and its affiliates, are true and correct to the best of my knowledge, information, and belief.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed this 12<sup>th</sup> day of June, 2015.



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Joseph Sahat Raja, Panggabean  
Chief Executive Officer  
Telekomunikasi Indonesia International (USA), Inc.

**VERIFICATION**

I, Robert Haulbrook, state that I am the President and Chief Executive Officer of Teleguam Holdings, LLC; that I am authorized to make this Verification on behalf of Teleguam Holdings, LLC; that the foregoing filing was prepared under my direction and supervision; and that the contents thereof and the certifications contained therein, regarding TeleGuam Holdings, LLC, are true and correct to the best of my knowledge, information, and belief.

I declare under penalty of perjury that the foregoing is true and correct. Executed this 12 day of June, 2015.

  
\_\_\_\_\_  
Robert Haulbrook  
President and Chief Executive Officer  
Teleguam Holdings, LLC

**VERIFICATION**

I, Stanley Emmett Thomas, III, state that I am the Director of AP TeleGuam Holdings, Inc.; that I am authorized to make this Verification on behalf of AP TeleGuam Holdings, Inc.; that the foregoing filing was prepared under my direction and supervision; and that the contents thereof and the certifications contained therein, regarding AP TeleGuam Holdings, Inc., are true and correct to the best of my knowledge, information, and belief.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct. Executed this 12 day of June, 2015.



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Stanley Emmett Thomas, III  
Director  
AP TeleGuam Holdings, Inc.