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# ARNOLD & PORTER LLP

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555 Twelfth Street, NW  
Washington, DC 20004-1206

February 21, 2005

Federal Communications Commission  
International Bureau - Policy  
c/o Mellon Bank Client Service Center  
500 Ross Street, Room 670  
Pittsburgh, PA 15262-0001  
Attn: FCC Module Supervisor  
Lockbox Number 358115

Re: Application to Transfer Control of International Section 214 Authorization Holder, TC Systems, Inc., from AT&T Corp. to SBC Communications Inc.

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Dear Sir or Madam:

Enclosed for filing please find an original and four copies of the Application to Transfer Control of International Section 214 Authorization Holder, TC Systems, Inc., from AT&T Corp. to SBC Communications Inc. Also enclosed is a credit card payment in the amount of \$895 for the prescribed filing fee.

As indicated in the application, please direct questions or correspondence concerning SBC Communications Inc.'s portion of this application to:

Wayne Watts  
Senior Vice President and Assistant General Counsel  
SBC Communications Inc.  
175 East Houston  
San Antonio, TX 78205  
(210) 351-3476  
dw4808@sbc.com

with a copy to:

Peter J. Schildkraut  
Arnold & Porter LLP  
555 12<sup>th</sup> Street, N.W.  
Washington, DC 20004  
(202) 942-5634  
peter\_schildkraut@aporter.com

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Federal Communications Commission

February 21, 2005

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Also as indicated in the application, please direct questions or correspondence concerning the portion of this application dealing with AT&T Corp. to:

Lawrence J. Lafaro  
Federal Regulatory Vice President  
AT&T Corp.  
Room 3A214  
One AT&T Way  
Bedminster, NJ 07921  
(908) 532-1850  
llafaro@att.com

with a copy to

David Lawson  
Sidley Austin Brown & Wood LLP  
1501 K Street, N.W.  
Washington, DC 20005  
(202) 736-8088  
dlawson@sidley.com

Thank you very much for your assistance.

Sincerely,



Peter J. Schildkraut  
Counsel for SBC Communications Inc.

Enclosures

COPY

FEB 22 2005

RETURN

Approved by OMB  
3060-0686

<b>INTERNATIONAL SECTION 214 AUTHORIZATIONS FOR ASSIGNMENT OR TRANSFER OF CONTROL FCC 214 MAIN FORM FOR OFFICIAL USE ONLY</b>	<b>FCC Use Only</b>
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**APPLICANT INFORMATION**

Enter a description of this application to identify it on the main menu:

SBC-TC Systems Transfer of Control-International 214

**1. Legal Name of Applicant**

Name: TC Systems, Inc.	Phone Number: 908-532-1850
DBA Name:	Fax Number:
Street: Room 3A214	E-Mail: llafaro@att.com
One AT&T Way	
City: Bedminster	State: NJ
Country: USA	Zipcode: 07921 -
Attention: Lawrence J Lafaro	

**2. Name of Contact Representative (If other than applicant)**

Name: David Lawson	Phone Number: 202-736-8088
Company: Sidley Austin Brown & Wood LLP	Fax Number: 202-736-8711
Street: 1501 K Street NW	E-Mail: dlawson@sidley.com
City: Washington	State: DC
Country: USA	Zipcode: 20005-
Contact Title:	Relationship: Legal Counsel

**CLASSIFICATION OF FILING**

3. Choose the button next to the classification that best describes this filing. Choose only one.

a. Assignment of Section 214 Authority

An Assignment of an authorization is a transaction in which the authorization, or a portion of it, is assigned from one entity to another. Following an assignment, the authorization will usually be held by an entity other than the one to which it was originally granted. (See Section 63.24(b).)

b. Transfer of Control of Section 214 Authority

A Transfer of Control is a transaction in which the authorization remains held by the same entity, but there is a change in the entity or entities that control the authorization holder. (See Section 63.24(c).)

c. Notification of Pro Forma Assignment of Section 214 Authority ( No fee required )

d. Notification of Pro Forma Transfer of Control of Section 214 Authority ( No fee required )

Date of Consummation: Must be completed if you select c or d.

4. File Number(s) of Section 214 Authority(ies) for Which You Seek Consent to Assign or Transfer Control.

File Number: ITC96002	File Number: ITC96002	File Number:					
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5. Name of Section 214 Authorization Holder

Name: TC Systems, Inc. Phone Number: 908-532-1850  
 DBA Name: Fax Number:  
 Street: Room 3A214 E-Mail: llafaro@att.com  
 One AT&T Way  
 City: Bedminster State: NJ  
 Country: USA Zipcode: 07921 -  
 Attention: Lawrence J. Lafaro

6. Name of Assignor / Transferor

Name: AT&T Corp. Phone Number: 908-532-1850  
 Company: Fax Number:  
 Street: Room 3A214 E-Mail: llafaro@att.com  
 One AT&T Way  
 City: Bedminster State: NJ  
 Country: USA Zipcode: 07921 -  
 Contact Title: Lawrence J. Lafaro Relationship: Other

7. Name of Assignee / Transferee

Name: SBC Communications Inc. Phone 925-901-7578

DBA Name:		Number:	
Street:	2600 Camino Ramon	Fax Number:	925-830-9537
	Room 3E552	E-Mail:	pv2384@camail.sbc.com
City:	San Ramon	State:	CA
Country:	USA	Zipcode:	94583 -
Attention:	Patrice L Valentin		

8a. Is a fee submitted with this application?  
 If Yes, complete and attach FCC Form 159.  
 If No, indicate reason for fee exemption (see 47 C.F.R. Section 1.1114).  
 Governmental Entity  Noncommercial educational licensee  Notification of Pro Forma (No fee required.)  
 Other (please explain):

8b. You must file a separate application for each legal entity that holds one or more Section 214 authorizations to be assigned or transferred.  
 Fee Classification CUT - Section 214 Authority

9. Description (Summarize the nature of the application.)  
 See Attachment 1--Answer to Question 13

10. In Attachment 1, please respond to paragraph (c) and (d) of Section 63.18 with respect to the assignor/transferor and the assignee/transferee. Label your response "Answer to Question 10".

11. Does any entity, directly or indirectly, own at least ten (10) percent of the equity of the assignee/transferee as determined by successive multiplication in the manner specified in the note to Section 63.18(h) of the rules?  Yes  No  
 If you answered "Yes" to this question, provide in Attachment 1, the name, address, citizenship, and principal businesses of each person or entity that directly or indirectly owns at least ten (10) percent of the equity of the assignee/transferee, and the percentage of equity owned by each of those persons or entities (to the nearest one percent). Label your response "Answer to Question 11."

12. Does the assignee/transferee have any interlocking directorates with a foreign carrier?  Yes  No  
 If you answered "Yes" to this question, identify each interlocking officer/director in Attachment 1. (See Section 63.09(g).) Provide the name and position/title of the individual or entity, the name of the foreign carrier, and the country in which the foreign carrier is authorized to operate. Label your response: "Answer to Question 12."

13. Provide in Attachment 1 a narrative of the means by which the proposed assignment or transfer of control will take place. In circumstances of a substantial assignment or transfer of control pursuant to Section 63.24(e), where the assignor seeks authority to assign only a portion of its U.S. international assets and/or customer base, please specify whether the assignor requests authority to continue to operate under any or all of its international Section 214 File Nos. after consummation; and, if so, please specify in Attachment 1 each File No. it seeks to retain in its own name. Label your response "Answer to Question 13."

Note: The assignor may retain any or all of its international Section 214 File Nos. In that case, the assignor will continue to hold the international section 214



18. If you answered "Yes" to question 15, and if you have not provided information in response to question 16 to demonstrate that the Section 214 holder would qualify for non-dominant classification under Section 63.10 of the rules in its provision of service to each of the countries identified in response to question 15, the Section 214 holder may not be eligible to provide international telecommunications service between the U.S. and each such country following consummation of the assignment or transfer. In order to determine whether the public interest would be served by authorizing service on these U.S.-destination country routes, the assignee/transferee must provide information, in Attachment 1, to satisfy one of the showings specified in Section 63.18(k) of the rules. Label your response, "Answer to Question 18."

19. If the assignee, or the Section 214 holder that is the subject of this transfer of control application, is a provider of Commercial Mobile Radio Services, you need not answer this question.

If any of the Section 214 authorization(s) that would be assigned or transferred, authorize the Section 214 holder to resell the international switched services of an unaffiliated U.S. carrier for the purpose of providing international telecommunications services to a country listed in response to question 14, and unless you have provided information in response to question 16 to demonstrate that the Section 214 holder would qualify for non-dominant classification under Section 63.10(a)(3) of the rules for each country, check "Yes" below to certify that the assignee/transferee will file the quarterly traffic reports required by Section 43.61(c) of the rules; and/or state in Attachment 1 that the foreign carrier(s) for which the applicant has not made a showing under Section 63.10(c)(3) do(es) not collect settlement payments from U.S. international carriers. (See Section 63.18(l).)

Yes, I certify that I agree to comply with the quarterly traffic reporting requirements set forth in section 43.61(c) of the rules.

20. If the applicant desires streamlined processing pursuant to Section 63.12 of the rules, provide in Attachment 1 a statement of how the application qualifies for streamlined processing. (See Section 63.18(p).) Note that, if the application is being filed in connection with a sale of assets or reorganization of a carrier or its parent pursuant to the U.S. bankruptcy laws, the application may not be eligible for streamlined processing until final bankruptcy court approval of the proposed sale or reorganization.

Applicant certifies that its responses to questions 21 through 25 are true:

21. The assignee/transferee certifies that it has not agreed to accept special concessions directly or indirectly from a foreign carrier with respect to any U.S. international route where the foreign carrier possesses sufficient market power on the foreign end of the route to affect competition adversely in the U.S. market and will not enter into any such agreements in the future.  Yes  No

22. By signing this application, the undersigned certify either (1) that the authorization(s) will not be assigned or that control of the authorization(s) will not be transferred until the consent of the Federal Communications Commission has been given, or (2) that prior Commission consent is not required because the transaction is subject to the notification procedures for *pro forma* transactions under Section 63.24 of the rules. The assignee/transferee also acknowledges that the Commission must be notified by letter within 30 days of a consummation or of a decision not to consummate. (See Section 63.24(e)(4).)  Yes  No

23. If this filing is a notification of a *pro forma* assignment or transfer of control, the undersigned certify that the assignment or transfer of control was *pro forma* and that, together with all previous *pro forma* transactions, does not result in a change in the actual controlling party.  Yes  No

24. The undersigned certify that all statements made in this application and in the exhibits, attachments, or documents incorporated by reference are material, are part of this application, and are true, complete, correct, and made in good faith.  Yes  No

25. The assignee/transferee certifies that neither it nor any other party to the application is subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 862, because of a conviction for possession or distribution of a controlled substance. See Section 1.2002(b) of the rules, 47 CFR § 1.2002(b), for the definition of "party to the application" as used in this certification.  Yes  No

**WILLFUL FALSE STATEMENTS MADE ON THIS FORM ARE PUNISHABLE BY FINE AND / OR IMPRISONMENT  
(U.S. Code, Title 18, Section 1001), AND/OR REVOCATION OF ANY STATION AUTHORIZATION  
(U.S. Code, Title 47, Section 312(a)(1)), AND/OR FORFEITURE (U.S. Code, Title 47, Section 503).**

**CERTIFICATION**

26. Printed Name of Assignor / Transferor <b>AT&amp;T Corp.</b>	29. Printed Name of Assignee / Transferee <b>SBC Communications Inc.</b>
27. Title (Office Held by Person Signing) <b>Federal Regulatory Vice President</b>	30. Title (Office Held by Person Signing) <b>Senior Vice President &amp; Asst. General Counsel</b>
28. Signature (Enter the name of the person who will sign the paper version of this form for retention in their files) <b>Lawrence J. Lafaro</b>	31. Signature (Enter the name of the person who will sign the paper version of this form for retention in their files) <b>Wayne Watts</b>

**FCC NOTICE REQUIRED BY THE PAPERWORK REDUCTION ACT**

The public reporting for this collection of information is estimated to average 2 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the required data, and completing and reviewing the collection of information. If you have any comments on this burden estimate, or how we can improve the collection and reduce the burden it causes you, please write to the Federal Communications Commission, AMD-PER, Paperwork Reduction Project (3060-0686), Washington, DC 20554. We will also accept your comments regarding the Paperwork Reduction Act aspects of this collection via the Internet if you send them to [jboley@fcc.gov](mailto:jboley@fcc.gov). PLEASE DO NOT SEND COMPLETED FORMS TO THIS ADDRESS.

Remember - You are not required to respond to a collection of information sponsored by the Federal government, and the government may not conduct or sponsor this collection, unless it displays a currently valid OMB control number or if we fail to provide you with this notice. This collection has been assigned an OMB control number of 3060-0686.

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27. Title (Office Held by Person Signing) Federal Regulatory Vice President	30. Title (Office Held by Person Signing) Senior Vice President & Asst. General Counsel
28. Signature (Enter the name of the person who will sign the paper version of this form for retention in their files) Lawrence J. Lafaro <i>Lawrence J. Lafaro</i>	31. Signature (Enter the name of the person who will sign the paper version of this form for retention in their files) Wayne Watts

**FCC NOTICE REQUIRED BY THE PAPERWORK REDUCTION ACT**

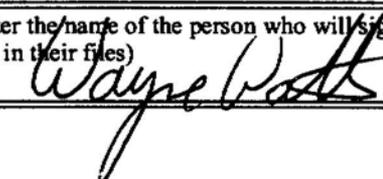
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Lead Application Information

This application is one of a group of applications being filed in connection with the transfer of control of authorizations from AT&T Corp. to SBC Communications Inc. The Applicants have designated the transfer of control application being filed concurrently for AT&T Corp., File No. [Pending], as the lead international Section 214 application for the transaction. Accordingly, the Applicants hereby incorporate by reference Attachments 1-2 of the lead application.

**In connection with the proposed transaction, SBC intends to file a registration statement, including a proxy statement of AT&T Corp., and other materials with the Securities and Exchange Commission (the "SEC"). Investors are urged to read the registration statement and other materials when they are available because they contain important information. Investors will be able to obtain free copies of the registration statement and proxy statement, when they become available, as well as other filings containing information about SBC and AT&T Corp., without charge, at the SEC's Internet site ([www.sec.gov](http://www.sec.gov)). These documents may also be obtained for free from SBC's Investor Relations web site ([www.sbc.com/investor\\_relations](http://www.sbc.com/investor_relations)) or by directing a request to SBC Communications Inc., Stockholder Services, 175 E. Houston, San Antonio, Texas 78258. Free copies of AT&T Corp.'s filings may be accessed and downloaded for free at the AT&T Relations Web Site ([www.att.com/ir/sec](http://www.att.com/ir/sec)) or by directing a request to AT&T Corp., Investor Relations, One AT&T Way, Bedminster, New Jersey 07921.**

SBC, AT&T Corp. and their respective directors and executive officers and other members of management and employees may be deemed to be participants in the solicitation of proxies from AT&T shareholders in respect of the proposed transaction. Information regarding SBC's directors and executive officers is available in SBC's proxy statement for its 2004 annual meeting of stockholders, dated March 11, 2004, and information regarding AT&T Corp.'s directors and executive officers is available in AT&T Corp.'s proxy statement for its 2004 annual meeting of shareholders, dated March 25, 2004. Additional information regarding the interests of such potential participants will be included in the registration and proxy statement and the other relevant documents filed with the SEC when they become available.

Certain matters discussed in this statement, including the appendices attached, are forward-looking statements that involve risks and uncertainties. Forward-looking statements include, without limitation, the information concerning possible or assumed future revenues and results of operations of SBC and AT&T, projected benefits of the proposed SBC/AT&T merger and possible or assumed developments in the telecommunications industry. Readers are cautioned that the following important factors, in addition to those discussed in this statement and elsewhere in the proxy statement/prospectus to be filed by SBC with the Securities and Exchange Commission, and in the documents incorporated by reference in such proxy statement/prospectus, could affect the future results of SBC and AT&T or the prospects for the merger: (1) the

ability to obtain governmental approvals of the merger on the proposed terms and schedule; (2) the failure of AT&T shareholders to approve the merger; (3) the risks that the businesses of SBC and AT&T will not be integrated successfully; (4) the risks that the cost savings and any other synergies from the merger may not be fully realized or may take longer to realize than expected; (5) disruption from the merger making it more difficult to maintain relationships with customers, employees or suppliers; (6) competition and its effect on pricing, costs, spending, third-party relationships and revenues; (7) the risk that Cingular Wireless LLC could fail to achieve, in the amount and within the timeframe expected, the synergies and other benefits expected from its acquisition of AT&T Wireless; (8) final outcomes of various state and federal regulatory proceedings and changes in existing state, federal or foreign laws and regulations and/or enactment of additional regulatory laws and regulations; (9) risks inherent in international operations, including exposure to fluctuations in foreign currency exchange rates and political risk; (10) the impact of new technologies; (11) changes in general economic and market conditions; and (12) changes in the regulatory environment in which SBC and AT&T operate.

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