

DESCRIPTION OF TRANSACTION AND PUBLIC INTEREST STATEMENT

On September 14, 2015, affiliates of AT&T Inc. (“AT&T”) and T-Mobile USA, Inc. (“T-Mobile”) entered into an agreement (“Exchange Agreement”) to exchange certain PCS and AWS-1 licenses (“Assigned Spectrum”) in various markets (“Markets”). These swaps are intended to enable more efficient operations by creating larger blocks of contiguous spectrum and aligning spectrum blocks across markets. Identical amounts and types of spectrum are being swapped in each Market. Thus, upon the consummation of the transaction contemplated by the Exchange Agreement, the attributable spectrum holdings of AT&T and T-Mobile will be unchanged.

The foregoing FCC Forms 608 notify the Federal Communications Commission (“FCC” or “Commission”) of a short term spectrum manager lease agreement (“Lease Agreement”) for some of the Assigned Spectrum. Under the Lease Agreement, two T-Mobile affiliates -- T-Mobile License LLC and T-Mobile Puerto Rico LLC (collectively, “Licensees” or “Lessors”) -- have agreed to lease certain licenses (the “Leased Spectrum”) to four AT&T affiliates -- New Cingular Wireless PCS, LLC, AT&T Mobility Spectrum LLC, Cingular Wireless of Texas RSA #16 Limited Partnership and Texas RSA 19 Limited Partnership (collectively, “Lessees”). Separately filed Forms 608 will notify the Commission of another short term spectrum manager lease agreement (“Companion Lease Agreement”) under which identical types and amounts of spectrum will be leased from AT&T affiliates to T-Mobile affiliates. Thus, collectively, the Lease Agreement and the Companion Lease Agreement, like the Exchange Agreement itself, will result in no change in the amounts and types of spectrum attributable to AT&T and T-Mobile.¹

Lessors and Lessees have entered into the Lease Agreement in order to (i) grant Lessees the right to use the Leased Spectrum pending the closing of the Exchange Agreement and thus further expedite the deployment of the spectrum and the resulting public interest benefits, and (ii) memorialize the respective rights and responsibilities of Lessors and Lessees with respect to the Leased Spectrum consistent with the Communications Act of 1934, as amended, and the rules, regulations and policies of the FCC (the “Communications Laws”) and the terms and conditions set forth herein.

The commencement date will vary across the Markets based on the parties’ ability to clear the spectrum and retune their radios. In no circumstance will the commencement date occur prior to the expiration or early termination of the waiting period under the

¹ The foregoing Forms 608 provide that, in Gila County, Arizona, a T-Mobile subsidiary will lease 30 MHz of PCS spectrum to a T-Mobile subsidiary, and the Forms 608 being filed for Companion Lease Agreement provide that an AT&T subsidiary will lease 20 MHz of PCS to an AT&T subsidiary. Another Form 608 will be filed separately to sublease an additional 10 MHz of PCS in Gila County, Arizona, from an AT&T subsidiary to a T-Mobile subsidiary.

Hart-Scott-Rodino Antitrust Improvements Act of 1976 for the transactions contemplated by the Exchange Agreement. The Lease Agreement will expire on the earlier of September 15, 2016 or the closing of the transactions contemplated by the Exchange Agreement for a particular Market. The Lease Agreement is subject to early termination in certain circumstances, and the parties intend to file the cancellation notices as appropriate and in accordance with the FCC's rules.

Consistent with the Lease Agreement and the requirements of the Communications Laws, Lessors, whose qualifications and eligibility as a licensee are matters of Commission record, will retain *de facto* and *de jure* control of the Leased Spectrum throughout the lease term. Lessees, whose qualifications and eligibility also are matters of Commission record, will conduct operations under the Lease Agreement subject to applicable rules and regulations.

No competitive harm will result by the proposed leasing arrangement. Any change in access to spectrum under the Lease Agreement will be offset by the Companion Lease Agreement. In each Market, AT&T's overall spectrum aggregation post-lease will remain below current levels requiring further competitive review. Moreover, the transaction does not raise any low band spectrum aggregation concerns since it involves only PCS and AWS-1 spectrum.² See Appendix A, which shows the collective spectrum aggregation for AT&T and T-Mobile under the Exchange Agreement in the counties implicated by these Forms 608. In addition, as Appendix B illustrates, numerous other carriers, including the other national carriers, hold spectrum in the Markets.

Finally, because Licensees will transition existing operations on the Leased Spectrum to other spectrum that they are leasing from Lessees or their affiliates in the same Markets, there will be no discontinuance, reduction, loss or impairment of service to customers. Therefore, there are no customer transition issues relating to this leasing arrangement.

The Parties respectfully submit that Lessees are qualified to operate the Leased Spectrum and that Commission acceptance of the lease arrangement will serve the public interest, convenience and necessity.³

² See *Policies Regarding Mobile Spectrum Holdings, Expanding the Economic and Innovation Opportunities of Spectrum Through Incentive Auctions*, Report and Order, FCC 14-63, ¶¶ 70-135 (rel. June 2, 2014).

³ See *Promoting Efficient Use of Spectrum Through Elimination of Barriers to the Development of Secondary Markets*, Report and Order and Further Notice of Proposed Rulemaking, 18 FCC Rcd 20604 (2003).

SCHEDULE 1

LEASED SPECTRUM

(All licenses are held by T-Mobile License LLC, except for WQGV788, which is held by T-Mobile Puerto Rico LLC)

Call Sign	Full Lease of License; Partition and/or Disaggregation of License	Counties	Market Name (No.)	Spectrum Leased (Service/Block)	AT&T Lessee Party
WQCX696	Partition	Atascosa, TX (CMA670) McMullen, TX (CMA670)	San Antonio, TX (BTA401) (Partial)	1895.0-1900.0; 1975.0-1980.0 (PCS/C3)	Texas RSA 19 Limited Partnership
		Bexar, TX (CMA033) Comal, TX (CMA033) Guadalupe, TX (CMA033)	San Antonio, TX (BTA401) (Partial)	1895.0-1900.0; 1975.0-1980.0 (PCS/C3)	New Cingular Wireless PCS, LLC
		Gillespie, TX (CMA666) Kendall, TX (CMA666) Kerr, TX (CMA666)	San Antonio, TX (BTA401) (Partial)	1895.0-1900.0; 1975.0-1980.0 (PCS/C3)	AT&T Mobility Spectrum LLC
		Gonzales, TX (CMA667)	San Antonio, TX (BTA401) (Partial)	1895.0-1900.0; 1975.0-1980.0 (PCS/C3)	Cingular Wireless of Texas RSA #16 Limited Partnership
KNLH379	Full Lease	Bastrop, TX (CMA667) Caldwell, TX (CMA667) Lee, TX (CMA667)	Austin, TX (BTA027) (Partial)	1890.0-1895.0; 1970.0-1975.0 (PCS/F)	Cingular Wireless of Texas RSA #16 Limited Partnership
		Blanco, TX (CMA666) Burnet, TX (CMA666) Hays, TX (CMA075) Llano, TX (CMA666) Travis, TX	Austin, TX (BTA027) (Partial)	1890.0-1895.0; 1970.0-1975.0 (PCS/F)	AT&T Mobility Spectrum LLC

		(CMA075) Williamson, TX (CMA075)			
WQDI521	Full Lease	Bastrop, TX (CMA667) Caldwell, TX (CMA667) Lee, TX (CMA667)	Austin, TX (BTA027) (Partial)	1895.0-1900.0; 1975.0-1980.0 (PCS/C3)	Cingular Wireless of Texas RSA #16 Limited Partnership
		Blanco, TX (CMA666) Burnet, TX (CMA666) Hays, TX (CMA075) Llano, TX (CMA666) Travis, TX (CMA075) Williamson, TX (CMA075)	Austin, TX (BTA027) (Partial)	1895.0-1900.0; 1975.0-1980.0 (PCS/C3)	AT&T Mobility Spectrum LLC
WQCX685	Full Lease	Hidalgo, TX (CMA128)	McAllen, TX (BTA268) (Partial)	1895.0-1900.0; 1975.0-1980.0 (PCS/C3)	AT&T Mobility Spectrum LLC
		Starr, TX (CMA670)	McAllen, TX (BTA268) (Partial)	1895.0-1900.0; 1975.0-1980.0 (PCS/C3)	Texas RSA 19 Limited Partnership
WQCS389	Full Lease	Cameron, TX (CMA162)	Brownsville- Harlingen, TX (BTA056) (Partial)	1895.0-1900.0; 1975.0-1980.0 (PCS/C3)	AT&T Mobility Spectrum LLC
		Willacy, TX (CMA670)	Brownsville- Harlingen, TX (BTA056) (Partial)	1895.0-1900.0; 1975.0-1980.0 (PCS/C3)	Texas RSA 19 Limited Partnership
WQGB368	Partition	Bexar, TX (CMA033) Comal, TX (CMA033) Guadalupe, TX (CMA033)	San Antonio, TX (CMA033)	1730.0-1735.0; 2130.0-2135.0 (AWS/C)	AT&T Mobility Spectrum LLC
WQGB308	Full Lease	Hidalgo, TX (CMA128)	McAllen- Edinburg- Mission, TX (CMA128)	1710.0-1715.0; 2110.0-2115.0 (AWS/A1)	AT&T Mobility Spectrum LLC
WQON994	Full Lease	Hidalgo, TX (CMA128)	McAllen- Edinburg- Mission, TX (CMA128)	1715.0-1720.0; 2115.0-2120.0 (AWS/A2)	AT&T Mobility Spectrum LLC

WQGB317	Full Lease	Cameron, TX (CMA162)	Brownsville- Harlingen, TX (CMA162)	1710.0-1715.0; 2110.0-2115.0 (AWS/A1)	AT&T Mobility Spectrum LLC
WQON995	Full Lease	Cameron, TX (CMA162)	Brownsville- Harlingen, TX (CMA162)	1715.0-1720.0; 2115.0-2120.0 (AWS/A2)	AT&T Mobility Spectrum LLC
WQPG209	Full Lease	Greene, OH (CMA040) Miami, OH (CMA040) Montgomery, OH (CMA040) Preble, OH (CMA040)	Dayton, OH (CMA40)	1730.0-1735.0; 2130.0-2135.0 (AWS/C)	New Cingular Wireless PCS, LLC
WQPG212	Full Lease	Lake, IN (CMA054) Porter, IN (CMA054) Boone, IL (CMA131) Winnebago, IL (CMA131)	Gary-Hammond- East Chicago, IN (CMA054)	1730.0-1735.0; 2130.0-2135.0 (AWS/C)	New Cingular Wireless PCS, LLC
KNLF202	Partition and Disaggregation	Hartford, CT (CMA032) Middlesex, CT (CMA032) Tolland, CT (CMA032)	Hartford, CT (BTA184)	1855.0-1860.0; 1935.0-1940.0 (PCS/A4)	New Cingular Wireless PCS, LLC
		New Haven, CT (CMA049)	New Haven- Waterbury- Meriden, CT (BTA318) (Partial)		
		New London, CT (CMA154) Windham, CT (CMA358)	New London- Norwich, CT (BTA319)		

KNLF954	Full Lease	Essex, MA (CMA006) Middlesex, MA (CMA006) Norfolk, MA (CMA006) Plymouth, MA (CMA006) Suffolk, MA (CMA006) Rockingham, NH (CMA006) Strafford, NH (CMA156)	Boston, MA (BTA051)	1865.0-1870.0; 1945.0-1950.0 (PCS/D)	AT&T Mobility Spectrum LLC
KNLG349	Partition	Creek, OK (CMA057) Mayes, OK (CMA057) Okmulgee, OK (CMA057) Osage, OK (CMA057) Rogers, OK (CMA057) Tulsa, OK (CMA057) Wagoner, OK (CMA057)	Tulsa, OK (BTA448) (Partial)	1865.0-1870.0; 1945.0-1950.0 (PCS/D)	New Cingular Wireless PCS, LLC
KNLG329	Full Lease	Cherokee, OK (CMA599) Haskell, OK (CMA601) McIntosh, OK (CMA601) Muskogee, OK (CMA601)	Muskogee, OK (BTA311) (Partial)	1865.0-1870.0; 1945.0-1950.0 (PCS/D)	New Cingular Wireless PCS, LLC
WQGV788	Full Lease	Adjuntas, PR (CMA724) Aguada, PR (CMA204) Aguadillia, PR (CMA204) Aguas Buenas, PR (CMA091) Aibonito, PR (CMA726) Anasco, PR (CMA169) Arecibo, PR (CMA202) Arroyo, PR (CMA726) Barceloneta, PR	Puerto Rico and the U.S. Virgin Islands (BEA174)	1730.0-1735.0; 2130.0-2135.0 (AWS/C)	New Cingular Wireless PCS, LLC

		(CMA091) Barranquitas, PR (CMA726) Bayamon, PR (CMA091) Cabo Rojo, PR (CMA169) Caguas, PR (CMA091) Camuy, PR (CMA202) Canovanas, PR (CMA091) Carolina, PR (CMA091) Catano, PR (CMA091) Cayey, PR (CMA091) Ceiba, PR (CMA727) Ciales, PR (CMA725) Cidra, PR (CMA091) Coamo, PR (CMA726) Comerio, PR (CMA726) Corozal, PR (CMA091) Culebra, PR (CMA729) Dorado, PR (CMA091) Fajardo, PR (CMA091) Florida, PR (CMA091) Guanica, PR (CMA724) Guayama, PR (CMA726) Guayanilla, PR (CMA724) Guaynabo, PR (CMA091) Gurabo, PR (CMA091) Hatillo, PR (CMA202) Hormigueros, PR (CMA169)			
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		Humacao, PR (CMA091) Isabela, PR (CMA204) Jayuya, PR (CMA725) Juana Diaz, PR (CMA147) Juncos, PR (CMA091) Lajas, PR (CMA724) Lares, PR (CMA724) Las Marias, PR (CMA724) Las Piedras, PR (CMA091) Loiza, PR (CMA091) Luquillo, PR (CMA091) Manati, PR (CMA091) Maricao, PR (CMA724) Maunabo, PR (CMA726) Mayaguez, PR (CMA169) Moca, PR (CMA204) Morovis, PR (CMA725) Naguabo, PR (CMA727) Naranjito, PR (CMA091) Orocovis, PR (CMA725) Patillas, PR (CMA726) Penuelas, PR (CMA724) Ponce, PR (CMA147) Quebradillas, PR (CMA202) Rincon, PR (CMA723) Rio Grande, PR (CMA091) Sabana Grande, PR			
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		(CMA724) Salinas, PR (CMA091) San German, PR (CMA169) San Juan, PR (CMA091) San Lorenzo, PR (CMA091) San Sebastian, PR (CMA724) Santa Isabel, PR (CMA726) Toa Alta, PR (CMA091) Toa Baja, PR (CMA091) Trujillo Alto, PR (CMA091) Utuado, PR (CMA725) Vega Alta, PR (CMA091) Vega Baja, PR (CMA091) Vieques, PR (CMA728) Villalba, PR (CMA147) Yabucoa, PR (CMA726) Yauco, PR (CMA724) St. Croix, VI (CMA731) St. John, VI (CMA730) St. Thomas, VI (CMA730)			
WQGD617	Partition	Creek, OK (CMA057) Mayes, OK (CMA057) Osage, OK (CMA057) Rogers, OK (CMA057) Tulsa, OK (CMA057) Wagoner, OK (CMA057)	Tulsa, OK (CMA057)	1730.0-1735.0; 2130.0-2135.0 (AWS/C)	New Cingular Wireless PCS, LLC

KNLG707	Full Lease	Gila, AZ (CMA322) Graham, AZ (CMA323) Greenlee, AZ (CMA323) La Paz, AZ (CMA321) Maricopa, AZ (CMA321) Navajo, AZ ⁴ (CMA321) Pinal AZ (CMA321)	Phoenix, AZ (BTA347) (Partial)	1890.0-1895.0; 1970.0-1975.0 (PCS/F)	AT&T Mobility Spectrum LLC
WQQQ249	Full Lease	Gila, AZ (CMA322) Graham, AZ (CMA323) Greenlee, AZ (CMA323) La Paz, AZ (CMA321) Maricopa, AZ (CMA026) Navajo, AZ (CMA320) Pinal, AZ (CMA322)	Phoenix, AZ (BTA347) (Partial)	1895.0-1900.0; 1975.0-1980.0 (PCS/C3) (La Paz, AZ only) 1895.0-1905.0; 1975.0-1985.0 (PCS/C3 and C4) (remaining counties)	AT&T Mobility Spectrum LLC
WPOJ700	Full Lease	La Paz, AZ (CMA321)	Phoenix, AZ (BTA347) (Partial)	1900.0-1905.0; 1980.0-1985.0 (PCS/C4)	AT&T Mobility Spectrum LLC
WQGA745	Full Lease	Maricopa, AZ (CMA026)	Phoenix, AZ (CMA026)	1710.0-1715.0; 2110.0-2115.0 (AWS/A1)	AT&T Mobility Spectrum LLC
		Maricopa, AZ (CMA026)	Phoenix, AZ (CMA026)	1715.0-1720.0; 2115.0-2120.0 (AWS/A2)	New Cingular Wireless PCS, LLC
WPOJ740	Full Lease	Yavapai, AZ (CMA319)	Prescott, AZ (BTA362)	1895.0-1910.0; 1975.0-1990.0 (PCS/C)	AT&T Mobility Spectrum LLC
KNLG836	Full Lease	Cochise, AZ (CMA323)	Sierra Vista- Douglas, AZ (BTA420)	1885.0-1890.0; 1965.0-1970.0 (PCS/E)	AT&T Mobility Spectrum LLC

⁴ Excludes the portion of Navajo County in which AT&T does not hold spectrum under call sign WPSI351.

WPOJ742	Full Lease	Cochise, AZ (CMA323)	Sierra Vista-Douglas, AZ (BTA420)	1900.0-1910.0; 1980.0-1990.0 (PCS/C4 and C5)	AT&T Mobility Spectrum LLC
KNLG838	Full Lease	Pima, AZ (CMA077)	Tucson, AZ (BTA447)	1885.0-1890.0; 1965.0-1970.0 (PCS/E)	AT&T Mobility Spectrum LLC
KNLG711	Full Lease	Pima, AZ (CMA077)	Tucson, AZ (BTA447)	1890.0-1895.0; 1970.0-1975.0 (PCS/F)	AT&T Mobility Spectrum LLC
KNLF224	Partition and Disaggregation	Anoka, MN (CMA015) Carver, MN (CMA015) Chisago, MN (CMA015) Dakota, MN (CMA015) Goodhue, MN (CMA492) Hennepin, MN (CMA015) McLeod, MN (CMA488) Meeker, MN (CMA488) Ramsey, MN (CMA015) Rice, MN (CMA491) Scott, MN (CMA015) Steele, MN (CMA491) Washington, MN (CMA015) Wright, MN (CMA015) St. Croix, WI (CMA015)	Minneapolis-St. Paul, MN (BTA298) (Partial)	1880.0-1885.0; 1960.0-1965.0 (PCS/B5)	AT&T Mobility Spectrum LLC
WQCX689	Full Lease	McLeod, MN (CMA488) Meeker, MN (CMA488)	Minneapolis-St. Paul, MN (BTA298) (Partial)	1900.0-1905.0; 1980.0-1985.0 (PCS/C4)	AT&T Mobility Spectrum LLC
KNLF244	Partition	Butte, SD (CMA634) Haakon, SD (CMA639) Harding, SD (CMA634)	Rapid City, SD (BTA369) (Partial)	1880.0-1885.0; 1960.0-1965.0 (PCS/B5)	AT&T Mobility Spectrum LLC

		Jackson, SD (CMA639) Lawrence, SD (CMA634) Meade, SD (CMA289) Pennington, SD (CMA289) Perkins, SD (CMA289)			
WQGG894	Partition	Amador, CA (CMA338) Colusa, CA (CMA343) El Dorado, CA (CMA346) Nevada, CA (CMA345) Placer, CA (CMA035) Sacramento, CA (CMA035) Sierra, CA (CMA345) Yolo, CA (CMA035)	Sacramento, CA (BTA389)	1877.5-1880.0; 1957.5-1960.0 (PCS/Upper B4)	AT&T Mobility Spectrum LLC
WQBY723	Partition and Disaggregation	Amador, CA (CMA338) Colusa, CA (CMA343) El Dorado, CA (CMA346) Nevada, CA (CMA345) Placer, CA (CMA035) Sacramento, CA (CMA035) Sierra, CA (CMA345) Yolo, CA (CMA035)	Sacramento, CA (BTA389) (Partial)	1880.0-1882.5; 1960.0-1962.5 (PCS/Lower B5)	AT&T Mobility Spectrum LLC
WPVN368	Partition	Centre, PA (CMA259)	State College, PA (BTA429)	1860.0-1865.0; 1940.0-1945.0 (PCS/A5)	New Cingular Wireless PCS, LLC

WQJQ293	Partition	Charlevoix, MI (CMA474) Cheboygan, MI (CMA475) Emmet, MI (CMA474) Otsego, MI (CMA475)	Petoskey, MI (BTA345)	1850.0-1855.0; 1930.0-1935.0 (PCS/A3)	AT&T Mobility Spectrum LLC
KNLG787	Full Lease	Fulton, AR (CMA325) Howell, MO (CMA518) Oregon, MO (CMA520) Ozark, MO (CMA518) Shannon, MO (CMA520)	West Plains, MO (BTA470)	1865.0-1870.0; 1945.0-1950.0 (PCS/D)	New Cingular Wireless PCS, LLC
WQGA732	Partition	Lincoln, NV (CMA547) White Pine, NV (CMA547)	Nevada 5- White Pine (CMA547)	1735.0-1740.0; 2135.0-2140.0 (AWS/D)	AT&T Mobility Spectrum LLC
WQQA213	Partition and Disaggregation	Brown, MN (CMA490) Cottonwood, MN (CMA490) Jackson, MN (CMA490) Martin, MN (CMA490) Murray, MN (CMA490) Nobles, MN (CMA490) Watonwan, MN (CMA490) Lac qui Parle, MN (CMA489) Lincoln, MN (CMA489) Lyon, MN (CMA489) Redwood, MN (CMA489) Yellow Medicine, MN (CMA489)	Minnesota 9- Pipestone (CMA490) (Partial) Minnesota 8-Lac qui Parle (CMA489)	1720.0-1725.0; 2120.0-2125.0 (AWS/B1)	New Cingular Wireless PCS, LLC
WQQA214	Partition and Disaggregation	Pipestone, MN (CMA490) Rock, MN (CMA490)	Minnesota 9- Pipestone (CMA490) (Partial)	1720.0-1725.0; 2120.0-2125.0 (AWS/B1)	New Cingular Wireless PCS, LLC