

SLYN-TX ORIGINAL

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Blanca S. Bayo Florida Public Service Commission Director of Division of Records and Reporting 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0850

Re: NEXTLINK Florida, Inc.

000285-TP

Dear Mr. Bayo:

Please accept for filing the original and fifteen copies of the Petition for approval of pro forma transfer of control of the above-captioned company. Please stamp the enclosed copy and return to us in the envelope provided for our records. Thank you for your attention to this matter.

Very truly yours,

BOULT, CUMMINGS, CONNERS & BERRY, PLC

By:

Henry Walker

HW/nl Enclosure

DOCUMENT NUMBER - DATE

02924 MAR -68

FPSC- DECORDS/REPORTING

BEFORE THE STATE OF FLORIDA PUBLIC SERVICE COMMISSION

IN RE:	PETITION OF NEXTLINK FLORIDA, INC. FOR APPROVAL OF THE PRO FORMA TRANSFER OF CONTROL OF NEXTLINK, INC. FROM NEXTLINK COMMUNICATIONS, INC. TO NM))))))	Case No.
	ACQUISITION CORP.)	

PETITION FOR APPROVAL OF PRO FORMA TRANSFER OF CONTROL

NEXTLINK Florida, Inc. (NEXTLINK FLA) hereby petitions the Florida Public Service Commission (the "Commission") for approval of pro forma transfer of control of NEXTLINK FLA from NEXTLINK Communications, Inc. to NM Acquisition Corp. pursuant to Fla Stat. §.364.33.

1. Correspondence concerning this Petition should be sent to:

Henry Walker
Boult, Cummings, Conners & Berry, PLC
414 Union Street, Suite 1600
Nashville, TN 37219
(615) 252-2363

and

Dana Shaffer NEXTLINK Tennessee, Inc. 105 Molloy St., Suite 300 Nashville, TN 37201 (615) 777-7700

2. NEXTLINK FLA is a competitive, facilities-based telecommunications company authorized to provide service in Florida by the Commission. NEXTLINK FLA is currently 100 percent owned by NEXTLINK Communications, Inc. which in turn is controlled by Eagle River

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0629410.01 098304-000 03/03/2000 Investments, L.L.C., a Washington limited liability company. Eagle River Investments, L.L.C. holds 28 percent of the stock of NEXTLINK Communications, Inc. and 57 percent of the voting power of NEXTLINK Communications, Inc.

- 3. On January 9, 2000 NEXTLINK Communications, Inc. NM Acquisition Corp., and Eagle River Investments, L.L.C. entered into an Agreement and Plan of Merger and Share Exchange Agreement (the "Agreements") with Concentric Network Corporation ("Concentric"), an Internet Service Provider incorporated in Delaware. Pursuant to the Agreements, NEXTLINK Communications, Inc. and Concentric will each merge into a newly created Delaware corporation, NM Acquisition Corp (these transactions are collectively referred to hereafter as the "Mergers"). By virtue of the Mergers, NEXTLINK Communications, Inc. and Concentric will each cease to exist and NM Acquisition Corp. will be the sole surviving corporation.
- 4. Ownership and control of NEXTLINK FLA will pass to NM Acquisition Corp., but this transfer of control and ownership will be purely pro forma in nature because Eagle River Investments, L.L.C. will control NM Acquisition Corp. after the Mergers. Following the Mergers, Eagle River Investments, L.L. C. will hold approximately 23% of the stock of NM Acquisition Corp. and between 54 percent and 56 percent of the voting power of NM Acquisition Corp., while Concentric shareholders will own between 15.8 percent and 19.4 percent of the common stock of NM Acquisition Corp., representing between 4.7 percent and 5.9 percent of its voting power. After the Mergers, NM Acquisition Corp. will change its name to NEXTLINK Communications, Inc.
- 5. In the event that NEXTLINK Communications, Inc. and Concentric are unable to obtain the consent of holders of certain securities of Concentric to either the Merger or Alternative Merger, then NM Acquisition Corp. may elect, within a certain specified time period, to commence the "Exchange Offer." In the Exchange Offer, NM Acquisition Corp. would seek to acquire all of

0629410.01 098304-000 03/03/2000 the issued and outstanding shares of Concentric common and Series C preferred stock in exchange for preferred stock and a certain number of shares of common stock of NM Acquisition Corp. Also pursuant to the terms of the Exchange Offer, NM Acquisition Corp. would create a wholly owned subsidiary and NEXTLINK Communications, Inc. would be merged with and into such subsidiary. NEXTLINK Communications, Inc. would be the surviving corporation in such merger, in effect becoming a wholly-owned subsidiary of NM Acquisition Corp. Each issued and outstanding stock would be converted into one share of NM Acquisition Corp.'s common stock and Class B common stock, respectively. In the event that the requisite consents to the Mergers are obtained following commencement of the Exchange Offer, NM Acquisition Corp., NEXTLINK Communications, Inc. and Concentric would then cause the Mergers to occur after termination of the Exchange Offer. Following the Exchange Offer or the Mergers, as the case may be, Eagle River Investments, L.L.C. would hold 23% of the stock of NM Acquisition Corp., while Concentric shareholders would own between 15.8 percent and 19.4 percent of the common stock of NM Acquisition Corp., representing between 4.7 percent and 5.9 percent of its voting power.

Once again, the transfers of control and ownership of NEXTLINK FLA from NEXTLINK Communications, Inc. to NM Acquisition Corp. would be purely pro forma in nature because Eagle River Investments, L.L.C. would control NM Acquisition Corp. after the Exchange Offer or the Mergers. In addition, as described in the preceding paragraph, NM Acquisition Corp. would change its name to NEXTLINK Communications, Inc. ¹

If the Mergers do not take place after termination of the Exchange Offer, then NEXTLINK FLA would still be owned by NEXTLINK Communications, Inc. which would be owned by NM Acquisition Corp. Eagle River Investments, L.L.C. would control NM Acquisition Corp. through its holding of 23 percent stock and between 54 and 56 percent of the voting power of NM Acquisition Corp. Certain former Concentric shareholders would now be shareholders of NM Acquisition Corp. Certain former Concentric shareholders would now be shareholders of (continued...)

6. Once the transactions contemplated by the Agreements have been consummated, NEXTLINK FLA will be owned and controlled by NEXTLINK Communications, Inc. which will continue to be controlled by Eagle River Investments, L.L.C. NEXTLINK FLA will continue to provide services in Florida under the same names, tariffs, and operating authorization. There will be no impact on Florida customers.

WHEREFORE, for the foregoing reasons, NEXTLINK FLA respectfully requests that the Commission act expeditiously to approve the proposed pro forma transfers of control and ownership.

Respectfully submitted,

BOULT, CUMMINGS, CONNERS & BERRY, PLC

Ву

Henry Walker

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Dana Shaffer

NEXTLINK Tennessee, Inc.

105 Molloy St., Suite 300

Nashville, TN 37201

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¹(...continued)

NM Acquisition Corp., but cumulatively these Concentric shareholders would hold less than between 15.8 percent and 19.4 percent of the common stock of NM Acquisition Corp., representing less than between 4.7 percent and 5.9 percent of its voting power.