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2 Suite 503, Bank of Guam Bldg.
3 111 Chalan Santo Papa
4 Hagåtña, Guam 96910
5 Telephone No.: (671) 477-2778
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7 Attorneys for Appellant:
8 *PACIFIC DATA SYSTEMS, INC.*

RECEIVED
OFFICE OF PUBLIC ACCOUNTABILITY
PROCUREMENT APPEALS

OCT 12 2010

TIME: 11:44 BY: WMD
FILE NO. OPA-PA: 10-005

9 **OFFICE OF PUBLIC ACCOUNTABILITY**

10 In the Appeal of
11 *PACIFIC DATA SYSTEMS, INC.,*
12 Appellant.

) Docket No. OPA-PA 10-005

) **PROCUREMENT APPEAL**

13 **APPELLANT INFORMATION**

14 The Appellant is Pacific Data Systems, Inc. ("PDS"), 185 Ilipog Drive, HBC
15 Building, Suite 204-A, Tamuning, Guam, 96913, Tel. 300-0200.

16 **APPEAL INFORMATION**

- 17 A. Purchasing Agency: Guam Community College ("GCC").
18 B. Identification Number of Procurement: IFB GCC-FB-015.
19 C. The Decision being appealed was made on October 5, 2010 by the Head of
20 Purchasing Agency through counsel.
21 D. This Appeal is made from a Decision on Protest of GCC Intent to Award.
22 E. Names of Competing Bidders: TeleGuam Holdings LLC; IT&E, Inc.

23 **STATEMENT OF GROUNDS FOR APPEAL**

24 **A. Factual Background**

25 1. GCC issued the Invitation for Bid on May 3, 2010 for Voice Over-Internet
26 Protocol (VoIP) Telephone System Project. Relevant pages from the IFB are attached
27 hereto as Exhibit "1".
28

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2 In reaction to the PDS Protest, GCC did request TeleGuam to provide the
3 required information. TeleGuam did provide GCC with a Major Shareholders
4 Disclosure Affidavit dated September 30, 2010, which is attached to Ms. Strock's letter
5 of October 5, 2010 to PDS (Exhibit "5"). That Affidavit revealed two entities that owned
6 more than 10% of TeleGuam's shares, namely Shamrock Capital Advisors (60%), and
7 GE Asset Management, Inc. (29%). This Affidavit demonstrates the falsity of the
8 previous Affidavit that was submitted with TeleGuam's bid on June 10, 2010.

9 GCC thus allowed TeleGuam to submit a new Major Shareholders Disclosure
10 Affidavit over three months after bid opening. Ms. Strock claims in her letter of
11 October 5 that this is permissible because the Shareholders Affidavit is a matter of
12 bidder responsibility, and matters of bidder responsibility supposedly can be revised
13 and corrected after bid opening.

14 GCC's analysis is incorrect. Guam Procurement Law at 5 G.C.A. § 5233 requires:

15 **§ 5233. Disclosure of Major Shareholders.**

16 As a condition of bidding, any partnership, sole
17 proprietorship or corporation doing business with the
18 government of Guam shall submit an affidavit executed
19 under oath that lists the name and address of any person
20 who has held more than ten percent (10%) of the
21 outstanding interest or shares in said partnership, sole
22 proprietorship or corporation at any time during the twelve
23 (12) month period immediately preceding submission of a
24 bid. The affidavit shall contain the number of shares or the
25 percentage of all assets of such partnership, sole
26 proprietorship or corporation which have held by each
27 person during the twelve (12) month period. In addition, the
28 affidavit shall contain the name and address of any person
who has received or is entitled to receive a commission,
gratuity or other compensation for procuring or assisting in
obtaining business related to the bid for the bidder and shall
also contain the amounts of any such commission, gratuity
or other compensation. The affidavit shall be open and
available to the public for inspection and copying.
(emphasis added).

1
2 In addition, the bid instructions clearly required that the Major Shareholder Affidavit
3 accompany the bid. The second page of Exhibit "1" specifically lists the Affidavit of
4 Disclosure of Major Shareholders as a required document. The bottom of that page
5 states that "Failure to comply with the above requirements will mean a disqualification
6 and rejection of the bid." The bid instructions also included a "Special Provision for
7 Major Shareholders Disclosure Affidavit", which quotes the statute and states that "All
8 bidders are required to submit a current affidavit as required below, failure to do so
9 will mean disqualification and rejection of the bid". See Exhibit "1". GCC's bid
10 instructions are thus consistent with 5 G.C.A. § 5233, which requires the disclosure of
11 major shareholders as a condition of bidding. It is obvious that TeleGuam failed to
12 comply with this requirement by submitting a false affidavit that it owned itself. Its bid
13 should have been summarily rejected as non-responsive at bid opening.

14 GCC attempts to confuse and weaken this clear-cut statutory requirement by
15 claiming the Shareholders Affidavit is a matter of bidder responsibility. This argument
16 may be summarily rejected because 5 G.C.A. § 5233 requires the Disclosure as a
17 condition of bidding. In any event, GCC is confusing the concept of a responsive bid
18 with the concept of a responsible bidder. See generally In the Appeal of Jones &
19 Guerrero Co., Inc., OPA-PA-07-005, Decision dated December 12, 2008. 5 G.C.A. §
20 5201(g) defines "responsive bidder" as "... a person who has submitted a bid which
21 conforms in all material respects to the Invitation for Bids". A responsible bidder is
22 defined at 5 G.C.A. § 5201(f) as "... a person who has the capability in all respects to
23 perform fully the contract requirements, and the integrity and reliability which will
24 assure good faith performance". To rule that a bid containing a false Shareholders
25 Affidavit complies with the Invitation for Bids would be to read 5 G.C.A. § 5233 out of
26 the statute book.

1
2 As stated In the Appeal of O&M Energy, S.A., OPA-PA-08-0004, "... There is no
3 question that a public contract based on a materially non-responsive bid revised after a
4 bid opening is void" citing Valley Crest Landscape, Inc. v. City Council, 41 Cal.App.4th
5 1432 (1996). TeleGuam's bid was materially non-responsive and therefore cannot be
6 revised after bid opening. TeleGuam's bid must be rejected.

7
8 **C. Relief Requested**

9 At the time of the writing of this Appeal, PDS is unaware whether GCC has
10 awarded the contract to TeleGuam. If it has not, then 5 G.C.A. § 5451 is applicable,
11 which provides that a proposed award shall either be cancelled or revised to comply
12 with the law. For the reasons discussed above, TeleGuam's bid can not be revised to
13 comply with the law since it was materially non-responsive at the time of bid opening.
14 As a result, the proposed award to TeleGuam must be cancelled.

15 In the event GCC had made an award of the contract to TeleGuam, 5 G.C.A. §
16 5452 is applicable. That section provides that if the person awarded the contract has not
17 acted fraudulently or in bad faith, the contract may be ratified if it is determined that is
18 in the best interest of Guam, or alternatively the contract may be terminated upon
19 payment of actual expenses plus a reasonable profit to the person awarded the contract.
20 On the other hand, if the person awarded the contract has acted fraudulently or in bad
21 faith, the contract may be declared null and void, or affirmed if that is in the best
22 interest of Guam but without prejudice to the Government's right to appropriate
23 damages.

24 Even if there were no fraud or bad faith, the award of the contract to TeleGuam
25 should be cancelled. This is because a materially non-responsive bid should be
26 automatically rejected, and acceptance of such a bid is "... a serious threat to the
27 integrity of the procurement process and must not be condoned by ratification of this
28

1
2 contract ..." See Decision In the Appeal of Guam Publications, Inc., OPA-PA-08-007, at
3 p. 17. In any event, no contract with TeleGuam should be ratified due to the presence of
4 bad faith. For a company to say that it owns itself in a materially false sworn Affidavit
5 is basically a joke on this statutory requirement and is clear evidence of bad faith.

6 There are two remaining bidders, namely PDS and IT&E. GCC should be
7 instructed to consider those two remaining bids for responsiveness and responsibility,
8 and to make an appropriate selection.

9
10 **D. Declaration Re Court Action**

11 The undersigned does hereby confirm that to the best of his knowledge, no case
12 or action concerning the subject of this Appeal has been commenced in court. All
13 parties are required to and the undersigned party agrees to notify the Office of the
14 Public Auditor within 24 hours if court action commences regarding this Appeal or the
15 underlying procurement action.

16 DATED this 12th day of October, 2010.

17 Respectfully submitted,

18 **BERMAN O'CONNOR & MANN**
19 Attorneys for *PACIFIC DATA SYSTEMS, INC.*

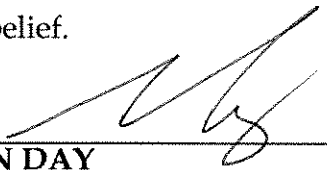
20 By: 
21 **BILL R. MANN**

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VERIFICATION

I, JOHN DAY, am President of Pacific Data Systems, Inc. I state under penalty of perjury that I have reviewed the contents of this Procurement Appeal and they are true and correct to the best of my knowledge and belief.

Dated: 10/12/10


JOHN DAY

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**GUAM COMMUNITY COLLEGE
BID INVITATION**



Mary A.Y. Okada, Ed.D.
GCC PRESIDENT

GUAM COMMUNITY COLLEGE
P.O. BOX 23069
GMF, GUAM 96921

DATE ISSUED:
May 3, 2010

BID INVITATION NO.
GCC-FB-10-015

INSTRUCTION:

This BID shall be submitted in original, plus TWO (2) copies, in sealed envelope and delivered to the Destination specified below no later than Time) 10:00 A.M., (Date) Wednesday, May 19, 2010 at which time and date the Bid shall be publicly opened. Bids submitted after the time and date specified above shall be rejected. See attached Solicitation Instructions and Conditions for details.

BID FOR: Voice over-Internet Protocol (VoIP) Telephone System Project

SPECIFICATIONS: See Attachment

DESTINATION: GUAM COMMUNITY COLLEGE

REQUIRED DELIVERY DATE 180 CALENDAR DAYS UPON RECEIPT OF PURCHASE ORDER (inclusive of full and successful live user testing and operation).

MANDATORY Pre-Bid Conference: 10:00 a.m., May 12, 2010

NOTE TO BIDDERS:

This bid is subject to the attached General Terms and Conditions of the Invitation For Bids.

The undersigned offers and agrees to furnish within the time specified, the articles and services at the price stated opposite otherwise specified by the bidder. The undersigned further agrees this bid will remain firm and irrevocable if accepted within _____ calendar days (60 calendar days unless a different period is inserted), from the date of the opening, to furnish any or all of the items which prices are quoted.

INDICATE WHETHER: INDIVIDUAL PARTNERSHIP CORPORATION
INCORPORATED IN:

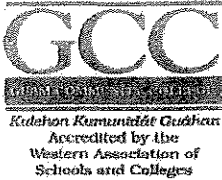
NAME AND ADDRESS OF BIDDER: SIGNATURE AND TITLE OF PERSON AUTHORIZED TO SIGN THIS BID:

AWARD: CONTRACT NO.: AMOUNT: DATE

ACCEPTED AS TO ITEMS NUMBERED:

CONTRACTING OFFICER: GCC PRESIDENT

NAME AND ADDRESS OF CONTRACTOR: SIGNATURE AND TITLE OF PERSON AUTHORIZED TO SIGN THIS CONTRACT



GCC Guam Community College

P.O. BOX 23069

GMF, BARRIGADA, GUAM 96921

Accountability * Impartiality * Competence * Openness * Value

INVITATION FOR BID (IFB) NO.: GCC-FB-10-015
DESCRIPTION: Voice over-Internet Protocol (VoIP) Telephone System Project

SPECIAL REMINDER TO PROSPECTIVE BIDDERS

Bidders are reminded to read the Sealed Bid Solicitation and Instructions, and General Terms and Conditions attached to the IFB to ascertain that all of the following requirements checked below are submitted in the bid envelope, **in duplicate**, at the date and time for bid opening.

- BID GUARANTEE (15% OF BID AMOUNT) - May be in the form of;**
 - a. **Cashier's Check or Certified Check**
 - b. **Letter of Credit** (must not expire no earlier than ninety (90) days from the date of submittal)
 - c. **Surety Bond - Valid only if accompanied by:**
 - 1. Current Certificate of Authority issued by the Insurance Commissioner;
 - 2. Power of Attorney issued by the Surety to the Resident General Agent;
 - 3. Power of Attorney issued by two (2) major officers of the Surety to whoever is signing on their behalf.

- STATEMENT OF QUALIFICATIONS;**

- SAMPLES;**

- BROCHURES/DESCRIPTIVE LITERATURE; PLEASE TAB AND DESCRIPTIVE LITERATURE AND NOTE ITEM NUMBERS FOR EASE OF REFERENCE DURING EVALUATION**

- AFFIDAVIT OF DISCLOSURE OF MAJOR SHAREHOLDERS - Must comply with the following requirements:**
 - a. The affidavit must be notarized and dated on the same month as the bid opening;
 - b. date of signature of the person authorized to sign the bid and the notary date must be the same.

- LOCAL PROCUREMENT PREFERENCE APPLICATION (See attached) (Non-completion of this application form is not a basis for rejection.)**

- NON-COLLUSION AFFIDAVIT**

- OTHER REQUIREMENTS: CURRENT BUSINESS; Davis Bacon & Related Acts, Buy American Requirement; Apprenticeship Requirement**

This reminder must be signed and returned in the bid envelope together with the bid. Failure to comply with the above requirements will mean a disqualification and rejection of the bid. On this ___ day of _____, 2010, _____ acknowledge receipt of this special reminder to prospective bidders with the above referenced IFB.

Bidder Representative's Signature

**SPECIAL PROVISION
FOR
MAJOR SHAREHOLDERS DISCLOSURE AFFIDAVIT**

All bidders are required to submit a current affidavit as required below, failure to do so will mean disqualification and rejection of the bid.

Excerpt from P.L. 18-44

Section 44. a new Section 6961.3 is added to the Government Code to read.

"Section 6961.3. Disclosure of major shareholders. As a condition of bidding, any partnership, sole proprietorship or corporation doing business with the Government of Guam shall submit an affidavit executed under oath that lists the name and address of any person who has held more than ten percent (10%) of outstanding interest or shares in said partnership, sole proprietorship or corporation at any time during the twelve (12) month period immediately preceding submission of a bid. The affidavit shall contain the number of shares or the percentage of all assets of such partnership, sole proprietorship or corporation which have been held by each such person during the twelve (12) month period. In addition, the affidavit shall contain the name and address of any person who has received or is entitled to receive a commission, gratuity or other compensation for the procuring or assisting in obtaining business related to the bid for the bidder and shall also contain the amounts of any such commission, gratuity or other compensation. The affidavit shall be open and available to the public for inspection and copying"

EXAMPLE:

1. A bidder intends to participate in a bid opening on October 15, and submits his/her bid on September 12, the affidavit dated September 10 is acceptable.

NOTE: If the affidavit is a copy, indicate the Bid No. and where it is filed.

2

7/28/2010

Jennifer Sgambelloni

JUL 27 2010

Notice of Intent to Award

TeleGuam Holdings, LLC.
624 N Marine Corps Drive
Tamuning, Guam 96913

Dear Mr. John J. Kim,

The Guam Community College intends to award you the contract on **GCC Bid No: GCC-FB-10-015 (Voice Over-Internet Protocol (VoIP) Telephone System Project)** for the AVAYA system in the amount of \$111,110.00.

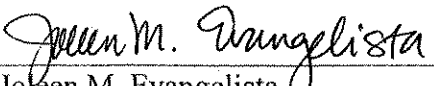
Before the contract is finalized, you must submit the following documents:

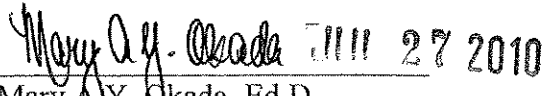
1. Certificate of Insurance showing proof of Contractor's Liability Insurance
 - a. Commercial General Liability Insurance - \$1,000,000 combined single limit for Bodily Injury and Property Damage, including Contractual Liability and Completed Operations.
 - b. Automobile Liability Insurance - \$1,000,000 combined single limit of liability for Bodily Injury and Property Damage on all owned, non-owned, or hired autos used on this project.
 - c. Workers Compensation Insurance - Guam statutory coverage.
 - d. Insurance Carriers - All insurance policies shall be placed with carriers licensed to conduct business on Guam and rated B or better by A.M. Best.
 - e. Additional Insured - Guam Community College shall be named as an Additional Insured on Contractor's Commercial General Liability and Automobile Liability Policies.
 - f. Cancellation - All policies shall be endorsed to provide thirty (30) days prior notice of cancellation or non-renewal to the Guam Community College.
2. Copy of current business license
3. Listing of subcontractors
4. Updated timeline on the project schedule

5. Please provide a list of workers (full name and date of birth) who will be assigned to this specific project at GCC. This is to insure that the workers assigned to this project are not on the Sex Offender Registry as required by Public Law 28-24 amended by P.L. 28-98. During the course of the contract, GCC must be notified in the event there are any changes to the list submitted.
6. This is a Federally Funded Project- The Contractor is required to comply with the Davis Bacon and Related Acts (DBRA) which requires all contractors and subcontractors performing work on federal construction projects or federally assisted projects in excess of \$2000 to pay their laborers and mechanics not less than the prevailing wage rates and fringe benefits for corresponding classes of laborers and mechanics employed on similar projects in the area. The prevailing wage rates and fringe benefits are determined by the Secretary of Labor for inclusion in covered contracts. RECORDKEEPING - Under the Davis-Bacon and Related Acts, covered contractors must maintain payrolls and basic records and submit certified weekly payrolls. Although use of Form WH-347 is optional, the form will satisfy the requirements of Regulations, Parts 3 and 5 (29CFR, Subtitle A), as to payrolls submitted in connection with contracts subject to the number of each employee; each employee's work classification(s); hourly rate(s) of pay (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof; Daily and weekly number of hours worked; Deductions made; and Actual wages paid.
7. Hiring of apprentices through the Apprentice Training Program -- Please refer to Item #43 noted in the specifications under: General Terms and Conditions Sealed Bid Solicitation and Award.
8. Buy American Requirements -- Please submit Assurance of Compliance form for the American Recovery and Reinvestment Act documents.

Please submit the documents to the GCC Materials Management Office (GCC Student Services and Administration Building, Room 2105) within 10 days from the date of this letter. Failure to submit any of the above documents will result in forfeit of the bid.

Should you have any questions, please contact the Materials Management Office by phone 735-5542 or by email to: materialsmanagement@guamcc.edu.


Joleen M. Evangelista
Procurement & Inventory Administrator


Mary A.Y. Okada, Ed.D.
President

3



August 3, 2010

Guam Community College
RECEIVED

Guam Community College
VIA HAND DELIVERY

AUG 03 2010

PRESIDENT'S OFFICE
Initials: *[Signature]*

RECEIVED

AUG 03 2010

Initials: *[Signature]*
Data Entry: _____
Effective Date: _____
Reference No. _____

Ms. Mary Okada
President and Chief Procurement Officer
Guam Community Career College
Mangilao, Guam 96915

Re: Protest of GCC Intent to Award Invitation for Bid – GCC-FB-015 to Teleguam Holdings, LLC

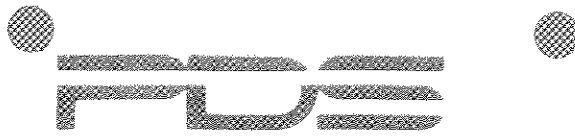
Dear President Okada:

This is a protest by Pacific Data Systems ("PDS") of the Intent to Award by GCC of Invitation for Bid – GCC-FB-10-015 to Teleguam Holdings, LLC ("GTA"). PDS was notified by GCC on July 29, 2010 of its issuance of a Notice of Intent to Award to Teleguam Holdings, LLC on July 27, 2010. A copy of this document obtained through a Freedom of Information request is attached as EXHIBIT A. PDS now files this timely protest of this Intent to Award according to 5 GCA § 5425. This protest by PDS is made based on the following grounds:

1. The Teleguam Holdings bid must be disqualified by GCC as non conforming to bid bond requirements since the Teleguam Holdings bid did not include a valid bid bond as required by Instruction #11 of the GCC Sealed Bid Solicitation Instructions. The Bid Bond submitted by Teleguam Holdings is defective for the following reasons:
 - a. The bid bond did not state an amount for the bid bond that was being provided. The GCC Bid Form clearly requires a bidder to complete the amount of the bid bond in dollar figures and script. Instead the Teleguam Holdings Bid Bond (copy attached as EXHIBIT B) only indicates "15% of bid submission" without stating an amount of the Bid Bond.
 - b. The Teleguam Holdings bid bond was submitted in the form of a surety policy that requires an officer of the company/corporation to sign the document. The person that signed the bid document for Teleguam Holdings, LLC, John Kim, is not an officer of the company and is not authorized to sign as an officer. GTA failed to file an authorization for Mr. Kim to sign this document as required by Instruction #2 of the GCC Sealed Bid Solicitation Instructions. Attached hereto as EXHIBIT C is a copy of the current Annual Report for Teleguam Holdings, LLC. This Report identifies only Dan Moffat as authorized to act as the management for this limited liability company.

Pacific Data Systems
185 Ilipog Drive, HBC Suite 204A, Tamuning, GU 96913
Main: (671) 300-0200 | Fax: (671) 300-0265 | www.pdsguam.com

EXHIBIT "3"



2. The Teleguam Holdings, LLC bid should be disqualified by GCC as non conforming to the Major Shareholder Disclosure Affidavit requirement of 5 GCA § 5233 which requires a bidder, as a condition of bidding, to disclose the names and addresses of any party that currently owns or has owned more than 10% of the bidder in the last 12 months from the date of the bid. The Affidavit of Major Shareholders submitted by Teleguam Holdings, LCC is attached as EXHIBIT D and is invalid for the following reasons.
 - a. The Affidavit requires that the document be signed by an officer of the company/corporation. The person that signed the bid document, John Kim, for Teleguam Holdings, LLC is not an officer of the company and is not authorized to sign as an officer. GTA failed to file an authorization for Mr. Kim to sign this document as required by Instruction #2 of the GCC Sealed Bid Solicitation Instructions.
 - b. The Affidavit submitted by Teleguam Holdings, LLC for its bid does not identify ANY owner of Teleguam Holdings, LLC. Instead the document indicates that Teleguam Holdings, LLC owns 100% of Teleguam Holdings, LCC. This is a false statement since the public record clearly shows that Teleguam Holdings, LLC is owned by other 3rd party entities. See the attached EXHIBIT E for copies of documents and public FCC filings made by Teleguam Holdings, LLC that clearly show that this company is owned by other parties that have not been named in the affidavit as required by law.
3. The Teleguam Holdings bid should be disqualified by GCC as non conforming to requirements for the submission of a Non-Collusion Affidavit. The Non Collusion Affidavit submitted by Teleguam Holdings, LLC is not signed by an officer of the company/corporation. The person that signed the bid document, John Kim, for Teleguam Holdings is not an officer of the company and is not authorized to sign as an officer. GTA failed to file an authorization for Mr. Kim to sign this document as required by Instruction #2 of the GCC Sealed Bid Solicitation Instructions. Attached hereto as EXHIBIT C is a copy of the current Annual Report for Teleguam Holdings, LLC. This Report only identifies Dan Moffat as authorized to act as the management for the limited liability company.
4. The Teleguam Holdings, LLC bid should be disqualified by GCC as non conforming to the requirements of Instruction #32 – REPRESENTATIONS REGARDING ETHICS IN PUBLIC PROCUREMENT of the GCC Sealed Bid Solicitation Instructions. This requirement mandates an Ethical Standards and No Gratuities or Kickbacks Affidavit be submitted with the bidders documents (See EXHIBIT F for a sample copy of these Affidavits that were submitted with the PDS bid). To the best of our knowledge, no such documents were submitted with the Teleguam Holdings, LLC bid.

Pacific Data Systems

185 Ilipog Drive, HBC Suite 204A, Tamuning, GU 96913
Main: (671) 300-0200 | Fax: (671) 300-0265 | www.pdsguam.com



As shown by the points made above, the Teleguam Holdings, LLC bid submission should be disqualified and not considered for award of this bid. PDS requests pursuant to 5 GCA § 5451 that GCC disqualify the Teleguam Holdings, LLC bid and make the award to PDS as the lowest responsive bidder.

GCC is reminded that PDS has lodged a timely protest under GCA § 5425(a) and as noted under GCA § 5425(g) no award of this procurement can be made until this protest has been duly reviewed and a final determination made.

Sincerely,

A handwritten signature in black ink, appearing to read 'John Day', is written over a horizontal line.

John Day
President

Attachments

- EXHIBIT A - GCC Notice of Intent to Award to Teleguam Holdings, LLC
- EXHIBIT B - Copy Bid Bond Form submitted by Teleguam Holdings, LLC
- EXHIBIT C - Copy Annual Report submitted by Teleguam Holdings LCC to Dept of Rev&Tax
- EXHIBIT D - Copy Affidavit of Major Shareholders submitted by Teleguam Holdings LCC
- EXHIBIT E - Copy of public documents regarding ownership of Teleguam Holdings, LLC
- EXHIBIT F - Copy sample document regarding Ethical Standards Affidavit and No Gratuities or Kickbacks Affidavit

cc: Joleen Evangelista – GCC Materials Management

Pacific Data Systems

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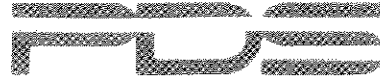


EXHIBIT A

GCC Notice of Intent to Award to Teleguam Holdings, LLC

Pacific Data Systems

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Main: (671) 300-0200 | Fax: (671) 300-0265 | www.pdsguam.com

7/28/2010

Jennifer Sgambelloni

JUL 27 2010

Notice of Intent to Award

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624 N Marine Corps Drive
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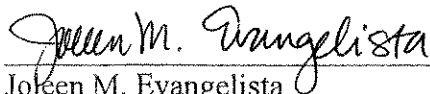
Before the contract is finalized, you must submit the following documents:

1. Certificate of Insurance showing proof of Contractor's Liability Insurance
 - a. Commercial General Liability Insurance - \$1,000,000 combined single limit for Bodily Injury and Property Damage, including Contractual Liability and Completed Operations.
 - b. Automobile Liability Insurance - \$1,000,000 combined single limit of liability for Bodily Injury and Property Damage on all owned, non-owned, or hired autos used on this project.
 - c. Workers Compensation Insurance - Guam statutory coverage.
 - d. Insurance Carriers - All insurance policies shall be placed with carriers licensed to conduct business on Guam and rated B or better by A.M. Best.
 - e. Additional Insured - Guam Community College shall be named as an Additional Insured on Contractor's Commercial General Liability and Automobile Liability Policies.
 - f. Cancellation - All policies shall be endorsed to provide thirty (30) days prior notice of cancellation or non-renewal to the Guam Community College.
2. Copy of current business license
3. Listing of subcontractors
4. Updated timeline on the project schedule

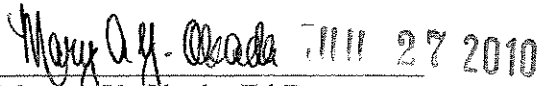
5. Please provide a list of workers (full name and date of birth) who will be assigned to this specific project at GCC. This is to insure that the workers assigned to this project are not on the Sex Offender Registry as required by Public Law 28-24 amended by P.L. 28-98. During the course of the contract, GCC must be notified in the event there are any changes to the list submitted.
6. This is a Federally Funded Project- The Contractor is required to comply with the Davis Bacon and Related Acts (DBRA) which requires all contractors and subcontractors performing work on federal construction projects or federally assisted projects in excess of \$2000 to pay their laborers and mechanics not less than the prevailing wage rates and fringe benefits for corresponding classes of laborers and mechanics employed on similar projects in the area. The prevailing wage rates and fringe benefits are determined by the Secretary of Labor for inclusion in covered contracts. RECORDKEEPING - Under the Davis-Bacon and Related Acts, covered contractors must maintain payrolls and basic records and submit certified weekly payrolls. Although use of Form WH-347 is optional, the form will satisfy the requirements of Regulations, Parts 3 and 5 (29CFR, Subtitle A), as to payrolls submitted in connection with contracts subject to the number of each employee; each employee's work classification(s); hourly rate(s) of pay (including rates of contributions or costs anticipated for bona fide fringe benefits or cash equivalents thereof; Daily and weekly number of hours worked; Deductions made; and Actual wages paid.
7. Hiring of apprentices through the Apprentice Training Program – Please refer to Item #43 noted in the specifications under: General Terms and Conditions Sealed Bid Solicitation and Award.
8. Buy American Requirements – Please submit Assurance of Compliance form for the American Recovery and Reinvestment Act documents.

Please submit the documents to the GCC Materials Management Office (GCC Student Services and Administration Building, Room 2105) within 10 days from the date of this letter. Failure to submit any of the above documents will result in forfeit of the bid.

Should you have any questions, please contact the Materials Management Office by phone 735-5542 or by email to: materialsmanagement@guamcc.edu.



Joleen M. Evangelista
Procurement & Inventory Administrator


Mary A.Y. Okada, Ed.D.
President

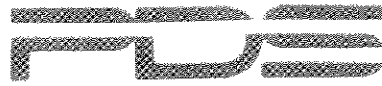


EXHIBIT B

Copy Bid Bond Form submitted by Teleguam
Holdings, LLC

Pacific Data Systems

185 Ilipog Drive, HBC Suite 204A, Tamuning, GU 96913
Main: (671) 300-0200 | Fax: (671) 300-0265 | www.pdsguam.com



GOVERNMENT OF GUAM

GUAM COMMUNITY COLLEGE
P.O. BOX 23069
GCMF, GUAM 96921

BID BOND
NO. KIC-12074-B

KNOW ALL MEN BY THESE PRESENTS that Teleguam Holdings, LLC, as Principal hereinafter called the Principal, and (Bonding Company), Dongbu Insurance Co., Ltd. a duly admitted insurer under the laws of the Territory of Guam, as Surety, hereinafter called the Surety are held firmly bound unto the Territory of Guam for the sum of 15% of Total Bid Amount Dollars (\$5% of Total Bid Amt, for payment of which sum will and truly to be made, the said Principal and the said Surety bind ourselves, our heirs, ex ecutors, administrators, successors and assigns, jointly and severally, firmly by these presents.

WHEREAS, the Principal has submitted a bid for (Identify project by number and brief description) GCC-FB-10-015 Voice over-Internet Protocol (VoIP) Telephone System Projec

NOW, THEREFORE, if the Territory of Guam shall accept the bid of the Principal and the Principal shall enter into a Contract with the Territory of Guam in accordance with the terms of such bid, and give such bond or bonds as may be specified in bidding or Contract Documents with good and sufficient surety for the faithful performance of such Contract and for the prompt payment of labor and material furnished in the prosecution thereof, or in the event of the failure of the Principal to enter such Contract and give such bond or bonds, if the Principal shall pay to the Territory of Guam the difference not to exceed the penalty hereof between the amounts specified in said bid and such larger amount for which the Territory of Guam may in good faith contract with another party to perform work covered by said bid or an appropriate liquidated amount as specified in the Invitation for Bids then this obligation shall be null and void, otherwise to remain in full force and effect.

Signed and sealed this 26th day of May 2010

Teleguam Holdings, LLC

Margaret Cruz (WITNESS) Account Executive
Soon Hwan Kim (MAJOR OFFICER OF SURETY) Vice Chairman & CEO

Jea-Kwon Sohn (MAJOR OFFICER OF SURETY) Executive VP

Moylan's Insurance Und., Inc. (RESIDENT GENERAL AGENT)

Cecilia A. Anas-Attorney-in-Fact

SEE INSTRUCTIONS IN BACK PAGE FOR SUPPORTING DOCUMENTS REQUIRED.

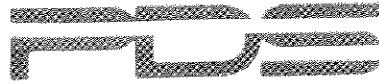


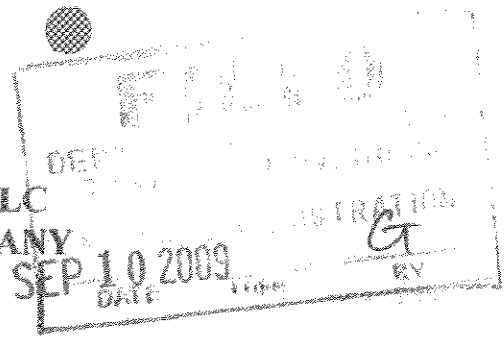
EXHIBIT C

Copy Annual Report submitted by Teleguam
Holdings LCC to Dept of Rev & Tax

Pacific Data Systems

185 Ilipog Drive, HBC Suite 204A, Tamuning, GU 96913
Main: (671) 300-0200 | Fax: (671) 300-0265 | www.pdsguam.com

**TELEGUAM HOLDINGS, LLC
LIMITED LIABILITY COMPANY
ANNUAL REPORT**



YEAR: 2009

FILE NUMBER: FLLC-314

Pursuant to 18 GCA §15138, the undersigned hereby submits its Annual Report and in support thereof states:

1. The name of the Foreign Limited Liability Company is:

TELEGUAM HOLDINGS, LLC

2. File Number: **FLLC-314**

3. State or Country of Organization: **Delaware, U.S.A.**

4. Date of Organization/Date Authorized to transact business on Guam:

5.

November 19, 2004.

5. Address of the principal office:

**624 N. Marine Corps Drive
Tamuning, Guam 96913**

6. The management of the limited liability company is vested in one or more managers, and the names and address of each manager is as follows:

Name

Business Address

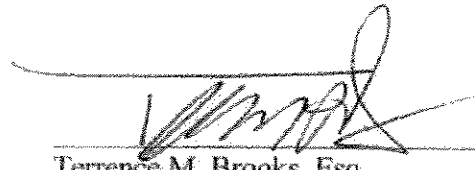
Daniel Moffat

624 North Marine Corps Drive
Tamuning, Guam 96931

7. Description of business conducted on Guam (list all lines of business):
Telecommunications, including digital video services

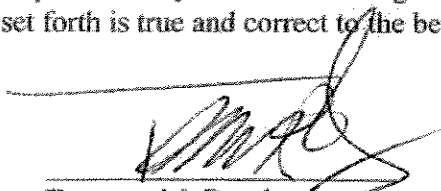
8. The Registered Agent for Service of Process and Registered Agent's Address:

**Terrence M. Brooks
Terrence M. Brooks P.C.
Ste. 101, Angela Flores Bldg.
247 Martyr Street
Hagatna, Guam 96910**



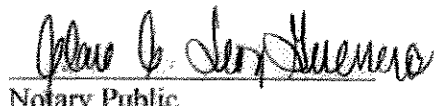
Terrence M. Brooks, Esq.
Registered Agent

I, Terrence M. Brooks being duly sworn, depose and say that I am the Registered Agent and that this Annual Report and the information set forth is true and correct to the best of my information, knowledge and belief.



Terrence M. Brooks

SUBSCRIBED and SWORN to before me on this 10th day of September, 2009 by Terrence M. Brooks.



Notary Public

CLARE C. LEON GUERRERO
NOTARY PUBLIC
In and for Guam, U.S.A.
My Commission Expires: Oct. 08, 2011
P.O. Box 4668 Hagatna, Guam 96932



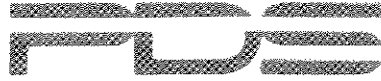


EXHIBIT D

Copy Affidavit of Major Shareholders submitted by
Teleguam Holdings LLC

Pacific Data Systems

185 Ilipog Drive, HBC Suite 204A, Tamuning, GU 96913
Main: (671) 300-0200 | Fax: (671) 300-0265 | www.pdsguam.com

MAJOR SHAREHOLDERS DISCLOSURE AFFIDAVIT

TERRITORY OF GUAM)
)ss:
 AGANA, GUAM)

I, the undersigned, John J. Kim, being first
 (a partner or officer of the company of, etc.)
 duly sworn, deposes and says:

1. That the persons who have held more than ten percent (10%) of the company's shares during the past twelve months are as follows:

| <u>Name</u> | <u>Address</u> | <u>Percentage of Shares Held</u> |
|------------------------|--|----------------------------------|
| TeleGuam Holdings, LLC | 624 N Marine Corps Drive, Tamuning, Guam 96913 | 100% |
| _____ | _____ | _____ |
| _____ | _____ | _____ |
| _____ | _____ | _____ |
| Total Number of Shares | | 100% |

2. Persons who have received or are entitled to receive a commission, gratuity or Other compensation for procuring or assisting in obtaining business related to the bid for which this Affidavit is submitted are as follows:

| <u>Name</u> | <u>Address</u> | <u>Amount of Gratuity or Other Compensation</u> |
|-------------|----------------|---|
| _____ | _____ | _____ |

Further, affiant sayeth naught.

Date: 6-3-2010

John J. Kim, Controller

Signature of individual if bidder is a sole proprietorship; Partner, if the bidder is a partnership; Officer, if the bidder is a corporation.

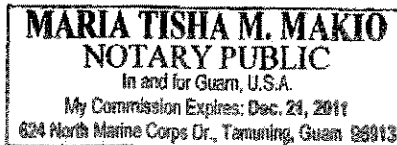
Subscribed and sworn to before me this

3rd day of June

19 2010

By Maria Tisha M. Makio

Notary Public _____
 In and for the Territory of Guam
 My commission expires _____



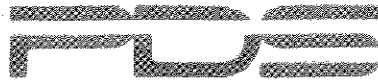


EXHIBIT E

Copy of public documents regarding ownership of
Teleguam Holdings, LLC

Pacific Data Systems

185 Ilipog Drive, HBC Suite 204A, Tamuning, GU 96913
Main: (671) 300-0200 | Fax: (671) 300-0265 | www.pdsguam.com

HOME STORE LOCATIONS SPEED TEST PAY MY BILL CUSTOMER SUPPORT ABOUT GTA SIGN UP HERE!



Get your cyber fix with entertainment exclusively from Spyder Broadband.

Call 644-4GTA to sign up today!



Always There.

Residential Business Internet Digital TV Wireless Landline Long Distance Contact Us



Print this page

CHECK/SEND EMAIL

Username:

Password:

Log-in

TEXT A FRIEND



LATEST NEWS

GTA Teleguam Adds New International Channels on GUDTV Lineup

- Corporate
- OVERVIEW
- GTA NEWS
- BOARD OF DIRECTORS
- EXECUTIVE TEAM
- OWNERSHIP
- CORPORATE RESPONSIBILITY
- JOB OPPORTUNITIES

Ownership

GTA has recently come under the umbrella of TeleGuam Holdings, LLC. This company was formed in order to bring state-of-the-art-telecom technology to all of Guam. The extensive telecom experience of the TeleGuam management team means that GTA is poised to prosper as a multi-service communications provider, expanding and enhancing Guam's telecom capabilities. The management team and board of directors are excited to be working with the Guam community, for the Guam community.



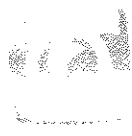
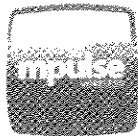
SHAMROCK HOLDINGS

TeleGuam Holdings, LLC, is backed by Shamrock Capital Growth Fund, an equity fund with investments in media, communications and entertainment, affiliated with Shamrock Holdings. Shamrock has a 25 year track record of successful active investments in media and communications. Shamrock has an excellent track record of maintaining relations with its portfolio companies' partners, its management and employees, and maintaining the highest standards of ethics and professional business conduct.



imagination at work

GE is a diversified technology, media and financial services company dedicated to creating products that make life better. From aircraft engines and power generation to financial services, medical imaging, television programming and plastics, GE operates in more than 100 countries and employs more than 300,000 people worldwide. GE is dedicated to turning imaginative ideas into leading products and services that help solve some of the world's toughest problems.



Always There for you! @GTA

HOME | STORE LOCATIONS | SPEED TEST | PAY MY BILL | CUSTOMER SUPPORT | ABOUT GTA | APPLY NOW | PRIVACY POLICY | SITE MAP | TERMS OF USE

© 2010 GTA Teleguam™



The private equity group manages Shamrock Capital Growth Fund I ("SCGF I") and Shamrock Capital Growth Fund II ("SCGF II"). Investing in businesses focused on the media, entertainment, and communications industries, Shamrock makes both control and minority investments with a typical investment size ranging from \$15 to \$50 million in growth capital, leveraged buyout, and recapitalization transactions. The private equity group typically acts as a lead investor and actively partners with management to assist in growing enterprises and driving success.



Stephen D. Royer, President and CEO, Shamrock Capital Advisors

- 20 years of media, entertainment and communications investment experience
- Managing Director, Shamrock Capital Growth Fund
- Director /former director of Real D, Media Storm, NETGEAR, PortalPlayer, PRN, Modern Luxury Media, TeleGuam Holdings, and Triad Broadcasting Company
- Joined Shamrock in 1991. Prior to Shamrock, was an investment banker with Lehman Brothers
- Graduate of Stanford University in Quantitative Economics. M.B.A. from the UCLA Anderson Graduate School of Management as a Deutschman Venture Fellow
- Chairman Emeritus of the Los Angeles Child Guidance Clinic and Vice President of St. Paul the Apostle School Foundation Board



Robert F. Perille, Managing Director

- 18 years of media, entertainment and communications investment experience
- Director /former director of Ocean Design, Tandus, Harlem Globetrotters International, Publishing Group of America, and NextWave Media Group
- Joined Shamrock in 2004. Prior to Shamrock, was managing partner of Banc of America Capital Investors, a \$700 million private equity and mezzanine partnership. Spent 23 years with Bank of America in commercial banking, investment banking, leveraged finance and principal investing
- Graduate of Lawrence University. M.B.A. from the F.W. Olin Graduate School of Management of Babson College



William J. Wynperle, Managing Director

- 12 years of media, entertainment and communications investment experience
- Director /former director of PRN, LifeStage Media Group, Media Storm, K2 Towers, and TeleGuam Holdings
- Joined Shamrock in 1998. Prior to Shamrock, was an investment banker in the Mergers & Acquisitions Group at Salomon Smith Barney, Inc.
- Graduate of Dartmouth College. M.B.A. from the UCLA Anderson School of Management as a Deutschman Venture Fellow
- Board member of the Los Angeles Chapter of Dartmouth Alumni Association. Co-founder and chairman of the UCLA Anderson Venture Capital/Private Equity Alumni Group

Michael A. LaSalle, Vice President

- 9 years of media, entertainment and communications investment experience
- Director /former director of Modern Luxury Media, Harlem Globetrotters, and Media Storm
- Joined Shamrock in 2000. Prior to Shamrock, was an investment banker at the mergers and



- acquisitions boutique, Putnam Lovell Securities
- Graduate of the University of Notre Dame, magna cum laude. M.B.A. from the UCLA Anderson School of Management as a Deutschman Venture Fellow
- Board member of the Los Angeles Chapter of the Notre Dame Alumni Association. Co-founder of the Southern California Association of Private Equity Investors



Andrew J. Howard, Vice President

- 12 years of media, entertainment and communications investment experience
- Director /former director of Publishing Group of America, Real D, K2 Towers, Naylor Publications, PrimeCo Wireless, Liberation Entertainment, BASE Entertainment and Board Observer of MetroPCS and OpNext.
- Joined Shamrock in 2006. Prior to Shamrock, was a Vice President at Clarity Partners, a media and communications focused private equity fund
- Board Member of Association of Corporate Growth - Los Angeles, Board of Governor's member of USC Annenberg School - Center for the Digital Future, Member of the Screen Actors Guild and the American Federation of Television & Radio Association
- Graduate of Stanford University



Christine Park, Senior Associate

- 6 years of media, entertainment and communications investment experience
- Director of K2 Towers
- Joined Shamrock in 2002. Prior to Shamrock, was an investment banker at DLJ/Credit Suisse First Boston
- Graduate of the University of California Berkeley. M.B.A. from the Stanford Graduate School of Business



Alan H. Resnikoff, Senior Associate

- 4 years of media, entertainment and communications investment experience
- Joined Shamrock in 2004. Prior to Shamrock, was an associate consultant at Bain & Company
- Graduate of Stanford University in Economics, M.B.A from the Stanford Graduate School of Business where he received Henry Ford II Scholar award for graduating first in his class. Also was recognized as an Arjay Miller Scholar and as a Siebel Scholar



Kevin Diestel, Associate

- 2 years of media, entertainment and communications investment experience
- Joined Shamrock in 2008. Prior to Shamrock, was an investment banking analyst with Merrill Lynch
- Graduate of University of California Los Angeles

Marshall Nu, Associate

- 3 years of media, entertainment and communications investment experience
- Joined Shamrock in 2009. Prior to Shamrock, was a manager in the Corporate Development/Strategic Planning team at AEG
- Graduate of University of California Los Angeles



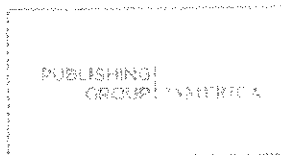
Current Holdings



K2 Towers, LLC ("K2 Towers") was founded in 2009 to consolidate and operate wireless communication towers located throughout the United States. K2 Towers is headquartered in Cleveland, Ohio.



Media Storm LLC ("Media Storm") is a strategic media agency providing innovative marketing solutions for clients in the entertainment industry. Through the creation of ad campaigns and the planning and execution of media strategies, Media Storm specializes in building audiences, acquiring customers, and driving traffic both online and off. The company's client list boasts some of the most watched and acclaimed broadcast, cable and film properties. Founded in 2001 by cable and media veterans Craig Woerz and Tim Williams, Media Storm has been recognized as one of America's fastest-growing new media agencies. Media Storm is based in South Norwalk, CT.



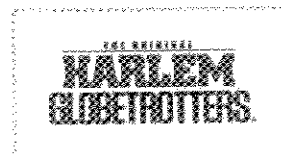
Publishing Group of America, Inc. ("PGA"), founded in 1999, is a leading media and marketing company providing value-added content to over 1,500 local newspaper partners in primarily suburban and tertiary markets throughout the U.S. PGA develops content in consumer interest categories including family, cooking, hometown/special interest and health and wellness. The company delivers this content to its newspaper partners through multiple distribution platforms, including publications, events, and online, providing its advertisers with fully integrated marketing capabilities and reach. PGA has three flagship national publications, American Profile, Relish and Spry, with a circulation of approximately 10 million, 15 million, and 9 million, respectively. PGA is based in Franklin, TN.



REAL D is the worldwide leader in the designing, manufacturing, marketing and licensing of premier 3D visualization technologies for the theatrical, scientific, medical and soon-to-be consumer electronic marketplace. As of January 2010, REAL D has over 9,500 screens under contract and 4,800 screens installed in 48 countries with 300 exhibitors. REAL D is based in Beverly Hills, CA.



NextWave Media Group LLC ("NextWave"), founded in 2003, is an online lead generation network focused on the education vertical. NextWave provides leads to advertisers via third party sites, its own proprietary websites, email publishers and other networks. NextWave is based in Evanston, IL.



Harlem Globetrotters International, Inc. ("HGI") is one of the most renowned sports and entertainment franchises in the world. Originally founded in 1926, HGI is now in its 85th consecutive season. HGI has played over 25,000 games in 120 countries and entertained over 127 million fans to date. HGI is based in Phoenix, AZ.

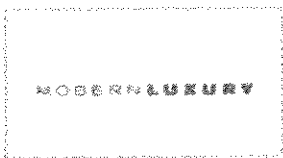


TeleGuam Holdings, LLC ("TeleGuam") was formed to acquire the operating assets of Guam Telephone Authority, an established local telephone company and the only local exchange carrier, previously owned and operated by the Government of Guam. Since privatization, TeleGuam has transformed from a fixed voice services company into a quadruple play communications provider offering wireless, fixed voice, high speed data and IPTV services throughout Guam. TeleGuam is based in Guam, a U.S. Territory.



Triad Broadcasting Company, LLC is a small to mid-market radio broadcasting group, with a focus on quality local programming and customized advertising and marketing services to advertisers. Triad Broadcasting is based in Monterey, CA.

Previous Holdings



Modern Luxury Media LLC is a leading publisher of regional luxury lifestyle magazines. Selected publications include *Chicago Social*, *Angeleno*, *Riviera*, *San Diego Riviera*, *Modern Luxury Dallas*, and *San Francisco* magazine. The publications utilize a proprietary controlled circulation distribution system and very high design and production values to attract luxury advertisers. Modern Luxury is based in Chicago, IL.



LifeStage Media Group was formed in July 2003 to acquire, consolidate and operate regional publications focused on the interests and lifestyles of people 50 years of age and older. LifeStage Media Group's flagship publication was *Southern California Senior Life*, based in Los Angeles, CA.



PortalPlayer, Inc. ("PortalPlayer") was a supplier of digital media solutions for the consumer marketplace. The Company designed, developed and marketed semiconductor chipsets for digital media recording and playback using MP3 and other digital compression technologies. PortalPlayer's products were driven by proprietary firmware and software that is tightly integrated with electronic commerce and digital rights management protocols. PortalPlayer was headquartered in Santa Clara, CA.



PRN Corporation ("PRN") is the largest in-store television network in the United States based on the number of consumers reached each month. PRN's programming and television advertising is delivered to consumers in the stores of mass merchant, department store, consumer electronics, warehouse club and supermarket retailers including WalMart and Best Buy. PRN is headquartered in San Francisco, CA.



NETGEAR, Inc. ("NETGEAR") is a provider of technologically advanced, branded networking products for the small office and home office ("SOHO") market. NETGEAR works closely with leading technology companies to design and develop products that enable home and business users to share internet access, peripherals, digital content and applications among multiple personal computers and other Internet-enabled devices. Products are sold through a global network of resellers, including in mass market retail stores, mail order catalogs and online retailers. NETGEAR is headquartered in San Jose, CA.



PUBLIC NOTICE

Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

News Media Information 202 / 418-0500
Fax-On-Demand 202 / 418-2830
TTY 202 / 418-2555
Internet: <http://www.fcc.gov>
<ftp.fcc.gov>

DA 04-3067

Released: September 24, 2004

DOMESTIC SECTION 214 APPLICATION FILED FOR TRANSFER OF CONTROL OF THE GUAM TELEPHONE AUTHORITY TO TELEGUAM HOLDINGS, LLC

STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 04-382

Comments Due: October 8, 2004

Reply Comments Due: October 15, 2004

On September 14, 2004, the Guam Telephone Authority (“GTA”) and TeleGuam Holdings, LLC (“TeleGuam”) filed an application, pursuant to section 63.04(a) of the Commission’s rules,¹ requesting approval for authority for TeleGuam Holdings, LLC to acquire substantially all of the assets of the Guam Telephone Authority.²

Applicants assert that this application qualifies for streamlined treatment under Section 63.03(b)(1)(ii) of the Commission’s rules because the transferee is not a telecommunications provider.³

GTA, an autonomous agency of the Government of Guam, is an incumbent local exchange carrier and wireless provider that operates exclusively on the island of Guam. GTA provides local exchange and exchange access services, as well as wholesale digital subscriber line service. GTA also provides wireless telecommunications services on several Block B and

¹ 47 C.F.R. § 63.04(a)

² Applicants have also filed a transfer of control application related to wireless services. Any action on this domestic section 214 application is without prejudice to Commission action on other related pending applications.

³ 47 C.F.R. § 63.03(b)(1)(ii); *see* 47 U.S.C. § 214

Block E frequencies. As of March 2004, GTA served 65,531 switched access lines and 4,045 wireless access lines.

TeleGuam, a Delaware limited liability company, is not currently a telecommunications carrier, and neither TeleGuam nor its direct and indirect owners have an ownership interest in any company that provides domestic telecommunications services. Shamrock TeleGuam Holdings, L.L.C. (STH) directly owns and controls 87.27% of TeleGuam. The remaining 12.73% direct interest in TeleGuam is currently owned by Robert Taylor and/or being held for the future benefit of Mr. Taylor and other members of TeleGuam's management team. None of TeleGuam's management team currently holds a 10% or greater interest in TeleGuam; all members of TeleGuam's management team are U.S. citizens. STH is wholly-owned by Shamrock Capital Growth Fund, L.P. (SCGF). The general partner of SCGF is Shamrock Capital Partners, L.L.C., which is responsible for SCGF's investment strategy and day-to-day operations and management.⁴ In addition, the following SCGF limited partners, through their holdings in SCGF, indirectly hold a 10% or greater investment in TeleGuam, though they do not exercise control over the day-to-day operations or management of TeleGuam: Shamrock Holdings of California, Inc. (27.10%); MDCo, Inc. (13.55%); SC Strategies LLC (11.93%); and General Electric Pension Trust (17.62%).⁵

On August 31, 2004, GTA, the Government of Guam, and TeleGuam entered into an Asset Purchase Agreement pursuant to which TeleGuam will purchase substantially all of GTA's assets used in the provision of GTA's wireline and wireless services. TeleGuam will also assume GTA's principal contractual rights and obligations. Consummation of the proposed transaction is contingent upon its approval by the FCC, the Legislature of Guam, the Governor of Guam, the passage of new telecommunications legislation in Guam, and the satisfaction of various other conditions.

The Applicants assert that the proposed transaction will serve the public interest because it will privatize GTA and improve the level of service currently provided to the citizens of Guam, as well as expand the range of services available to them. GTA's customers will also benefit from TeleGuam's five-year freeze of basic local rates and its substantial investments in the telecommunications infrastructure in Guam. Applicants assert that the transition of GTA's services to TeleGuam will be seamless and virtually transparent to GTA's customers, and that

⁴ The ownership of Shamrock Capital Partners is widely dispersed among various interest holders, all of whom are U.S. citizens or entities formed in the U.S. and owned and controlled by U.S. citizens. None of these persons or entities holds a 10% or greater equity or voting interest in TeleGuam.

⁵ Shamrock Holdings, Inc. (SHI) is the sole owner of Shamrock Holdings of California; SHI's ownership is widely dispersed among persons and entities who are U.S. citizens or are formed in the U.S. and owned and controlled by U.S. citizens. MRCo is wholly-owned by ULLICO, Inc., a widely-held corporation. SC Strategies is wholly-owned by Haim and Cheryl Saban, both of whom are U.S. citizens. The General Electric Pension Trust is a pension trust established by General Electric Company for the benefit of its current and retired employees.

consummation of the proposed transaction will not result in the discontinuance, reduction, loss or impairment of service to GTA's customers.

GENERAL INFORMATION

The transfer of control identified herein has been found, upon initial review, to be acceptable for filing as a streamlined application. The Commission reserves the right to return any transfer of control application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Interested parties may file **comments on or before October 8, 2004** and **reply comments on or before October 15, 2004**. Unless otherwise notified by the Commission, Applicants are permitted to transfer control on the 31st day after the date of this notice.⁶ Comments may be filed using the Commission's Electronic Comment Filing System (ECFS) or by filing paper copies. See *Electronic Filing of Documents in Rulemaking Proceedings*, 63 Fed. Reg. 24121 (1998).

Comments filed through the ECFS can be sent as an electronic file via the Internet to <<http://www.fcc.gov/e-file/ecfs.html>>. Generally, only one copy of an electronic submission must be filed. If multiple docket or rulemaking numbers appear in the caption of this proceeding, however, commenters must transmit one electronic copy of the comments to each docket or rulemaking number referenced in the caption. In completing the transmittal screen, commenters should include their full name, U.S. Postal Service mailing address, and the applicable docket or rulemaking number. Parties may also submit an electronic comment by Internet e-mail. To get filing instructions for e-mail comments, commenters should send e-mail to ecfs@fcc.gov, and should include the following words in the subject line "get form <your e-mail address>." A sample form and directions will be sent in reply.

Parties who choose to file by paper must file an original and four copies of each filing. If more than one docket or rulemaking number appears in the caption of this proceeding, commenters must submit two additional copies for each additional docket or rulemaking number. Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail (although we continue to experience delays in receiving U.S. Postal Service mail). The Commission's contractor, Natek, Inc., will receive hand-delivered or messenger-delivered paper filings for the Commission's Secretary at 236 Massachusetts Avenue, N.E., Suite 110, Washington, D.C. 20002. The filing hours at this location are 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes must be disposed of before entering the building. Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743. U.S. Postal Service first-class mail, Express Mail, and Priority Mail should be addressed to 445 12th Street, SW, Washington, D.C. 20554. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

⁶ Such authorization is conditioned upon receipt of any other necessary approvals from the Commission in connection with the proposed transaction.

In addition, one copy of each pleading must be sent to each of the following:

- (1) Commission's duplicating contractor, Best Copy and Printing, Inc., 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554; e-mail: www.bcpweb.com; phone: 202-488-5300 fax: 202-488-5563;
- (2) Tracey Wilson, Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-C437, Washington, D.C. 20554; e-mail: tracey.wilson-parker@fcc.gov;
- (3) Christina Parker, Competition Division, Wireline Competition Bureau, 445 12th Street, S.W. Room 5C-103, Washington, D.C. 20554; email: christina.parker@fcc.gov;
- (4) Alex Johns, Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 3-C403, Washington, D.C. 20554; e-mail: alexis.johns@fcc.gov;
- (5) Julie Veach, Competition Policy Division, Wireline Competition Bureau, 445 12th Street, S.W., Room 5-C124, Washington, D.C. 20554; e-mail: julie.veach@fcc.gov;
- (6) James Bird, Office of General Counsel, 445 12th Street, S.W., Room 8-C824, Washington, D.C. 20554; e-mail: james.bird@fcc.gov.

Filings and comments are also available for public inspection and copying during regular business hours at the FCC Reference Information Center, Portals II, 445 12th Street, SW, Room CY-A257, Washington, DC, 20554. They may also be purchased from the Commission's duplicating contractor, Best Copy and Printing, Inc., Portals II, 445 12th Street, SW, Room CY-B402, Washington, DC, 20554, telephone: 202-488-5300, fax: 202-488-5563, or via e-mail www.bcpweb.com.

For further information, please contact Christina Parker, at (202) 418-2331, or Alexis Johns at (202) 418-1167.

- FCC -

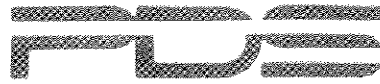


EXHIBIT F

Copy sample document regarding Ethical Standards
Affidavit and No Gratuities or Kickbacks Affidavit

Pacific Data Systems

185 Ilipog Drive, HBC Suite 204A, Tamuning, GU 96913
Main: (671) 300-0200 | Fax: (671) 300-0265 | www.pdsguam.com

ETHICAL STANDARDS AFFIDAVIT

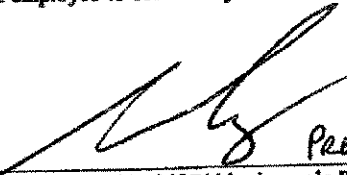
AFFIDAVIT
(Bidder)

TERRITORY OF GUAM)
)
HAGATNA, GUAM) SS.


John Day, being first duly sworn, deposes and says:

That I am (the Sole Proprietor, a Partner or Officer of the Bidder)

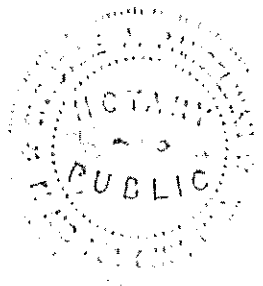
The Offeror making the foregoing Proposal, that neither he or nor of the Bidder's officers, representatives, agents, subcontractors, or employees of the Bidder have knowingly influenced any government of Guam employee to breach any of the ethical standards set forth in 5 GCA Chapter 5 Article 11, and promises that neither he nor any officer, representative, agent, subcontractor, or employee of Bidder will knowingly influence any government of Guam employee to breach any ethical standard set for in 5 GCA Chapter 5 Article 11.


PRESIDENT / PACIFIC DATA SYSTEMS
Signature of individual if Bidder is a sole Proprietorship;
Partner, if the Bidder is a Partnership;
Officer, if the Bidder is a Corporation.

SUBSCRIBED AND SWORN to before me this 7th day of June, 20 10


Notary Public
In and for the Territory of Guam
My Commission Expires: 4/6/2013

CHRISTINE A. PANGELINAN
NOTARY PUBLIC
In and for Guam, U.S.A.
My Commission Expires: April 06, 2013
P.O. Box 4196 Hagatna, Guam 96932



4

**CABOT
MANTANONA LLP****Attorneys at Law**

Cesar C. Cabot, Esq.
Rawlen M.T. Mantanona, Esq.
David P. Ledger, Esq.
Helkel S. Hemminger, Esq.
Sarah A. Strock, Esq.

September 17, 2010

VIA FACSIMILE (671) 300-0265

President John Day
Pacific Data Systems
185 Ilipog Drive
HBC Suite 204A
Tamuning, Guam 96913

Re: Protest of GCC Intent to Award IFB GCC-FB-015 to TeleGuam Holdings LLC

Dear Mr. Day:

This letter is in response to your August 3, 2010 protest. After reviewing your concerns, I am willing to engage in settlement discussions as provide for in 5 G.C.A. § 5425(b). Here are the preliminary responses to your concerns:

1. The bid bond substantially conforms to the bid bond requirements.
 - a. GCC acknowledges that "15% of the total bid amount" is written on TeleGuam's Bid Bond, dated May, 26, 2010, instead of a specific dollar amount. However, the Notice of Intent to Award dated July 27, 2010 says that the amount of the contract is for \$111,110.00. 5 G.C.A. § 5212 requires the bid bond to be equal to 15% of the total bid amount. 15% of \$111,110.00 equals \$16,666.50. It is possible TeleGuam didn't know the exact figure for their total bid amount on May 26, 2010 when they signed the Bid Bond. Since the law requires the bid bond to equal 15% of the total bid amount, and the total bid amount is specified as \$111,110.00, an

Letter to PDS September 17, 2010
Page 2 of 4

actual dollar amount can easily be determined. Therefore, TeleGuam's Bid Bond conforms to the legal requirements and is valid.

- b. John Kim is an officer and is authorized to sign documents on behalf of TeleGuam Holdings. John Kim is GTA's Vice President and Controller according to GTA's website for the Corporate Executive Team. See Exhibit "A." According to 18 G.C.A. § 15115 (E)(c), any contract or written instrument signed by a Vice President of a Limited Liability Company, is valid, even if that Vice President lacked authority to sign the contract. TeleGuam Holdings is an LLC. John Kim is a Vice President at TeleGuam Holdings. Therefore, John Kim can sign a contract on TeleGuam Holding's behalf.

2. TeleGuam's Major Shareholder Disclosure Affidavit substantially complies with Guam procurement law.

- a. John Kim can sign an affidavit on TeleGuam Holding's behalf for the same reasons stated in (1)(b), supra.
- b. GCC acknowledges that TeleGuam's Major Shareholders Disclosure Affidavit requires further inquiry in order to determine whether TeleGuam is a responsible bidder. Guam Procurement policy promotes economy, efficiency, and effectiveness in the procurement of supplies and services by fostering competition and "providing safeguards for the maintenance of a procurement system of quality and integrity." 2 G.A.R. § 1102. In order to provide safeguards of integrity, 5 G.C.A. § 5233 requires:

"As a condition of bidding, partnership, sole proprietorship or corporation ... shall submit an affidavit executed under oath

Letter to PDS September 17, 2010
Page 3 of 4

that lists the name and address of any person who has held more than ten percent (10%) of the outstanding interest or shares ... during the twelve (12) month period immediately preceding submission of a bid. The affidavit shall contain the number of shares or the percentage of all assets of such partnership, sole proprietorship or corporation which have [been] held by each such person during the twelve (12) month period ..."

TeleGuam's Major Shareholders Disclosure Affidavit states that TeleGuam Holdings LLC owns 100% of TeleGuam Holdings LLC. The documentation provided with PDS's protest is sufficient to raise questions regarding TeleGuam's responsibility and to ensure integrity in the procurement process. Accordingly GCC's procurement officer will conduct a separate inquiry regarding TeleGuam's responsibility regarding this issue.

2 G.A.R.R. § 3116(b)(2) lists the factors to be considered in determining responsibility and includes whether a prospective contractor has:

- (a) **Available the appropriate financial, material, equipment, facility, and personnel resources and expertise, or the ability to obtain them, necessary to indicate its capability to meet all contractual requirements;**
- (b) **A satisfactory record of performance;**
- (c) **A satisfactory record of integrity;**
- (d) **Qualified legally to contract with the territory; and**
- (e) **Supplied all necessary information in connection with the inquiry concerning responsibility. (Emphasis added.)**

TeleGuam's failure to provide A bidder's failure to provide all required information relating to responsibility in the IFB is not fatal to the bidder, and information requested in IFBs can be supplemented after the submission of a bid to cure shortcomings in bid submissions. 2 G.A.R.R. § 3116(b)(3). The prospective contractor shall supply information requested by the Procurement Officer concerning the responsibility of the contractor. 2 G.A.R.R. §

Letter to PDS September 17, 2010
Page 4 of 4

- 3116(b)(2)(B). If such contractor fails to supply the requested information, the Procurement Officer may find the prospective contractor nonresponsible if such failure is unreasonable. Id.
3. TeleGuam's Non-Collusion Affidavit is valid for the same reasons stated in (1)(b), supra.
 4. TeleGuam was not required to submit an Affidavit in order to comply with the General Terms and Conditions Instruction #32. No such requirement exists.

Accordingly, GCC will conduct an inquiry regarding protest reason 2(b) pursuant to 2 G.A.R.R. § 3116(b)(3). GCC also agrees to engage in settlement discussions as provide for in 5 G.C.A. § 5425(b). This letter is not a denial of PDS's protest. GCC anticipates a formal decision to PDS's protest after TeleGuam Holdings responds to GCC's inquiry.

Si Yu'os Ma'ase,

CABOT MANTANONA LLP
Attorney for Guam Community College

By:


SARAH A. STROCK

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LATEST NEWS

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Daniel Moffat, President and Chief Executive Officer

Dan has over 26 years experience in the telecommunications industry and has pioneered various ventures. He was president of GST Whole Earth Networks before starting New Edge Networks. He had also previously founded a telecom strategy firm, Access Value Services, which was later sold to Citicorp. Hutton and Associates, a telecommunications consulting company. Dan's telecommunications career has included sales, marketing and operations positions with U.S. Intelco Networks Inc. (Illuminet), IBM/OLM Corporation, U.S. West Corp. and Tymnet, one of the original packet-based, value-added networks.

Dan Moffat joined GTA at the beginning of 2007. Prior to GTA, Dan was Executive Vice President with EarthLink (NASDAQ:ELNK). EarthLink acquired and merged with New Edge Networks in April 2006. Dan was co-founder, president and CEO of New Edge Networks Inc., a Vancouver, Washington-based company that builds and manages private networks for businesses and communications providers. Moffat founded New Edge Networks in 1999.

He graduated with a BS Finance with honors from California State University Chico. He has a MS in Telecommunications from Golden Gate University and a MBA from University of Santa Clara both with honors. Dan has completed eight Ironman Triathlons.

John Brady, Chief Financial Officer

John Brady joined GTA as Chief Financial Officer on June 7, 2007. John has had extensive experience in the telecommunications field. He most recently held the position of Chief Financial Officer at Orbcomm, a global satellite communications and asset tracking company based in New Jersey. During his time at Orbcomm John experienced a number of successes including increasing recurring revenue by over \$1 million dollars per year through contract analysis.

Prior to his work at Orbcomm, John was CFO of Magyar Telekom in Budapest, Hungary, an incumbent local exchange carrier listed on the New York Stock Exchange. He was also Deputy CFO of the Danish telecommunications provider, Tele Danmark, based in Copenhagen, Denmark.

He graduated with honors from the University of Pennsylvania with a Bachelor of Science in Metallurgical Engineering and received a Master of Business Administration in Finance/Accounting from the University of Michigan, also graduating with honors.

David R. Chase, Chief Technical Officer

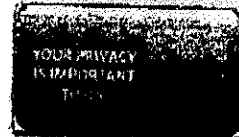
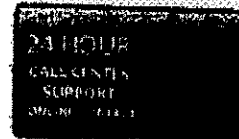
David Chase joined GTA TeleGuam in October 2007. He brings over 22 years of experience in the telecommunications industry, with a deep technical background in product definition, development, applications, and deployment with emphasis in telecommunications, wireless systems, control systems, and signal processing fields.

Prior to his employment with GTA TeleGuam, David most recently held the position of President and CEO of Varada Engineering, Inc., based in California, as well as prior positions at Agile Materials and Technologies, Inc., and Superconductor Technologies, Inc. also in California.

David graduated from the University of California, Santa Barbara, with a Masters of Science, specializing in Electrical Engineering.

Andrew Gayle, Executive Vice President of Product Development

Andrew has 18 years of experience in the telecommunications and information technology field in Guam, including roles at GUAMCELL Communications, ComputerLand of Guam, and Pacific Data



Systems. Andrew joined GTA in June of 2005 and was tasked with building, launching, and operating the MPulse GSM network, which debuted in January of 2008.

Andrew graduated from Harvard University with a Bachelor's Degree in Computer, Electrical, and Systems Engineering.

Lawrence P. Perez, Executive Vice President of Operations

Perez previously worked for Guam Telephone Authority from 1988 through 2004 and held various engineering and managerial positions over the 16-year period. He was general manager of Guam Telephone Authority before Guam privatized the government-owned telephone company in January 2005.

"As a naturally interested observer, I am impressed with GTA TeleGuam's success and momentum after it was freed to openly compete," Perez said. "GTA TeleGuam got a late start entering market segments like Internet access and television, which it was restricted from offering as a government entity. As an underdog competitor, GTA TeleGuam has made excellent progress in all these new market areas. This has meant better service and lower prices for Guam communications customers," Perez said. "I am anxious to rejoin former colleagues, work side-by-side with them, and together help move GTA TeleGuam to the next level."

Perez has bachelor's degrees in both mechanical engineering and industrial (operations) management from Oregon Institute of Technology.

A lifelong resident of Guam, Perez and his wife, Agnes, have four children.

Carl Leon Guerrero, Vice President of Operations

Carl Leon Guerrero brings more than 12 years of telecommunication experience to GTA. As the Managing Director for Engineering his role is to establish direction and budget the operations and Capital Expense Project Plan for GTA. He is also responsible for the day to day installation and repair teams, as well as all construction projects for the network on island. Carl has had close involvement with the installation of GTA's SONET OC192 core network with OC48 sub-tending rings and designed the on-island redundant network for one of GTA's key Federal customers.

As a Chief Engineer with former government run Guam Telephone Authority, he has had many highlights in his career, such as the implementation to convert Guam to Feature Group D Equal Access and the inclusion into the North American Numbering Plan. He continues with GTA and brings experience from both the former Guam Telephone Authority and Guam Power Authority.

Daniel J. Tydingco, Executive Vice President of External and Legal Affairs

Before joining GTA TeleGuam, Tydingco was director of policy, planning and community relations for the United Courts of Guam. Previously, he served as executive officer of the Supreme Court of Guam. He holds a bachelor's degree in political science from Regis University in Denver, Colorado.

Tydingco began his public service career in 1980 as a congressional aide in the U.S. House of Representatives for then Guam Congressman A. B. Woot Pat. Later, he served as deputy press secretary for the late Gov. Ricardo J. Bordado. Tydingco also served as chief of staff for the legislative committee on Water, Utilities and Telecommunications as well as Judiciary and Criminal Justice.

Tydingco is a member of the boards of directors of various professional, civic and service organizations.

Eric Votaw, Vice President of Regulatory and Marketing

Eric Votaw joined GTA on August 15, 2007 as Vice President of Regulatory bringing over 15 years of experience to GTA.

Before joining GTA, Eric held the position of Staff Director for Business Development at John Staudakis, Inc. in Seabrook, Maryland, responsible for operational, business development, regulatory, and network consulting. Prior to this, Eric worked as the Director of Network Services and Regulatory for WVT Communications in Warwick, New York, handling field operations and corporate planning.

Collin Kerber, Vice President of IP Services

Collin began his employment with GTA TeleGuam as the Product Manager for SPYDEN Internet Service in 2008 and was promoted to Director of GTA TeleGuam's IP Broadband division in 2009.

He has over 13 years of experience and training in Information and Network Technology with emphasis on mid to large scale networks.

Roland Certoza, Executive Vice President of Sales & Marketing

Roland Certoza comes to GTA with over 12 years of telecom sales experience. In 2005, Roland joined GTA as Sales Director for Business Markets and was promoted to Vice President to oversee all of the sales activities related to government, corporate and wholesale market segments.

Prior to this, Roland held various sales and management positions with Hewlett Packard, Sprint, Dekate & Touche and MCI WorldCom.

Marie Mesa, Executive Vice President of People Department

Marie began her employment with GTA as a Project Manager for implementing Directory Assistance and Toll Operator Services in 2005. In October 2005 she took on the role of Managing Director of Client Services, with overall responsibility for a large number of employees in the service order entry, cash operations, call center, repair, and operator services divisions while focusing on GTA customer service processes and functions.

Before coming to GTA, Marie held such positions as Program Director for the Citibank Women in Business Program at the University of Guam College of Professional Services and Business Manager of Marketing and Sales at GTE Pacifica. She has also held multiple management positions with US West Communications in Phoenix, Arizona.

John Kim, Vice President/Controller

John Kim joined GTA in March 2004 as Controller of then government GTA. John is now Vice President - Controller, CPA at GTA.

John is a graduate of USC with a Bachelor of Science in Accounting and is a member of the AICPA. Prior to joining GTA, John was with Dekate & Touche involved in audit, system support, and accounting services.

Andrew C. LaBrunda, Vice President of Information Technology

Andy LaBrunda joined GTA in May of 2005 as a programmer in Information Technology.

Prior to joining GTA, Andy worked as a Senior Technologist for CSC Contractor, Command Naval Forces Marianas being responsible for intranet application development, data warehousing, and developing a BaseComm inventory system.

Yudhishter Parmar, Vice President of Treasury

Dhish joined GTA in January of 2006 as a Managing Director of Finance. Prior to his work at GTA, Dhish worked as the Construction Project Manager at DFS Guam LLP. He has also held a position as financial consultant with Deloitte and Touche LLP.

Dhish holds a Bachelor of Science in Computer Science from the College of William and Mary. He continued his education at Tulane University, earning a Master of Business Administration in Corporate Finance and International Management.

Steve Redman, Vice President of Quality Control

Steve Redman joined GTA TeleGuam in October 2009. Steve spent the last decade at New Edge Networks as Director of Operations and Director of Customer Experience. New Edge Networks focuses on private business networks. Steve also worked in submarine fiber optic cables for AT&T and Pacific Telecom as well as e-commerce for an Internet Service Provider. He was on Guam in 1992 for the shore landing survey work for the Micronesian Inter-Island Cable System (MICS).

Steve has a BS in Mathematics from University of Washington and an MS in Management in Science and Technology from Oregon Health & Science University.

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5

**CABOT
MANTANONA LLP****Attorneys at Law**

Cesar C. Cabot, Esq.
Rawlen M.T. Mantanona, Esq.
David P. Ledger, Esq.
Helkel S. Hemminger, Esq.
Sarah A. Strack, Esq.

October 5, 2010

VIA FACSIMILE (671) 300-0265

President John Day
Pacific Data Systems
185 Ilipog Drive
HBC Suite 204A
Tamuning, Guam 96913

Re: **Denial of Protest of GCC Intent to Award IFB GCC-FB-015 to TeleGuam Holdings LLC**

Dear Mr. Day:

This letter is a formal denial of your August 3, 2010 protest and you have the right to pursue all administrative and judicial remedies. In my letter to you dated September 14, 2010, I indicated that GCC would conduct a separate inquiry regarding TeleGuam's responsibility regarding the shareholder affidavit. On September 30, 2010, TeleGuam provided GCC with the attached Major Shareholder's Disclosure Affidavit Exhibit "A." This new shareholder affidavit sufficiently ensures TeleGuam's responsibility pursuant to 2 G.A.R.R. §§ 3116(b)(3) and 3116(b)(2)(B).

Accordingly, after reviewing your concerns, here is the final response to your protest:

1. The bid bond substantially conforms to the bid bond requirements.
 - a. GCC acknowledges that "15% of the total bid amount" is written on TeleGuam's Bid Bond, dated May, 26, 2010, instead of a specific dollar

Letter to PDS October 5, 2010
Page 2 of 5

amount. However, the Notice of Intent to Award dated July 27, 2010 says that the amount of the contract is for \$111,110.00. 5 G.C.A. § 5212 requires the bid bond to be equal to 15% of the total bid amount. 15% of \$111,110.00 equals \$16,666.50. It is possible TeleGuam didn't know the exact figure for their total bid amount on May 26, 2010 when they signed the Bid Bond. Since the law requires the bid bond to equal 15% of the total bid amount, and the total bid amount is specified as \$111,110.00, an actual dollar amount can easily be determined. Therefore, TeleGuam's Bid Bond conforms to the legal requirements and is valid.

- b. John Kim is an officer and is authorized to sign documents on behalf of TeleGuam Holdings. John Kim is GTA's Vice President and Controller according to GTA's website for the Corporate Executive Team. See Exhibit "A." According to 18 G.C.A. § 15115 (E)(c), any contract or written instrument signed by a Vice President of a Limited Liability Company, is valid, even if that Vice President lacked authority to sign the contract. TeleGuam Holdings is an LLC. John Kim is a Vice President at TeleGuam Holdings. Therefore, John Kim can sign a contract on TeleGuam Holding's behalf.

2. TeleGuam's Major Shareholder Disclosure Affidavit substantially complies with Guam procurement law.

- a. John Kim can sign an affidavit on TeleGuam Holding's behalf for the same reasons stated in (1)(b), supra.

Letter to PDS October 5, 2010
Page 3 of 5

b. GCC acknowledges that TeleGuam's original Major Shareholders Disclosure Affidavit required further inquiry in order to determine whether TeleGuam was a responsible bidder. Guam Procurement policy promotes economy, efficiency, and effectiveness in the procurement of supplies and services by fostering competition and "providing safeguards for the maintenance of a procurement system of quality and integrity." 2 G.A.R. § 1102. In order to provide safeguards of integrity, 5 G.C.A. § 5233 requires:

"As a condition of bidding, partnership, sole proprietorship or corporation ... shall submit an affidavit executed under oath that lists the name and address of any person who has held more than ten percent (10%) of the outstanding interest or shares ... during the twelve (12) month period immediately preceding submission of a bid. The affidavit shall contain the number of shares or the percentage of all assets of such partnership, sole proprietorship or corporation which have [been] held by each such person during the twelve (12) month period ..."

TeleGuam's original Major Shareholders Disclosure Affidavit stated that TeleGuam Holdings LLC owns 100% of TeleGuam Holdings LLC. The documentation provided with PDS's protest was sufficient to raise questions regarding TeleGuam's responsibility and to ensure integrity in the procurement process. Accordingly GCC's procurement officer conducted a separate inquiry regarding TeleGuam's responsibility regarding this issue.

2 G.A.R.R. § 3116(b)(2) lists the factors to be considered in determining responsibility and includes whether a prospective contractor has:

(a) **Available the appropriate financial, material, equipment, facility, and personnel resources and expertise, or the ability to**

Letter to PDS October 5, 2010
Page 4 of 5

- obtain them, **necessary to indicate its capability to meet all contractual requirements;**
- (b) **A satisfactory record of performance;**
 - (c) **A satisfactory record of integrity;**
 - (d) **Qualified legally to contract with the territory; and**
 - (e) **Supplied all necessary information in connection with the inquiry concerning responsibility.** (Emphasis added.)

TeleGuam's failure to provide all required information relating to responsibility in the IFB is not fatal to the bidder, and information requested in IFBs can be supplemented after the submission of a bid to cure shortcomings in bid submissions. 2 G.A.R.R. § 3116(b)(3). The prospective contractor shall supply information requested by the Procurement Officer concerning the responsibility of the contractor. 2 G.A.R.R. § 3116(b)(2)(B). If such contractor fails to supply the requested information, the Procurement Officer may find the prospective contractor nonresponsible if such failure is unreasonable. *Id.*

Pursuant to these concerns, my September 14, 2010 response to you indicated that GCC would conduct a separate inquiry regarding TeleGuam's responsibility regarding the shareholder affidavit. On September 30, 2010, TeleGuam provided GCC with the attached Major Shareholder's Disclosure Affidavit. Exhibit "A." This new shareholder affidavit sufficiently ensures TeleGuam's responsibility pursuant to 2 G.A.R.R. §§ 3116(b)(3) and 3116(b)(2)(B). Therefore, the failure to provide all of the required information in the Major Shareholder's Affidavit is now cured.

3. TeleGuam's Non-Collusion Affidavit is valid for the same reasons stated in (1)(b), *supra*.

Letter to PDS October 6, 2010
Page 5 of 5

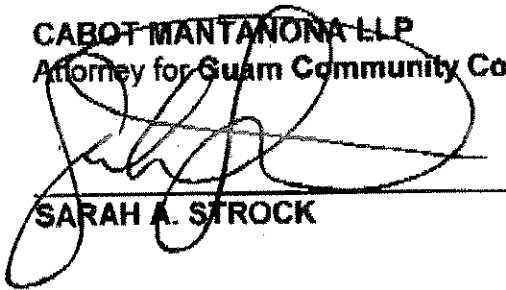
4. TeleGuam was not required to submit an Affidavit in order to comply with the General Terms and Conditions Instruction #32. No such requirement exists.

Accordingly, PDS's August 3, 2010 protest is denied and you have the right to pursue all administrative and judicial remedies.

Si Yu'os Ma'ase,

CABOT MANTANONA LLP
Attorney for Guam Community College

By:



SARAH A. STROCK



624 North Marine Corps Drive
Tamuning, Guam 96913
Tel: 671.644.0116
Fax: 671.644.0103
Email: jgamby@ogta.net

September 30, 2010

Carmen K Santos, CPA
Guam Community College
Vice President of Business and Finance
P.O. Box 23069
Barrigada, Guam 96913

Hafa Adai Ms. Santos:

Attached is the detailed data and information requested in your September 24, 2010 letter. The data and information is in conformance with 5GCA§5233 requirements.

Please call if you should have any more inquires.

Si Yu'us Ma'ase

A handwritten signature in black ink, appearing to read "Jennifer Sgambelluri", written over a horizontal line.

Jennifer Sgambelluri
Sr. Acct. Manager
Local Government

EXHIBIT "A"

MAJOR SHAREHOLDERS DISCLOSURE AFFIDAVIT

TERRITORY OF GUAM)

AGANA GUAM)ss:)

I, the undersigned, John Brady, CFO, being first (a partner or officer of the company of, etc.) Duly sworn, deposes and says;

1. That the persons who have held more than ten percent (10%) of the company's shares during the past twelve months are as follows;

Table with 3 columns: Name, Address, Percentage of Shares held. Rows include Shamrock Capital Advisors (60%), Will Wynperle, GE Asset Management, Inc (29%), and Dan Furman.

2. Persons who have received or are entitled to receive a commission, gratuity or Other compensation for procuring or assisting in obtaining business related to The bid for which this Affidavit is submitted are as follows:

Table with 3 columns: Name, Address, Amount of Gratuity or Other Compensation.

Further, affiant sayeth naught.

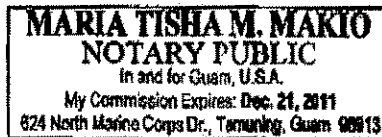
Date: Sept. 30, 2010

Signature of John Brady, CFO. Signature or individual if bidder is a sole proprietorship; Partner, if the bidder is a partnership; Officer, if the bidder is a corporation.

Subscribed and sworn to before me this 30th day of September, 2010.

By: [Signature]

Notary Public In and for the Territory of Guam My commission expires



6

MAJOR SHAREHOLDERS DISCLOSURE AFFIDAVIT

TERRITORY OF GUAM)

)ss:
AGANA, GUAM)

I, the undersigned, John J. Kim, being first
(a partner or officer of the company of, etc.)
duly sworn, deposes and says:

1. That the persons who have held more than ten percent (10%) of the company's shares during the past twelve months are as follows:

| <u>Name</u> | <u>Address</u> | <u>Percentage of Shares Held</u> |
|------------------------|--|----------------------------------|
| TeleGuam Holdings, LLC | 624 N Marine Corps Drive, Tamuning, Guam 96913 | 100% |
| _____ | _____ | _____ |
| _____ | _____ | _____ |
| _____ | _____ | _____ |
| | Total Number of Shares | 100% |

2. Persons who have received or are entitled to receive a commission, gratuity or Other compensation for procuring or assisting in obtaining business related to the bid for which this Affidavit is submitted are as follows:

| <u>Name</u> | <u>Address</u> | <u>Amount of Gratuity or Other Compensation</u> |
|-------------|----------------|---|
| _____ | _____ | _____ |

Further, affiant sayeth naught.

Date: 6-3-2010

John J. Kim, Controller

Signature of individual if bidder is a sole proprietorship; Partner, if the bidder is a partnership; Officer, if the bidder is a corporation.

Subscribed and sworn to before me this

3rd day of June

15 2010

By Maria Makio

Notary Public _____
In and for the Territory of Guam
My commission expires _____

MARIA TISHA M. MAKIO
NOTARY PUBLIC
In and for Guam, U.S.A.
My Commission Expires: **Dec. 21, 2011**
624 North Marine Corps Dr., Tamuning, Guam 96913

EXHIBIT "6"