

International Bureau

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June 29, 2007

Ref: 2007-27

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 Josephine Scarlett (202) 482-5461  
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Re: Section 214 & 310(b)(4) and Cable Landing License Application

Dear Sir or Madam:

Please review the following applications and advise us whether you have any national security, law enforcement, foreign policy or trade concerns by C.O.B. July 18, 2007, because we are prepared to take action on these applications. **Electronic filed (e-file) applications are able to be viewed by accessing [www.fcc.gov/ibfs](http://www.fcc.gov/ibfs) and searching by the file number.**

**ITC-214-20070621-00241(e-file)**

168 Global Networks LLC's application for authority to provide global facilities-based and resale services between the United States and permissible international points. Two citizens of the **Philippines**, each of whom owns 51% and 49% of the applicant, respectively.

**ITC-214-20070627-00248(e-file)**

Nortel Networks Corp.'s application for resale authority between the United States and permissible international points. Applicant is incorporated and located in **Canada**.

**ITC-214-20070626-00246(e-file)**

SanCom Wireless Puerto Rico License Co., LLC's application for resale authority between the United States and permissible international points. Applicant is indirectly 17.2% owned by a **Bermuda** corporation, and indirectly 19.3% owned by a **Cayman Island's** corporation.

**SCL-LIC-20070621-00009(e-file) Sydney-Hawaii Cable**

An application for authority to construct, land and operate a non-common carrier high capacity fiber-optic submarine cable system extending between Sydney, Australia and Keawaula, Hawaii (Sydney-Hawaii Cable System). Applicant, Telstra Incorporated (Telstra USA), is indirectly wholly-owned by Telstra Corporation Limited (Telstra), an **Australian** company. The Future Fund Board of Guardians holds approximately 17% of Telstra's shares.

**Telstra agrees to abide by the Agreement** by and between Reach Ltd., Telstra Corporation Limited, and Pacific Century CyberWorks Limited, on the one hand, and the Federal Bureau Investigation, the U.S. Department of Justice, and the U.S. Department of Homeland Security, dated **November 29, 2001**, as amended.

**ISP-PDR-20070531-00009 (e-file)**

**SES-T/C-20070531-00738**

**SES-AMD-20070531-00739**

SkyWave Mobile Communications, Corp. (SkyWave or the "Petitioner") requests a declaratory ruling that it is in the public interest for SkyWave to have indirect foreign ownership in excess of the 25 percent benchmark under section 310(b)(4) of the Communications Act of 1934, as amended. Specifically, SkyWave seeks approval for up to 100% indirect foreign ownership by the foreign individuals and entities named in the petition. In addition, SkyWave seeks approval for foreign ownership that would result from the conversion of warrants and stock options for its ultimate parent company, SkyWave Mobile Communications, Inc. (SMCI). It also seeks approval for the named foreign investors and other foreign investors to acquire up to and including an additional, aggregate 25% indirect equity and/or voting interests without seeking further Commission approval under section 310(b)(4). SkyWave has filed a companion application for consent to the pro forma transfer of control of its blanket mobile earth terminal license (File No. **SES-T/C-20070531-00738**) and an amendment to its pending Title III application to use the Inmarsat 4F2 satellite (**SES-AMD-20070531-00739**) in its provision of Inmarsat D+ service.

SkyWave is a Delaware corporation that is wholly owned by SkyWave Mobile Holdings, Corp. (SMHC), a Delaware holding company. SMHC, in turn, is wholly owned by SMCI, a **Canadian** corporation. On January 8, 2004, the Commission issued SkyWave a declaratory ruling that approved its 100% indirect foreign ownership by SMCI and SMCI's named Canadian shareholders, subject to certain conditions. Public Notice, DA 04-25, **19 FCC Rcd 275** (IB 2004) (granting ISP-PDR-20030311-00006) ("2004 Ruling"). According to the Petitioner, on April 20, 2007, new shareholders acquired ownership interests in SMCI as part of a new round of financing. Petitioner states that, when these new shareholdings are combined with existing shareholdings not previously approved in the 2004 Ruling, the combined amount exceeds the allowance permitted under the ruling for an additional, aggregate 25% indirect foreign equity and voting interests in SkyWave.

Petitioner seeks approval for the following individuals and entities to hold indirect equity and voting interests in SkyWave, in addition to the shareholders previously approved in the 2004 Ruling: Mahkota SA (organized in **Luxembourg** with a principal place of business in Luxembourg or Brunei) (25.16%); Partenon Holdings, LLC (U.S.-organized with a principal place of business in **Brazil**) (2.52%); GTI V, LP and GTI V (NR), LP (both organized and principally conducting business in **Canada** (collectively, 8.37%); 1168433 Ontario, Inc. (organized and principally conducting business in Canada) (0.26%); and **four named Canadian citizens** (collectively, 0.69%). SMCI shareholders approved in the 2004 Ruling continue to hold equity and voting interests as specified in the petition, at levels below those approved in the 2004 Ruling.

Petitioner also requests approval for warrants and stock options for SMCI so that these convertible interests can be redeemed without further Commission approval under section 310(b)(4). In particular, MMV Financial, a **Canadian** corporation with its principal place of business in Canada, holds warrants that, if exercised, would represent an equity and voting interest of approximately 1.29% based on the current number of outstanding shares of SMCI. SkyWave also seeks approval for stock options that have been granted but not exercised under SMCI's employee stock option plan. The named individuals that hold granted stock options are citizens of **Canada, Brazil, China, Peru, Singapore, Hong Kong, and Mexico**.

Petitioner asserts that, pursuant to the rules and policies established in the Commission's Foreign Participation Order, 12 FCC Rcd 23891 (1997), Order on Reconsideration, 15 FCC Rcd 18158 (2000), the indirect foreign equity and voting interests for which it seeks approval are consistent with the public interest.

If we do not hear from you by **C.O.B. July 18, 2007**, we will assume that you do not have any concerns with the above listed applications.

Sincerely,



George Li, Deputy Chief  
Policy Division

George Li

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Veronica Garcia-Llloa

**From:** Veronica Garcia-Llloa  
**Sent:** Friday, June 29, 2007 11:03 AM

**To:** 'robert.elmen@ic.fbi.gov'; 'paul.kozak@ic.fbi.gov'; 'Amy.Jablonek@usdoj.gov';  
'Dominic.Pastore@usdoj.gov'; 'dklein1@leo.gov'; 'edward.hand@usdoj.gov';  
'hillary.Morgan@disa.mil'; 'jscarlett@ntia.doc.gov'; 'kschnagrin@ustr.gov';  
'Louis.brenner@dhs.gov'; 'tina.gabbrielli@dhs.gov'; 'Brian.williams@associates.dhs.gov';  
'joseph.springsteen@usdoj.gov'; 'vbarrish@askcalae.net'; 'maydc@state.gov';  
'lettsw@state.gov'; 'Denise.pontacoloni@associates.HQ.DHS.GOV';  
'alane.kochems@associates.HQ.DHS.GOV'; 'sigal.mandelker@usdoj.gov';  
'jonathan.frenkel@dhs.gov'; 'Stephen.heifetz@dhs.gov'; 'jennifer.Underriner@usdoj.gov';  
'Christopher.Siefken@ic.fbi.gov'; 'jpifer@leo.gov'; 'albert.pinto@hq.dhs.gov';  
'DWells@ostp.eop.gov'; 'Erica.Bomsey@dhs.gov'; 'Alex.Daman@dhs.gov'; 'Kishiyama,  
Lonnie'

**Cc:** George Li; Susan OConnell; David Krech; Joann Ekblad; Mikelle Morra; Janeese Parker;  
Veronica Garcia-Llloa; Imani Ellis; James Ball

**Subject:** Cover Letter 2007-27

**Attachments:** Executive Branch 2007-27(1).doc

Good Afternoon,

Attached is Cover Letter 2007-27.

Thank you,

Veronica Garcia-Llloa  
Veronica.Garcia-Llloa@fcc.gov  
International Bureau/ Policy Division  
202-418-0481

6/29/2007



Federal Communications Commission  
Washington, D.C. 20554

PS

International Bureau

June 26, 2007

Mr. Steven Lett  
Deputy U.S. Coordinator  
Office of International Communications and Information Policy  
Bureau of Economic, Energy and Business Affairs-Room 4826  
U.S. Department of State  
2201 C Street, N.W.  
Washington, D.C. 20520-5818

Re: Telstra Incorporated/Sydney-Hawaii Cable System  
**SCL-LIC-20070621-00009**

Dear Mr. Lett:

We have received an application (File No. SCL-LIC-20070621-00009) for authority to construct, land and operate a non-common carrier high capacity fiber-optic submarine cable system extending between Sydney Australia and Keawaula, Hawaii (Sydney-Hawaii Cable System). Applicant, Telstra Incorporated (Telstra USA), is indirectly wholly-owned by Telstra Corporation Limited (Telstra), an **Australian** company. The Future Fund Board of Guardians holds approximately 17% of Telstra's share.

The above-referenced application has been filed pursuant to the provisions of the Cable Landing License Act, 47 U.S.C. §§ 34-39, section 1.767 of the Commission's rules, 47 C.F.R. § 1.767, and Executive Order No. 10530, § 5(a) (May 10, 1954), reprinted as amended in 3 U.S.C. § 301. **The applicant has certified that on June 21, 2007, it has mailed copies of the application to the Department of State, NTIA, and DOD as required by the Commission's rules 47 C.F.R. § 1.767 (j).**

This letter begins the 30-day review process set out in the letter from the Under Secretary of State for Economic, Business, and Agricultural Affairs to the Chairman, Federal Communications Commission (dated Dec.3, 2001).

Yours truly,

George Li  
Deputy Chief, Policy Division

cc: Doug May, DOS/EB/CIP  
Josephine Scarlett, DOC/NTIA/OC  
Hilary Morgan, DOD, DISA

**George Li**

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**From:** Janeese Parker  
**Sent:** Tuesday, June 26, 2007 12:13 PM  
**To:** 'jscarlett@ntia.doc.gov'; 'hillary.Morgan@disa.mil'; 'maydc@state.gov'; 'lettsw@state.gov'  
**Cc:** Mikelle Morra; David Krech; Susan OConnell; George Li; Imani Ellis; Joann Ekblad; Veronica Garcia-Ulloa; James Ball; Kathleen Collins  
**Subject:** Telstra Incorporated/Sydney-Hawaii Cable System  
**Attachments:** State Letter 6.26.2007.doc

Good Afternoon,

Attached is our letter to begin the 30-day review process.

Thank You!

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*Janeese Parker*  
*Federal Communications Commission*  
*International Bureau/Policy Division*  
*Phone: (202) 418-0707*  
*E-mail: Janeese.Parker@fcc.gov*

6/26/2007