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March 25, 2011

VIA IBFS

Marlene Dortch
Secretary
Federal Communications Commission
445-12th Street SW
Washington, D.C. 20554

Re: Notification pursuant to Section 63.24(f) of the Commission's Rules of
Pro Forma Transactions

Reach Ltd. – File Nos. ITC-MOD-20070201-00057, ITC-214-20070418-
00153

Dear Ms. Dortch:

Reach Ltd. and its wholly-owned subsidiaries Reach Services (USA) Inc., Reach Global Networks Ltd. (“RGNL”), and Reach Global Services Limited (Hong Kong) (“RGSL;” Reach Ltd., Reach Services (USA) Inc., RGNL, and RGSL, collectively “REACH”), together with Telstra Incorporated (“Telstra USA”) and Telstra Holdings Pty Limited (ABN 33 057 808 938) (“Telstra Holdings;” REACH, Telstra USA, and Telstra Holdings, collectively the “Parties”), by their attorneys, hereby notify the Commission of two (2) *pro forma* transactions pursuant to Section 63.24(f) of the Commission's Rules. As discussed in more detail below, REACH has assigned certain telecommunications assets to Telstra USA, and Reach Ltd. has transferred control of RGSL to Telstra Holdings, in connection with a restructuring of certain assets of REACH. PCCW Limited (“PCCW”) and Telstra Corporation Limited (ABN 33 051 775 556) (“Telstra”) each hold a 50 percent indirect ownership interest in Reach Ltd.; Telstra USA and Telstra Holdings are wholly-owned indirect subsidiaries of Telstra. As such, these transactions are *pro forma* under Commission precedent.

Reach Ltd. holds international Section 214 authorizations granted in File Nos. ITC-MOD-20070201-00057 (global or limited global facilities-based and resale authority to serve all locations except Kiribati) and ITC-214-20070418-00153 (facilities-based and resale

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authority to serve Kiribati). Reach Services (USA) Inc., RGNL, and RGSL, as wholly-owned subsidiaries of Reach Ltd., provide international telecommunications services under Reach Ltd.'s international Section 214 authority pursuant to Section 63.21(h) of the FCC Rules.¹ Reach Ltd. and its subsidiaries are treated as dominant carriers on the U.S.-Australia and U.S.-Hong Kong routes because of their affiliation with PCCW and Telstra.

On January 26, 2011, Telstra and PCCW entered into agreements to restructure the assets of Reach Ltd. Pursuant to these agreements, on February 28, 2011, Reach Ltd. assigned control of RGSL to Telstra Holdings. In addition, certain assets of REACH, including but not limited to contracts for the provision of U.S. services to customers, were assigned to Telstra USA. The ownership of Reach Ltd. by Telstra and PCCW was not affected by this restructuring; *i.e.*, Telstra and PCCW each continue to hold a 50 percent ownership interest in Reach Ltd. through intermediaries. Reach Ltd. continues to hold the Section 214 authority captioned above, and Reach Services (USA) Inc. and RGNL remain wholly-owned subsidiaries of Reach Ltd.² Reach Ltd., Reach Services (USA) Inc., and RGNL continue to be treated as dominant carriers on the U.S.-Australia and U.S.-Hong Kong routes. Diagrams showing the corporate structure of the Parties pre- and post-close are provided in Attachment A.

These transactions are *pro forma* transactions under Commission precedent. The Commission has consistently recognized that a transaction in which an existing stockholder with negative (50 percent) control assumes positive control by acquiring the remaining 50 percent interest is a *pro forma* transaction because the Commission has already reviewed and approved the qualifications of the stockholder assuming positive control.³ The transactions serve the public interest, as they give Telstra greater control over the platform used to deliver end-to-end services, thereby improving the quality of service offered to Telstra's enterprise and global service provider customers. Furthermore, RGSL accepts continued dominant carrier treatment on the U.S.-Hong Kong and U.S.-Australia routes.⁴

¹ See Application of Reach Ltd. in File No. ITC-214-20070418-00153, filed Apr. 18, 2007; Letter from R. Edward Price, Attorney, Vinson & Elkins, to William B. Caton, Acting Secretary, FCC, Apr. 10, 2002, in File No. ITC-214-20001228-00771.

² Similarly, RGNL continues to hold its cable landing license for the Japan-U.S. cable system (*see* File No. SCL-T/C-20061204-00013). That license is not affected by these transactions.

³ See *Central Dakota TV, Inc.*, 19 FCC Rcd. 21005, ¶ 11 (2004); *Metromedia, Inc.*, 98 F.C.C. 2d 300, ¶ 8 (1984); *Pyramid Broadcasting Corp.*, 51 RR 2d 1262, FCC 82-279, ¶ 10 (1982); *Barnes Enterprises, Inc.*, 55 F.C.C. 2d 721, n.4 (1975).

⁴ The Parties note that Reach Ltd., Telstra, and PCCW, on the one hand, and the Federal Bureau of Investigation ("FBI"), the U.S. Department of Justice ("DOJ"), and the U.S. Department of Homeland Security ("DHS"), on the other hand, are parties to a national

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In accordance with Section 63.24(f)(2), the Parties provide the following information:

(i) *The information requested in paragraphs (a) through (d) and (h) of §63.18 for the transferee/assignee:*

(a) The address and telephone number of Telstra Holdings (transferee of RGSL):

Telstra Holdings Pty Limited (ABN 33 057 808 938) (“Telstra Holdings”)
Level 41, 242 Exhibition Street
Melbourne, VIC 3000
Australia
Tel: (613) 8647 3884

The address and telephone number of Telstra USA (assignee of REACH assets):

Telstra Incorporated (“Telstra USA”)
40 Wall Street
44th Floor
New York, New York 10005
(212) 863-2800

(b) Telstra Holdings is an Australian company. Telstra USA is a U.S. corporation.

(c) Correspondence concerning this notice should be sent to:

security agreement effective November 29, 2001, as amended. This agreement does not require Reach Ltd., Telstra, or PCCW to provide copies of this notification to FBI, DOJ, or DHS, or request that the FCC condition any action in response to this notification upon compliance with the agreement, since the transactions notified herein are *pro forma* in nature. Regardless, the Parties plan to provide a courtesy copy of this notification to FBI, DOJ, and DHS upon filing the notification with the Commission.

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Amy Rosen
General Counsel
Telstra Incorporated
40 Wall Street
44th Floor
New York, New York 10005
(212) 863-2800
amy.rosen@teamus.telstra.com

with copy to:

Robert J. Aamoth
Joan M. Griffin
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3050 K Street, N.W.
Washington, D.C. 20007
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raamoth@kelleydrye.com
jgriffin@kelleydrye.com

- (d) Telstra Holdings holds no Section 214 authority. Telstra USA holds international Section 214 authority to provide facilities-based and resold international telecommunications services. *See* File Nos. ITC-214-19970610-00320 (old file no. ITC-97-320) (facilities-based service between the U.S. and Australia); ITC-214-19970610-00321 (old file no. ITC-97-319) (facilities-based service between the U.S. and all approved international points, except Australia); ITC-214-19960610-00238 (old file no. ITC-96-321) (resold switched and non-interconnected private line services between the U.S. and all approved international points, except Australia); ITC-214-19960610-00241 (old file no. ITC-96-320) (international simple resale services between the U.S. and all approved international points); ITC-214-19960610-00240 (old file no. ITC-96-319) (international simple resale and resold switched and private line services between the U.S. and Australia).
- (h) As of February 28, 2011, RGSL is a wholly-owned subsidiary of Telstra Holdings, and Telstra USA holds certain assets transferred to it by REACH. Telstra USA is a wholly-owned subsidiary of Telstra Holdings, an Australian company and a holding company. Telstra Holdings' address is as follows:

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Telstra Holdings Pty Limited (ABN 33 057 808 938)
Level 41, 242 Exhibition Street
Melbourne, VIC 3000
Australia

Telstra Holdings is wholly owned by an Australian telecommunications company, Telstra Corporation Limited (ABN 33 051 775 556) (“Telstra”). The address of Telstra is as follows:

Telstra Corporation Limited (ABN 33 051 775 556)
242 Exhibition Street
Melbourne, VIC 3000
Australia

The Future Fund Board of Guardians (“Future Fund Board”) holds 5.6 percent of the ownership interest in Telstra. The Future Fund Board is a Commonwealth investment fund organized under the laws of the Commonwealth of Australia as a Commonwealth Government Entity. The Future Fund was set up to strengthen the Commonwealth’s long-term finances by providing for its unfunded employees retirement plan liabilities. The Future Fund Board is a separate legal entity from the Commonwealth, is responsible for investment decisions of the Future Fund, and holds the Future Fund’s assets for and on behalf of the Commonwealth. The Future Fund Board has rights and obligations like any other Telstra shareholder and thus does not have *de facto* control of Telstra. The address of the Future Fund Board is as follows:

Future Fund Board of Guardians
Locked Bag 22010
Melbourne, VIC 3001
Australia

Post-close, no other entity or individual holds a 10 percent or greater ownership or voting interest in Telstra USA or Telstra Holding as calculated under the Commission’s ownership attribution rules.

The following director of Telstra USA is also a director of a foreign carrier:

Henry Hon – Telstra Japan Retail KK, Telstra Singapore Pte Ltd and Telstra Limited

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The following officers or director of Telstra Holdings are also officers or directors of a foreign carrier:

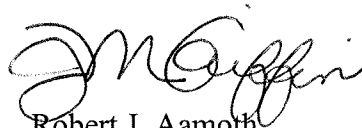
Mark James Henty Hall - Telstra Multimedia Pty Limited, Telstra Clear Limited

Susan Joy Vertigan - Telstra Multimedia Pty Limited

- (ii) *A certification that the transfer of control or assignment was pro forma and that, together with all previous pro forma transactions, it does not result in a change in the actual controlling party.*

Please see Attachment B.

Sincerely,



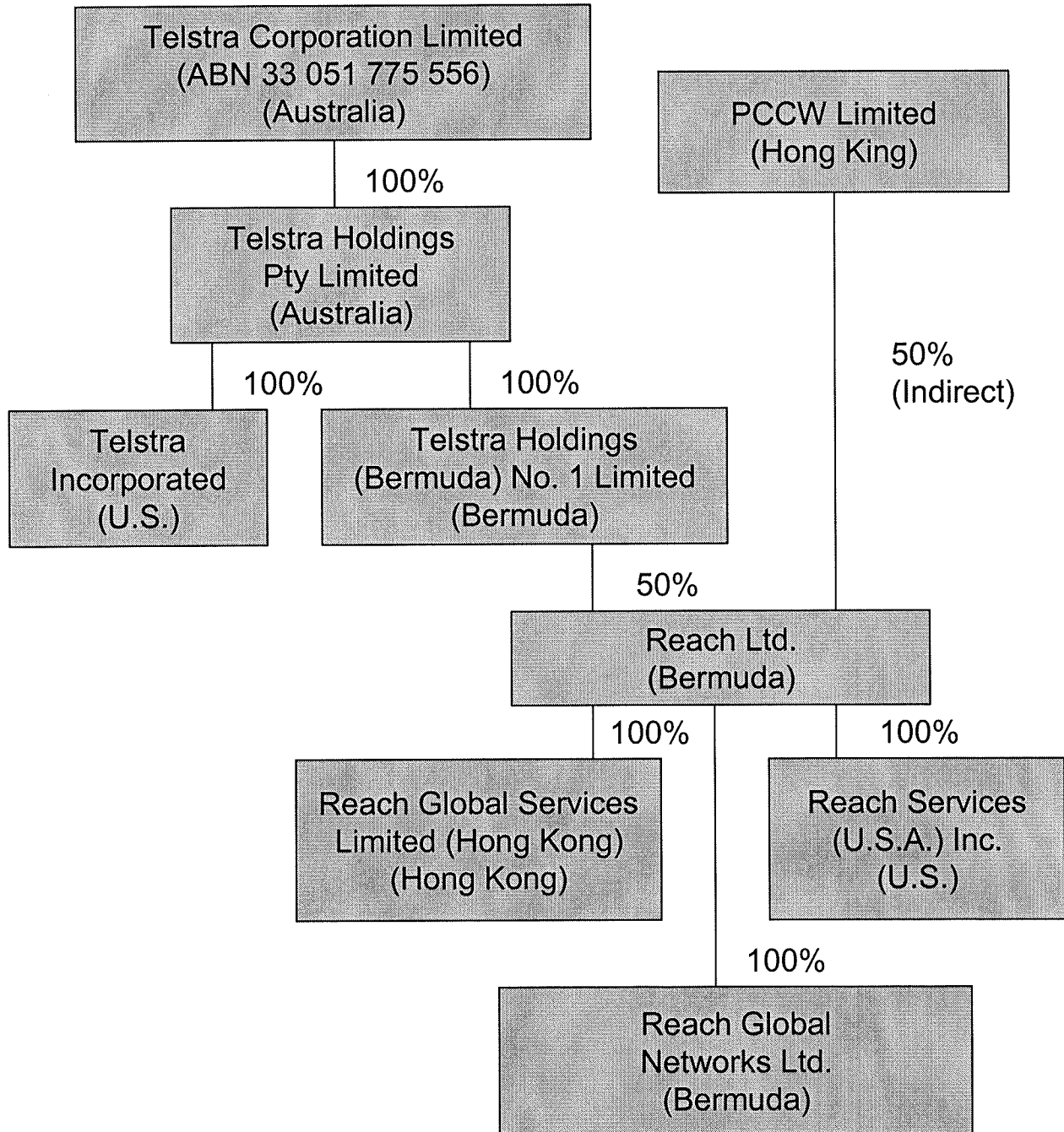
Robert J. Aamoth
Joan M. Griffin
Their Attorneys

ATTACHMENTS

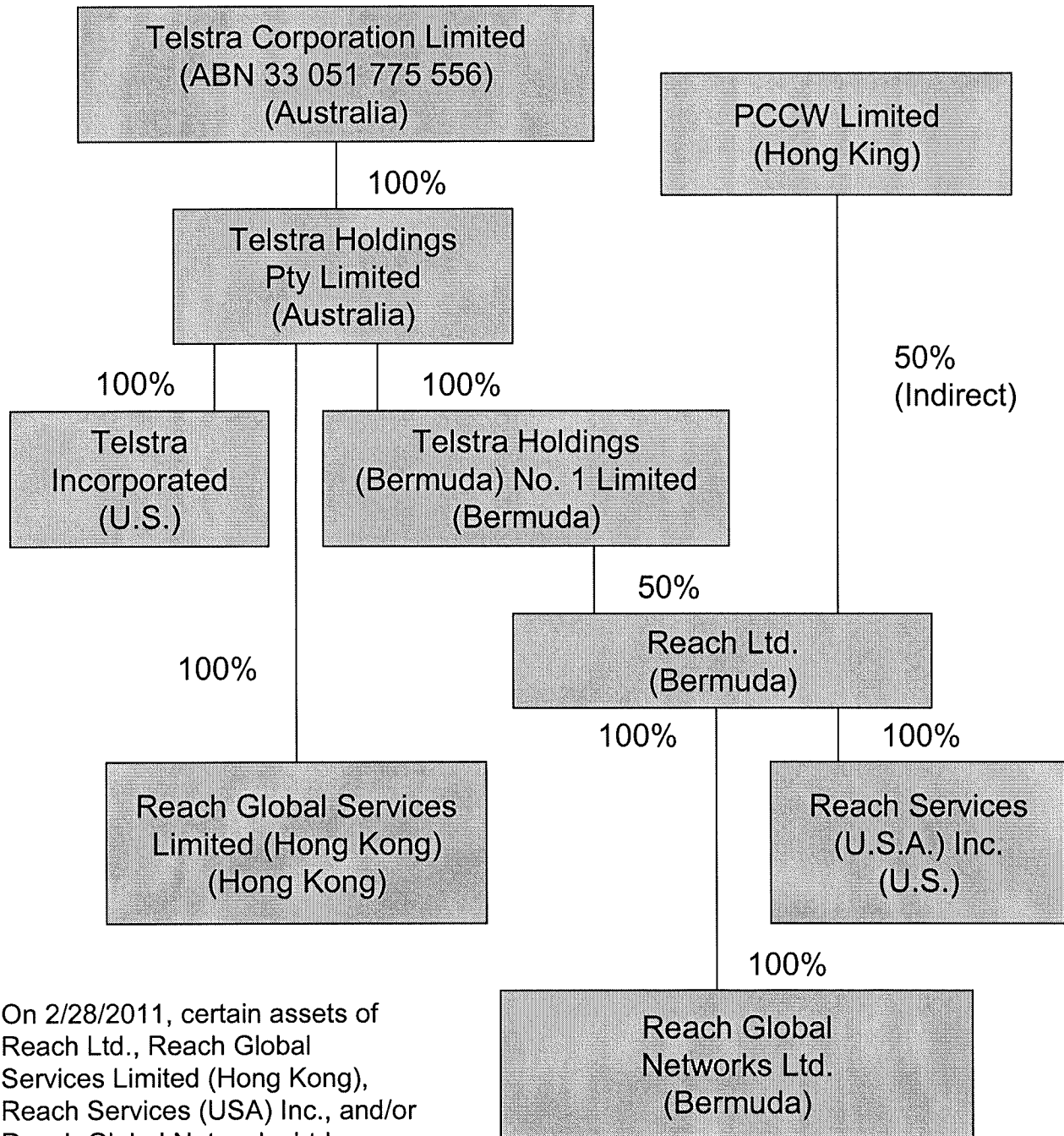
Attachment A
Attachment B-1
Attachment B-2

Corporate Structure Diagrams
Certificate of Telstra USA and Telstra Holdings
Certificate of REACH

REACH Corporate Structure Before 2/28/2011



REACH Corporate Structure After 2/28/2011



On 2/28/2011, certain assets of Reach Ltd., Reach Global Services Limited (Hong Kong), Reach Services (USA) Inc., and/or Reach Global Networks Ltd. were assigned to Telstra Incorporated.

ATTACHMENT B-1

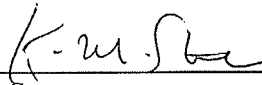
The undersigned hereby certifies, on behalf of Telstra Incorporated and Telstra Holdings Pty Limited (ABN 33 057 808 938) and with respect to the foregoing notification of the *pro forma* transfer of control of Reach Global Services Limited (Hong Kong) to Telstra Holdings Pty Limited (ABN 33 057 808 938) and *pro forma* assignment of assets from Reach Ltd., Reach Services (USA) Inc., Reach Global Networks Ltd., and Reach Global Services Limited (Hong Kong) to Telstra Incorporated, that the statements in the notification are true and correct to the best of my belief and are made in good faith; that the transfer and assignment were *pro forma* as described in Section 63.24(a) of the Commission's Rules; and that these transactions, together with all previous *pro forma* transactions, do not result in a change in ultimate control.

By: 
Bindu Bhagyshri Gokhale
Company Director – Telstra Holdings Pty Ltd

Date: 24/03/2011

ATTACHMENT B-2

The undersigned hereby certifies, on behalf of Reach Ltd., Reach Services (USA) Inc., Reach Global Networks Ltd., and Reach Global Services Limited (Hong Kong) and with respect to the foregoing notification of the *pro forma* transfer of control of Reach Global Services Limited (Hong Kong) to Telstra Holdings Pty Limited (ABN 33 057 808 938) and *pro forma* assignment of assets from Reach Ltd., Reach Services (USA) Inc., Reach Global Networks Ltd., and Reach Global Services Limited (Hong Kong) to Telstra Incorporated, that the statements in the notification are true and correct to the best of my belief and are made in good faith; that the transfer and assignment were *pro forma* as described in Section 63.24(a) of the Commission's Rules; and that these transactions, together with all previous *pro forma* transactions, do not result in a change in ultimate control.

By: 
Martin Stone
General Counsel

Date: 24, 3, 11