

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of Application of)

Cyan Security USA, Inc., *Licensee*)

And)

Cyan AG, *Transferee*)

For Consent to a Transaction That Will Result in)
a Change of Control of a Company Holding an)
International Authority Pursuant to Section 214)
of the Communications Act of 1934, as Amended)

ITC-STA-2020 _____ - _____

REQUEST FOR SPECIAL TEMPORARY AUTHORITY

Pursuant to Section 214 of the Communications Act (the “Act”), 47 U.S.C. § 214, and Section 63.25 of the Federal Communications Commission’s (“Commission’s”) rules, 47 C.F.R. §63.25, Cyan AG (“Cyan AG”) hereby requests special temporary authority (“STA”) to hold, indirectly, an international Section 214 authorization pending Commission review of an application for approval of a transfer of control. Contemporaneously with this STA request, Cyan Security USA, Inc., f/k/a I-New USA, Inc. (“Cyan Security USA”, together with Cyan AG, the “Applicants”)¹ and Cyan AG are filing an Application with the Commission to approve the transfer of control of Cyan Security USA to Cyan AG, IB File No. 2020002402 (filed August 31, 2020) (the “Application”).

As described in the Application, Cyan AG inadvertently indirectly acquired Cyan Security USA without Commission approval as Cyan AG was unaware of the need to obtain

¹ In the context of the transaction described in the Application, effective November 29, 2019, I-New USA, Inc.’s name was changed to Cyan Security USA, Inc.

FCC approval of the acquisition.² Cyan AG respectfully requests that the Commission grant this STA to permit Cyan AG to hold, indirectly through its ownership of Cyan Security USA, the Section 214 authorization for a period of 180 days (6 months), or until the Application for transfer of control is approved, whichever is later.

I. BACKGROUND

Cyan AG, through its subsidiaries, is a leading European provider of white label information technology security solutions for end user customers of Mobile Network Operators (“MNO”)/Mobile Virtual Network Operators (“MVNO”) telecommunications providers, banks, and insurance companies. Cyan AG provides a comprehensive array of security services including, among others, network-integrated solutions for fixed-line and mobile networks, endpoint solutions for customer devices, and digital and cloud-based operations support systems and business support systems for MNOs, MVNOs, and Mobile Virtual Network Enablers (“MNVEs”). Cyan AG, which operates as a holding company, is publicly-traded and formed under the laws of Germany. Cyan AG has developed a strong customer base of global telecommunications providers and is poised to enter the United States market with its robust experience and assets as an IT services provider in the telecommunications market.

Cyan Security USA is a Delaware corporation and, in 2017, it was granted international Section 214 authority to provide global and limited global resale international

² Cyan AG also was unaware that Cyan Security USA was a party to a Letter of Agreement with the United States Department of Justice (“DOJ”). *See* Letter of Agreement, from Peter Nussbaumer, and Peter Bayer, I-New USA, Inc., to Assistant Attorney General for National Security, United States Department of Justice (May 29, 2017).

telecommunications services.³ Cyan Security USA, however, has not commenced providing any services and has no customers.⁴

On July 10, 2018, Cyan AG entered into an agreement with Novomatic AG to acquire a 76.81% interest in I-New Unified Mobile Solutions AG (“I-New Unified”), the direct parent of Cyan Security USA (the “Transaction”).⁵ The Transaction was consummated on July 30, 2018 without Commission approval. Cyan subsequently acquired the remaining interests in I-New Unified and now holds a direct 100% interest in I-New Unified and an indirect 100% interest in Cyan Security USA. Cyan AG regrets having closed the Transaction without obtaining Commission approval. As discussed in more detail below, Cyan AG has begun taking the necessary steps to ensure compliance with Commission rules. Accordingly, Cyan AG requests this STA to allow it to indirectly hold the Section 214 authorization pending FCC review of the Transaction.

II. PUBLIC INTEREST CONSIDERATIONS

Grant of this STA is in the public interest.⁶ Allowing Cyan AG indirectly to hold an international Section 214 authorization, through Cyan AG’s ownership of Cyan Security USA, pending Commission review of the Transaction will benefit the U.S. international telecommunications market once Cyan Security USA begins operations.

Cyan AG provides a comprehensive suite of IT security services and has expanded its operations to become an active link in the provision of telecommunications security services in

³ ITC-214-20160329-00127 (granted June 22, 2017).

⁴ Cyan Security USA has also not commenced any domestic operations and is therefore not deemed to hold a blanket domestic Section 214 authorization.

⁵ Information regarding Novomatic is accurate to the best of Cyan AG’s knowledge. Novomatic declined to provide a verification.

⁶ 47 U.S.C. § 214(a) (The Commission may permit temporary operation upon request when present or future public convenience and necessity requires).

the Latin American markets. Once Cyan Security USA commences operations in the United States, it will be able to draw on Cyan AG's experience and will benefit from Cyan AG's successful foundation in providing a wide range of valuable IT solutions to MNOs and MVNEs. Furthermore, Cyan Security USA will benefit from the skilled management of the Cyan AG team, which has more than a decade of experience in the telecommunications industry in Europe and Latin America. Cyan AG is a financially secure company and Cyan Security USA will have access to those resources, as well as economies of scale, allowing Cyan Security USA to remain on track to launch its operations and benefit the U.S. markets in the near term.

Moreover, granting the STA will have no adverse impact in the U.S. international telecommunications market. At this point, Cyan Security USA has no operations and no customers and have never been operational since obtaining its Section 214 license in 2017. As Cyan Security USA has yet to actively use the Section 214 license and has no U.S. customers or network to impact, granting this STA will not harm any customers or the communications ecosystem. Public interest considerations and the lack of adverse impact weigh in favor of granting the temporary STA.

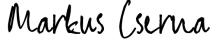
Cyan AG regrets having closed the Transaction for the transfer of control of Cyan Security USA without Commission approval, and is taking additional steps toward compliance moving forward. The Applicants acted in good faith to rectify the error by enlisting counsel and notifying the Commission to gain the proper authorization of the transfer of control. Cyan AG has identified a senior executive with responsibility for compliance with Commission regulations. Cyan AG also has appointed a compliance officer in the Company's headquarters to oversee Cyan AG's overall compliance with its international operations and operations in the

U.S. and identified a senior executive position to support compliance with Cyan Security USA's U.S. regulatory obligations.

For the foregoing reasons, Cyan AG respectfully requests that the Commission grant this STA to allow Cyan AG to continue to hold, indirectly through its ownership of Cyan Security USA, an international Section 214 authorization for a period of 180 days (six months) or until the Application is approved, whichever is longer. The Applicants acknowledges that the grant of this STA will not prejudice any action the Commission may take on the Application, and the STA may be revoked by the Commission upon its own motion without a hearing.


Respectfully submitted,

Cyan AG

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