

GLOBENET

September 20, 2000

VIA HAND DELIVERY

Magalie Roman Salas, Secretary
Federal Communications Commission
The Portals
445 Twelfth Street, S.W., TW-A325
Washington, D.C. 20554

**Re: Acquisition of GlobeNet Communications Group Limited by 360networks inc.
FCC File Nos. ITC-T/C-20000328-00186; SCL-T/C-20000328-00010;
SCL-LIC-19990602-00010; SCL-95-009; SCL-19990303-00004; and
ITC-98-321.**

Dear Ms. Salas:

This letter is submitted on behalf of 360networks inc. ("360networks") to request the Commission's consent to three *pro forma* transactions concerning the FCC authorizations held by the subsidiaries of GlobeNet Communications Group Limited ("GlobeNet").

Background. On June 19, 2000, the Commission consented to the transfer of control of submarine cable landing licenses and a Section 214 authorization held by the subsidiaries of GlobeNet to 360networks.¹ The transaction was consummated on June 20, 2000. The Commission was formally notified of the consummation on July 17, 2000. 360networks now seeks to perform three *pro forma* transactions as part of a corporate reorganization designed to integrate the operations of GlobeNet and 360networks.

¹ In re Acquisition of GlobeNet Communications Group Limited by 360networks inc., *Mem. Op. and Order*, DA 00-1348 (rel. June 20, 2000).

Transfer of Control. The first transaction will result in the transfer of control of GlobeNet from 360networks to a wholly-owned, indirect subsidiary of 360networks. Pursuant to this transaction, the shares of GlobeNet will be transferred to 360networks (infrastructure) holdings ltd. ("360 infrastructure"), a Canadian corporation that is wholly owned by 360networks. Then, 360 infrastructure will immediately transfer its interest in GlobeNet to 360atlantic (Bermuda1) holdings ltd. ("Bermuda1"). Bermuda1 is a Bermuda corporation that is wholly-owned by 360 infrastructure. Thus, 360networks will continue to control GlobeNet as its ultimate corporate parent. However, Bermuda1 will become GlobeNet's immediate corporate parent. A diagram depicting this ownership structure is attached hereto as Exhibit A.

Information concerning the foreign affiliations and 10% or greater shareholders of 360networks was previously submitted in File Nos. SCL-T/C-20000328-00010 and ITC-T/C-20000328-00186. The same information is applicable to Bermuda1 as a wholly-owned indirect subsidiary of 360networks. Bermuda1 also confirms that it has no interlocking directorates with a foreign carrier.

Assignments.

BUS-1 Cable Landing License: The second transaction for which 360networks seeks Commission approval is the assignment of the BUS-1 cable landing license from TeleBermuda International, LLC ("TBI LLC") to Elbac Cable Corporation ("Elbac"). TBI LLC is currently wholly-owned and controlled by TeleBermuda International Limited ("TBI Ltd."), an indirect, wholly-owned subsidiary of GlobeNet.² This transaction will be effected by the transfer of TBI Ltd.'s 20% holding of TBI LLC to Elbac, which will result in TBI LLC becoming a wholly-owned subsidiary of Elbac and enabling Elbac to effect a deemed liquidation of TBI LLC. Immediately following the liquidation of TBI LLC the BUS-1 cable landing license will be held by Elbac.

Atlantica-1 Cable Landing License: The third transaction for which 360networks seeks Commission approval is the assignment of the Atlantica-1 cable landing license from Atlantica USA, LLC ("AUSA") to Elbac. Elbac is wholly-owned and controlled by TBI Ltd., an indirect, wholly-owned subsidiary of GlobeNet. This assignment will be effected upon the merger of AUSA with Elbac, with Elbac being the surviving entity. Immediately following the merger of AUSA and Elbac, the Atlantica-1 landing license will be held by Elbac.

Elbac, TBI LLC and AUSA are all indirect, wholly-owned subsidiaries of GlobeNet, which, in turn, is an indirect, wholly-owned subsidiary of 360networks. Therefore, these assignments are *pro*

² TBI Ltd. owns 20% of TBI LLC directly. The remaining 80% of TBI LLC is owned indirectly by TBI Ltd. through its ownership of Elbac.

forma in nature. A diagram depicting the ownership of Elbac following completion of the transactions described above is attached hereto as Exhibit B.

Information concerning the foreign affiliations and 10% or greater shareholders of 360networks was previously submitted in File Nos. SCL-T/C-20000328-00010 and ITC-T/C-20000328-00186. The same information is applicable to Elbac as a wholly-owned indirect subsidiary of 360networks. In addition, Elbac's immediate parent TBI Ltd. is licensed to provide international telecommunications services between Bermuda and foreign points. However, TBI Ltd. lacks sufficient market power in Bermuda to adversely affect competition in the U.S. market. Elbac also confirms that it has no interlocking directorates with a foreign carrier.

Anti-Drug Abuse Certification. Pursuant to Section 1.2001-1.2003 of the Commission's rules, 47 C.F.R. §§ 1.2001-1.2003, I hereby certify that no party to this application is subject to a denial of federal benefits that includes FCC benefits pursuant to Section 5301 of the Anti-Drug Abuse Act, 21 U.S.C. § 862.

Conclusion. Prompt consent by the Commission is in the public interest because the three *pro forma* transactions will enable 360networks and GlobelNet to integrate their operations and operate more efficiently. In turn, this will enhance the ability of 360networks and GlobelNet to offer state-of-the-art fiber optic cable capacity to telecommunications carriers and end-users.

Also enclosed are an FCC Form 159 and a check to cover the required filing fee. An original and eleven (11) copies of this letter are being filed.

Sincerely,



Lin Gentemann
Executive Vice President & General Counsel
GlobelNet Communications Group Limited

cc: Claudia Fox, International Bureau, FCC
Ken Douglas, 360networks

Exhibit A

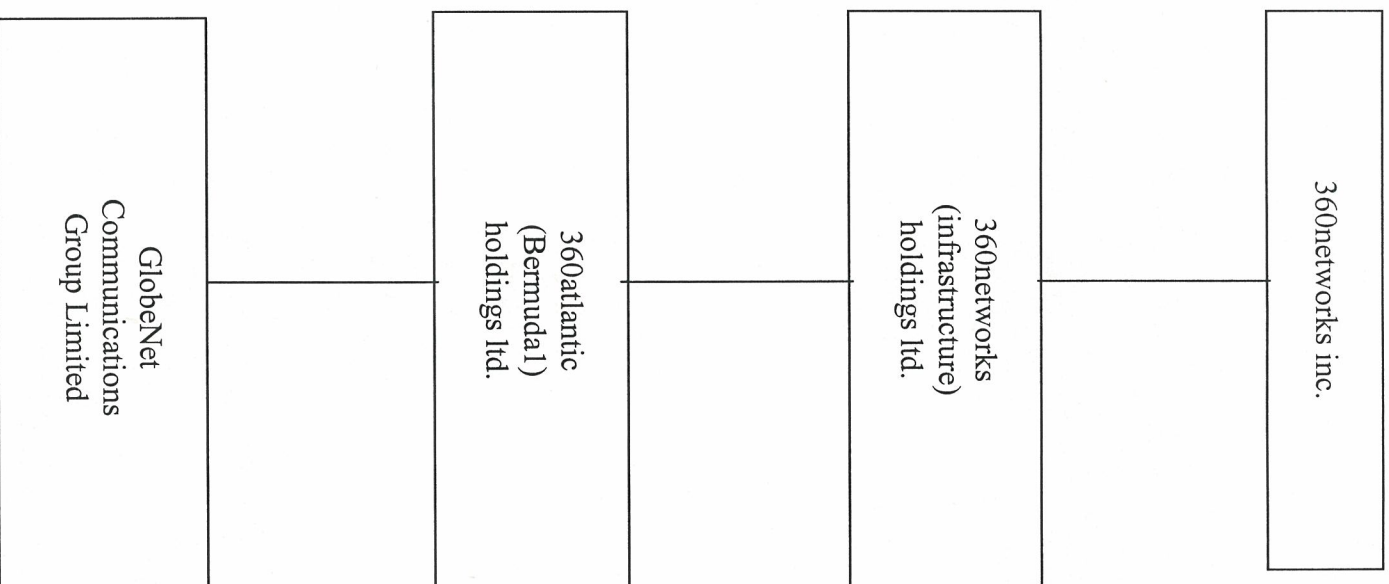


Exhibit B

