

Categories of Services for 214 Applications
(Streamline/Non-streamline)

- LIMITED/GLOBAL RESALE SERVICE
- LIMITED/GLOBAL FACILITIES-BASED SERVICE
- LIMITED/GLOBAL FACILITIES-BASED/RESALE SERVICE
- INDIVIDUAL FACILITIES-BASED SERVICE
- INTERCONNECTED PRIVATE LINE RESALE SERVICE
- INMARSAT AND MOBILE SATELLITE SERVICE
- INTERNATIONAL SPECIAL PROJECT
- SWITCHED RESALE SERVICE
- TRANSFER OF CONTROL
- ASSIGNMENT OF LICENSE
- PRO FORMA TRANSFER/ASSIGNMENT
- SPECIAL TEMPORARY AUTHORITY
- SUBMARINE CABLE LANDING LICENSE

PN
8/4/50

Description of Application: _____

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Federal Communications Commission
International Bureau - Telecommunications
P.O. Box 358115
Pittsburgh, PA 15251-5115

Re: DirectNet Telecommunications, a Limited Liability Company,
NDNT Acquisition LLC, and NDNT Acquisition II LLC
Transfer of Control of NDNT, Inc.

Dear Sirs:

We hereby submit an application from our client, DirectNet Telecommunications, a Limited Liability Company ("DirectNet"), NDNT Acquisition LLC ("NDNT I"), and NDNT Acquisition II, LLC ("NDNT II", and together with DirectNet and NDNT I, the "Applicants") seeking Commission consent to the transfer of control of NDNT from DirectNet to NDNT I and NDNT II. Simultaneously with the instant application, the Applicants are also submitting a request for special temporary authority, through which the Applicants seek to consummate the transaction, effective on July 28, 2000.

It should be noted that the instant application is being submitted with facsimile signatures. Applicants will submit the original signature pages to the Commission immediately upon receipt.

A check in the amount of \$780 is attached to cover the required filing fee.

Please refer all questions and correspondence regarding this matter to the undersigned counsel.

Respectfully submitted,



Kira A. Merski
Attorney for DirectNet
Telecommunications, a Limited Liability
Company

Attachments

cc: Fran Eisenstein
J. Breck Blalock
Rebecca Arbogast

**BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)
)
)
DirectNet Telecommunications,)
a Limited Liability Company,)
)
NDNT Acquisition LLC,)
File No. I-TC-__ - __
)
)
)
and)
)
)

NDNT Acquisition II LLC)
)
Application for authority pursuant to)
Section 214 of the)
Communications Act of 1934, as amended,)
to transfer control of an)
authorized international carrier.)

APPLICATION

DirectNet Telecommunications, a Limited Liability Company
("DirectNet" or the "Transferor"), NDNT Acquisition LLC ("NDNT I"), and
NDNT Acquisition II LLC ("NDNT II", and together with NDNT I the
"Transferees") hereby apply for authority, pursuant to Section 214 of the
Communications Act of 1934, as amended (the "Act"), and Section 63.18 of the
Commission's Rules and Regulations (the "Rules"), to allow Transferees to
acquire from Transferor ownership and control of NDNT, Inc. ("NDNT" or the
"Company"), a nondominant carrier authorized by the Commission to provide
facilities-based and resold international telecommunications services in the
United States.^{1/}

^{1/} See Public Notice, File No. ITC-214-20000525-00327, DA 00-1408
(International Bureau, June 23, 2000) (the "214 Authorization").

I. THE TRANSACTION.

NDNT is currently 100% owned by DirectNet. Under the proposed transaction, DirectNet would transfer all of the issued and outstanding shares of NDNT to Transferees. The proposed transaction would result in a transfer of control of NDNT.

II. PUBLIC INTEREST CONSIDERATIONS.

By virtue of its prior grant of the subject 214 Authorization to NDNT, the Commission has found that the provision of the services authorized by the 214 Authorization is in the public interest. Transferring control of NDNT to the Transferees will allow NDNT to continue to provide an array of international services. The same customer needs that warranted the grant of the 214 Authorization will continue to be served by NDNT when it is controlled by Transferees, a result that is consistent with the public interest.

III. INFORMATION REQUIRED BY SECTION 63.18.

In accordance with Section 63.18 of the Rules, the Transferor and the Transferees submit the following information:

- (a) Name, address and telephone number of the Transferor:
DirectNet Telecommunications, a Limited Liability Co.
4400 MacArthur Blvd., Suite 410
Newport Beach, CA 92660
(949) 474-1001

Name, address and telephone number of the Transferees:

NDNT Acquisition LLC
c/o Guernsey International Fund Managers Limited
Attention: Roisin Ward
P.O. Box 255
Barfield House
St. Julian's Avenue
St. Peter Port

Guernsey GY1 3QL
+44 171 290 5000

NDNT Acquisition II LLC
c/o Guernsey International Fund Managers Limited
Attention: Roisin Ward
P. O. Box 255
Barfield House
St. Julian's Avenue
St. Peter Port
Guernsey GY1 3QL
+44 171 290 5000

- (b) DirectNet is a Nevada limited liability company. NDNT I is a Delaware limited liability company. NDNT II is a Delaware limited liability company.

- (c) Correspondence concerning this Application should be directed to:
For DirectNet:

Mr. Dan Gee
DirectNet Telecommunications, a Limited Liability Company
4400 MacArthur Blvd., Suite 410
Newport Beach, California 92660
(949) 474-1001

With a copy to:

Jeffrey H. Olson, Esq.
Paul, Weiss, Rifkind, Wharton & Garrison
1615 L Street, N.W., Suite 1300
Washington, D.C. 20036
(202) 223-7300

For NDNT I and/or NDNT II:

NDNT Acquisition LLC
c/o Guernsey International Fund Managers Limited
Attention: Roisin Ward
P. O. Box 255
Barfield House
St. Julian's Avenue
St. Peter Port
Guernsey GY1 3QL
+44 171 290 5000

With a copy to:

Weil, Gotshal & Manges
Attention: Bill Sievers and James Chesterman
One South Place
London EC2M 2WG
England
+44 207 903 1000

- (d) DirectNet is presently authorized under Section 214 of the Act to provide facilities-based and resold switched and private line services between the United States and all international points.^{2/} In addition, DirectNet holds Section 214 certificates authorizing DirectNet to resell other carriers' public-switched services^{3/} and to own and operate facilities to provide a full range of international telecommunications services on both a private line

^{2/} See DirectNet Telecommunications, A Limited Liability Company, File No. ITC-97-094, DA 97-938 (International Bureau, May 6, 1997) ("DirectNet Section 214 Authorization").

^{3/} DirectNet received a Section 214 certification to resell international switched telecommunications between the U.S. and various international points on January 23, 1994. See File No. I-T-C-94-053, I-6917 (Common Carrier Bur., Jan. 26, 1994).

and public-switched basis.^{4/} Transferees do not hold any Section 214 authorizations.

- (e) This application seeks authority for the transfer of control of NDNT from DirectNet to Transferees.
- (f) Not applicable.
- (g) Not applicable.
- (h) The 10% or greater direct or indirect equity holders of NDNT I are as follows:

^{4/} Under File No. I-T-C-94-140-AL, DirectNet received an authorization to establish and operate up to 90 circuits via Intersputnik for the provision of private-line services between the United States and the Soviet Union and to establish and operate up to 60 circuits via Intersputnik for the provision of public switched services between the United States and the Russian Federation by assignment from DirectNet Ltd, which had received such authorization by assignment from Miralite Communications, Inc., under File No. I-T-C-93-119-AL. Miralite had received these authorizations under File No. I-T-C-91-056, Miralite Communications, Inc., 6 FCC Rcd 5040 (1991) (authorization to establish and operate up to 90 circuits via Intersputnik for the provision of private-line services between the United States and the Soviet Union) and under File No. I-T-C-91-153, American Telephone and Telegraph Company, 8 FCC Rcd 2668 (1993) (authorization to establish and operate up to 60 circuits via Intersputnik for the provision of public switched services between the United States and the Russian Federation).

Under File No. I-T-C-95-132, DirectNet received an authorization to establish and operate three E-1 circuits in the CANUS-1 cable system between the United States and Canada, and a one-half interest in three E-1 circuits in the CANTAT-III Cable System between Canada and Denmark, for the provision of authorized services -- on both a public-switched and private line basis -- between the United States and various points in Europe and Asia. DirectNet Telecommunications, a Limited Liability Company, 10 FCC Rcd 6560 (1995).

Under File No. I-T-C-95-478, DirectNet received an authorization to lease and operate a one-half interest in one E-1 circuit in the HGPT, APC and TPC-4 Cable Systems, for the provision of authorized services -- on both a public-switched and private line basis -- between the United States and the Philippines. DirectNet Telecommunications, a Limited Liability Company, 10 FCC Rcd 12604 (1995).

- (i) Baring Communications Equity (Emerging Europe) Limited (“BCE”)
33 Cavendish Square
London W1M 0BQ
England
Guernsey Limited Company
Principal business: investment banking
88% direct owner of NDNT I
- (ii) N. V. Haagsche Herverzekering-Maatschappij van 1836
Uniceflannl
Utrecht
Dutch Company
Principal business: holding company
14% owner of BCE (12% indirect owner of NDNT I)
which is 100% owned by:
Nationale-Nederlanden Interfinance B. V.
Schenkkade 65
Den Haag
Dutch Company
Principal business: holding company
which is 100% owned by:
ING Verzekeringen N. V.
Strawinskylaan 2631
Amsterdam
Dutch Company
Principal business: holding company
which is 100% owned by:
ING Group N. V.
Strawinskylaan 2631
Amsterdam
Dutch company
Principal business: holding company, and the ultimate holding company for the ING Group
- (iii) European Bank for Reconstruction and Development (“EBRD”)
One Exchange Square
London EC2A 2JN
United Kingdom
Principal business: The EBRD was established in 1991. It exists to foster the transition towards open market-

oriented economies and to promote private and entrepreneurial initiative in the countries of central and eastern Europe and the Commonwealth of Independent States committed to and applying the principles of multiparty democracy, pluralism, and market economies. 17% owner of BCE (15% indirect owner of NDNT I)

The only 10% or greater owner of EBRD is the United States government.

- (iv) 5E Holding Cayman
Grand Pavilion Commercial Centre
West Bay Road
Grand Cayman, Cayman Islands
Cayman Islands company
Principal business: buying and selling investments
18% owners of BCE (16% indirect owner of NDNT I)
which is 100% owned by:

5E Holding AG
Alpenstr. 14
CH-6300 zug
Switzerland
Swiss company
Principal business: holding company, and the ultimate holding company for 5E Holding Cayman.

NDNT II is 100% directly owned by NDNT I. The ownership of NDNT I is detailed above. Transferees do not have any interlocking directorates with a foreign carrier.

- (i) Transferees are not foreign carriers and are not affiliated with any foreign carrier.

- (j) Each Transferee hereby certifies, under penalty of perjury, that it does not seek to provide international telecommunications services to any destination country for which any provision of Section 63.18(j) of the Rules is true.

- (k) Not applicable.

- (l) Each Transferee hereby certifies, under penalty of perjury, that it does not seek authority to resell the international telecommunications services of an unaffiliated U.S. carrier for the purpose of providing international telecommunications services to any country where it is a foreign carrier or is affiliated with a foreign carrier.
- (m) Not applicable.
- (n) Each Transferee hereby certifies, under penalty of perjury, that it has not agreed to accept -- nor will it agree to accept -- special concessions directly or indirectly from any foreign carrier or administration with respect to traffic or revenue flows between the U.S. and any foreign country that NDNT may serve under the authority granted pursuant to Part 47 of the Rules.
- (o) Pursuant to Sections 1.2001 through 1.2003 of the Rules, by certification attached hereto, each Transferee certifies 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 of 1988.
- (p) Under Section 63.12 of the Rules, this application is subject to the Commission's streamlined processing rules because none of the provisions of Section 63.12(c) are applicable.

V. CERTIFICATION.

DirectNet and each Transferee certify that the information provided herein is correct to the best of their knowledge and belief, and that it is provided in good faith.

Respectfully submitted,

DirectNet Telecommunications, a Limited Liability Company

By: 
Dan Gee
Chief Executive Officer

NDNTE Acquisition LLC

By: 
Richard A. Ginsburg
Weil, Gotshal & Manges

NDNTE Acquisition II LLC

By: 
Richard A. Ginsburg
Weil, Gotshal & Manges

³¹ Pursuant to Section 1.744(b) of the Commission's Rules, this Application is signed by NDNTE I's counsel on its behalf as all representatives of NDNTE I that are authorized to sign the Application are absent from the United States.

³² Pursuant to Section 1.744(b) of the Commission's Rules, this Application is signed by NDNTE II's counsel on its behalf as all representatives of NDNTE II that are authorized to sign the Application are absent from the United States.

Of Counsel for DirectNet Telecommunications, a Limited Liability Company

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