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Marlene H. Dortch Secretary Federal Communications Commission 445 12th Street, S.W. Washington, D.C. 20554

> Re: Applications for the Transfer of Control of AST Telecom, LLC d/b/a Bluesky, American Samoa Hawaii Cable, LLC, and Samoa American Samoa Cable, LLC from Amper S.A. to Amalgamated Telecom Holdings Limited and Request for Declaratory Ruling; IB Docket No. 16-420

Dear Ms. Dortch:

In this letter, Amalgamated Telecom Holdings Limited ("ATH") and AST Telecom, LLC d/b/a Bluesky ("AST") supplement the above-referenced applications for Commission consent to transfer control of AST, and its affiliates American Samoa Hawaii Cable, LLC and Samoa American Samoa Cable, LLC, from Amper, S.A. to ATH (the "Proposed Transaction") to provide additional information requested by Commission staff. ATH and AST also make certain voluntary commitments to address any concerns the Commission might have regarding the Proposed Transaction.

1. Supplemental Information

The following explains how AST currently routes traffic between the United States and Fiji, Vanuatu, Kiribati, Cook Islands, and Independent Samoa:

- <u>Fiji, Vanuatu, and Kiribati</u>: AST does not have an arrangement with any carrier in these markets for the direct exchange of traffic. AST exchanges this traffic with TNZI in New Zealand, using an IP connection to New Zealand. There, it hands off outbound traffic and picks up traffic bound for American Samoa.
- Cook Islands: AST does not have an arrangement with any carrier in the Cook Islands for the direct exchange of traffic. AST exchanges Cook Islands traffic with its affiliate Bluesky Samoa in Independent Samoa (using the arrangements described below). Bluesky Samoa carries traffic between Independent Samoa and the Cook Islands using an IP connection with its affiliate Bluesky Cook Islands, which is the sole provider of international gateway services operating in the Cook Islands. Bluesky Cook Islands has traffic exchange agreements only with TNZI in New Zealand and with Telstra in Australia.

• Independent Samoa: AST exchanges traffic with Independent Samoa using submarine cable facilities wholly owned by one of AST's U.S. affiliates and does not procure from Bluesky Samoa any services (such as leased capacity, IRU, or backhaul) or facilities within the meaning of 47 C.F.R. § 63.10(c)(3). Specifically, AST procures capacity from Samoa American Samoa Cable, LLC ("SASC"), a Delaware-organized, American Samoa-based joint licensee for the American Samoa Hawaii Cable system ("ASH Cable"), to send traffic to and from American Samoa and Independent Samoa using the Samoa-American Samoa segment of the ASH Cable, which SASC owns on an end-to-end basis. Bluesky Samoa, AST's Independent Samoa foreign carrier affiliate, interconnects with SASC at the cable landing station in Independent Samoa, allowing for the hand-off of traffic originating in American Samoa. AST exchanges traffic originating or terminating with Digicel Samoa subscribers with TNZI in New Zealand, handing off outbound traffic and picking up traffic bound for American Samoa.

In addition, ATH and AST confirm that they currently have no direct termination agreements with U.S. carriers on the routes between the United States and Fiji, Vanuatu, Kiribati, and the Cook Islands. Other than a traffic exchange arrangement for the American Samoa-Independent Samoa route between Telco 214 and Bluesky Samoa that was terminated in 2014, current ATH and AST personnel are unaware of any agreements or efforts of U.S. carriers in the last several years to establish direct service to the Fiji, Vanuatu, Kiribati, Cook Islands, or Independent Samoa.

2. Voluntary Commitments

ATH and AST make the following commitments, which are conditioned on and will take effect upon the closing of the Proposed Transaction, except as otherwise described below:

- a. AST will provide U.S.-outbound switched services on the U.S.-Fiji, U.S.-Vanuatu, U.S.-Kiribati, U.S.-Cook Islands, and U.S.-Independent Samoa routes (each an "Affiliated Route") solely via the resale of an unaffiliated U.S. facilities-based carrier's switched services (either from that carrier directly or from another carrier reselling that U.S. carrier's services).
- b. AST will terminate U.S.-inbound switched services on each Affiliated Route using only services or facilities procured from an unaffiliated U.S. or foreign carrier.
- c. For each Affiliated Route, AST will state in its quarterly international traffic and revenue reports filed pursuant to Section 63.10(c)(2) of the Commission's rules whether it has provided outbound international switched service during the past quarter (1) on a facilities basis, specifying whether AST carried such traffic: (a) on a *direct* facilities basis and/or (b) on an *indirect* facilities basis; and/or (2) via resale of another U.S. carrier's international switched services.
- d. AST will comply with the Commission's existing competitive safeguards set forth in Section 63.10(c) and (e) of the Commission's rules with respect to the Affiliated Routes.

- e. AST may request permission from the Commission to serve an Affiliated Route through the resale of an affiliated carrier's switched services or on a direct or indirect facilities basis by making a written submission demonstrating that the route complies with the Commission's settlement rate benchmark for the route. Such a request would include evidence that AST's affiliated foreign carrier has negotiated a settlement rate with an affiliated or unaffiliated U.S. carrier that is below the benchmark, and that the rate is available to all other U.S. carriers. On the U.S.-Independent Samoa route, AST may continue to provide the facilities-based services described in part 1 above so long as it makes such a request within 60 days of Commission action granting consent for the Proposed Transaction.
- f. ATH acknowledges the commitments outlined above and will cooperate with AST to ensure AST's compliance following the consummation of the Proposed Transaction.

ATH and AST request that the Commission incorporate these commitments into its consent for the Proposed Transaction and grant such consent as expeditiously as possible.

Please contact the undersigned if you have any questions regarding this Supplement.

Respectfully submitted,

Amalgamated Telecom Holdings Limited

AST Telecom, LLC d/b/a Bluesky

Ivan Fong

Chief Executive Officer

Douglas Creevey

Chief Executive Officer

cc: Denise Coca

Kimberly Cook David Krech Susan O'Connell

- e. AST may request permission from the Commission to serve an Affiliated Route through the resale of an affiliated carrier's switched services or on a direct or indirect facilities basis by making a written submission demonstrating that the route complies with the Commission's settlement rate benchmark for the route. Such a request would include evidence that AST's affiliated foreign carrier has negotiated a settlement rate with an affiliated or unaffiliated U.S. carrier that is below the benchmark, and that the rate is available to all other U.S. carriers. On the U.S.-Independent Samoa route, AST may continue to provide the facilities-based services described in part 1 above so long as it makes such a request within 60 days of Commission action granting consent for the Proposed Transaction.
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