

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, DC 20554**

In the Matter of	)	
	)	
Application of BT Americas Holdings Inc.,	)	WC Docket No. 20-_____
Transferor, and CIH Telecommunications	)	
Americas, LLC, Transferee, for Consent to	)	IBFS File No. ITC-T/C-2020_____ - _____
Transfer Control of BT LatAm Inc.,	)	
Pursuant to Section 214 of the	)	
Communications Act of 1934, as Amended	)	

**Attachment 1**

Answer to Question 10

*See pages 6-7 of the attached Joint Application.*

Answer to Question 11

*See pages 7-9 of the attached Joint Application.*

Answer to Question 13

*See pages 3-5 of the attached Joint Application.*

Note to Question 13

This is a substantial transfer of control pursuant to Section 63.24(e), where the Transferor, BT Americas Holdings Inc., seeks authority to transfer control of one of its subsidiaries, BT LatAm Inc., which is only a portion of its U.S. international assets and/or customer base. The Transferor will retain ITC-214-20020306-00105 and all of its other international Section 214 authorizations in its own name. The Transferee, CIH Telecommunications Americas, LLC, will seek international Section 214 authority in its own name via separately filed application.

Answer to Questions 14 and 16

*See pages 9-11 of the attached Joint Application.*

Answer to Question 20

*See pages 12-13 of the attached Joint Application.*

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Communications Act of 1934, as Amended	)	

**JOINT APPLICATION**

Pursuant to Section 214 of the Communications Act of 1934, as amended<sup>1</sup> (“the Act”), and Sections 63.04, 63.18, and 63.24 of the rules of the Federal Communications Commission<sup>2</sup> (“FCC” or “Commission”), BT Americas Holdings Inc., for itself and on behalf of its subsidiary BT United States L.L.C. (“Transferor”), CIH Telecommunications Americas, LLC (“Transferee”), and BT LatAm Inc. (“BT LatAm”) (collectively the “Applicants”), by their undersigned representatives, request Commission consent to transfer control of BT LatAm, which operates, as necessary, pursuant to the International Section 214 license held by its indirect parent, BT Americas Holdings Inc. (“BTAH”) (ITC-214-20020306-00105) (transferred in File No. ITC-ASG-20190129-00045).

Pursuant to Section 63.04(b), this Joint Application is being filed concurrently with the Wireline Competition Bureau and the International Bureau to seek transfer of control of domestic and international Section 214 authorizations.<sup>3</sup> The Applicants also request streamlined

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<sup>1</sup> 47 U.S.C. § 214.

<sup>2</sup> 47 C.F.R. §§ 63.04, 63.18, and 63.24.

<sup>3</sup> Although BT LatAm currently provides only international services, and provides no intrastate nor interstate services at this time, certain assets will convey in this transaction that include a few customer accounts, as

processing of the Joint Application pursuant to Sections 63.03(b) and 63.12 of the Commission's rules.<sup>4</sup>

## **APPLICANTS**

### **BT LatAm, Inc., BT Americas Holdings Inc., and BT United States L.L.C.**

BT LatAm is a Delaware corporation with a place of business located at 11440 Commerce Park Drive, Suite 100, Reston, VA 20191. BT LatAm provides minimal international telecommunications services, solely to a limited number of enterprise customers, in the United States. BT LatAm's international services are provided, as necessary, pursuant to the international Section 214 authority held by its indirect parent, BT Americas Holdings Inc. ("BTAH"), a Delaware corporation.<sup>5</sup> BT LatAm's primary operations are as a holding company for the satellite and the national and regional fixed line infrastructure that BT LatAm's subsidiaries operate in Latin America.

Currently, BT LatAm is a directly and wholly owned subsidiary of BT United States L.L.C. ("BT US"), a Delaware limited liability company with a place of business located at 11440 Commerce Park Drive, Suite 100, Reston, VA 20191. BT US is an indirectly and wholly owned subsidiary of BTAH, and BT LatAm, BT US, and BTAH are indirectly and wholly owned by their ultimate parent, BT Group plc, a UK-headquartered, widely held public company

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well as equipment at a single US location in Miami, Florida, used in the provision of international services. Thus, in an abundance of caution, Applicants seek transfer of control of domestic as well as international Section 214 authority as necessary.

<sup>4</sup> 47 C.F.R. §§ 63.03(b), 63.12.

<sup>5</sup> BTAH holds international Section 214 authority to provide global resold and facilities-based international services pursuant to file number ITC-214-20020306-00105. BTAH owns one hundred percent of BT Fifty-Three Limited, a company organized under the laws of England and Wales, which owns one hundred percent of BT US, which in turn owns one hundred percent of BT LatAm. BTAH's Section 214 authority is not being transferred to CIH as part of this transaction.

and holding company. Neither BTAH nor BT US provide services to customers in the United States.

### **CIH Telecommunications Americas, LLC**

CIH Telecommunications Americas, LLC (“CIH”) is a Delaware limited liability company with its principal offices located at 1800 M Street, NW, Suite 500 South, Washington D.C. 20036. CIH was created for this transaction and currently has no operations. CIH has financial and management resources that will be available, as needed, to support BT LatAm’s operations in the United States. Furthermore, CIH is not a foreign carrier and it is not affiliated with any foreign carriers. CIH’s managers have extensive operating, consulting, technology, and financial management experience in respect to international telecommunications enterprises.

### **DESCRIPTION OF THE PROPOSED TRANSACTION**

On March 12, 2020, BT US entered into an agreement with CIH pursuant to which BT US will sell 100% of the share capital of BT LatAm to CIH. As a result of the proposed transaction, BT LatAm would become a wholly owned, direct subsidiary of CIH. The proposed transaction for which Applicants seek the Commission’s consent is expected to occur in late 2020, contingent upon the satisfaction or waiver of other customary closing conditions. Diagrams of the pre- and post-proposed transaction corporate structure of the Applicants are attached hereto.

The Section 214 authorizations held by BTAH will not be transferred to CIH. The transfer of control of BT LatAm should be transparent to its customers. CIH will comply with the customer notification and related requirements of Section 64.1120(e) of the Commission’s rules, 47 C.F.R. § 64.1120(e).

## **PUBLIC INTEREST STATEMENT**

Control of BT LatAm may be transferred to CIH pursuant to Section 214 of the Act if the Commission determines that the public interest, convenience, and necessity will be served thereby.<sup>6</sup> As discussed below, the Transaction will serve the public interest because it will yield tangible benefits for the public without harming customers or competition in any market.

### **A. The Transaction Will Serve the Public Interest**

The Transaction will demonstrably serve the public interest by bringing the managerial, technical, and financial resources available through CIH and its affiliated companies to BT LatAm. As a subsidiary of CIH, BT LatAm will continue to provide high-quality telecommunications services while gaining access to the additional resources and operational expertise of CIH and its affiliated companies; BT LatAm will as a subsidiary of CIH be managed by a management team with significant experience in the telecommunications marketplace and in running such businesses. Moreover, immediately following the proposed Transaction, BT LatAm will continue to provide its services at the same rates, terms, and conditions, as governed by existing contracts and tariffs, as applicable. In addition, the Transaction will not only protect but promote competition in the relevant markets, and it will directly promote the goal of diversifying Commission license holdings and authorizations.

### **B. The Proposed Transaction Will Not Create Any Anti-Competitive Effects**

The Transaction would create no new combinations that would adversely affect competition in any domestic market or on any U.S.-international route. The transferee, CIH Telecommunications Americas, LLC, and its affiliates, have no service territory within the

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<sup>6</sup> 47 U.S.C. § 214(a), (c).

United States. In addition, CIH Telecommunications Americas, LLC is not, does not currently control, and is not affiliated with, any foreign carrier in any market.

Longstanding Commission precedent provides that applications with a *prima facie* showing that the proposed transaction will yield affirmative public interest benefits, will not violate the Act or Commission rules, and will not frustrate or undermine policies and enforcement of the Act by reducing competition or otherwise, do not require extensive review or expenditure of considerable resources by the Commission.<sup>7</sup> This proposed transaction meets this standard and should thus be granted expeditiously.

#### **INFORMATION REQUIRED BY SECTION 63.24(e) OF THE COMMISSION'S RULES**

In support of this Application, the Applicants submit the following information pursuant to Section 63.24(e) of the Commission's rules, which is the information requested in paragraphs (a)-(d) of Section 63.18 for both Applicants and the information requested in paragraphs (h)-(p) of Section 63.18 for CIH .

#### **FCC Rule 63.18 (a) – (d) Information:**

(a) The name, address, and telephone number of each applicant;

BT Americas Holdings Inc. (FRN 0013469887)  
and BT United States L.L.C.  
11440 Commerce Park Drive  
Suite 100  
Reston, VA 20191  
Tel: (703) 615-4173

BT LatAm, Inc. (FRN 0006584270)  
11440 Commerce Park Drive  
Suite 100  
Reston, VA 20191  
Tel: (703) 615-4173

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<sup>7</sup> See, e.g., *Applications for Consent to the Transfer of Control of Licenses and Section 214 Authorizations from Tele-Communications, Inc. to AT&T Corp.*, Memorandum Opinion and Order, 14 FCC Rcd 3160, ¶ 16 (1999); *Applications of Ameritech Corp. and SBC Communications Inc. for Consent to Transfer Control*, Memorandum Opinion and Order, 14 FCC Rcd 14712, ¶ 54 (1999).

CIH Telecommunications Americas, LLC (FRN 0029704871)  
1800 M Street, NW  
Suite 500 South  
Washington D.C. 20036  
Tel: (202) 327-8103

(b) The Government, State, or Territory under the laws of which each corporate or partnership applicant is organized;

**Response:**

BT Americas Holdings Inc. is a Delaware corporation.

BT United States L.L.C. is a Delaware limited liability company.

BT LatAm Inc. is a Delaware corporation.

CIH Telecommunications Americas, LLC is a Delaware limited liability company.

(c) The name, title, post office address, and telephone number of the officer and any other contact point, such as legal counsel, to whom correspondence concerning the application is to be addressed;

For BT LatAm, BTAH, and BT US

Sheba Chacko  
Chief Regulatory Counsel, Americas  
BT Americas Holdings Inc.  
11440 Commerce Park Drive  
Suite 100  
Reston, VA 20191  
Tel: (703) 615-4173

With a copy to:

Denise N. Smith  
Kelley Drye & Warren LLP  
3050 K Street, NW, Suite 400  
Washington, DC 20007  
Tel: (202) 342-8614

For CIH Telecommunications Americas, LLC

Timothy B. Harmon, Manager  
CIH Telecommunications Americas, LLC  
1800 M Street, NW  
Suite 500 South  
Washington D.C. 20036  
Tel: (202) 327-8103

With a copy to:

Q. Scott Kaye  
Miller Canfield  
21515 Hawthorne Blvd., Suite 200  
Torrance, California 90503  
Tel: (310) 683-6615

(d) A statement as to whether the applicant has previously received authority under Section 214 of the Act and, if so, a general description of the categories of facilities and services authorized (i.e., authorized to provide international switched services on a facilities basis);

**BT Response:** BT LatAm operates, as necessary, pursuant to the Section 214 license held by its indirect parent, BTAH (ITC-214-20020306-00105) (transferred in File No. ITC-ASG-20190129-00045). The Section 214 authority held by BTAH and associated with BT LatAm is not being transferred as part of this transaction.

**Transferee's Response:** CIH Telecommunications Americas, LLC has not previously received authority under Section 214 of the Act. Prior to the consummation of the Transaction, CIH will be applying to the Commission for international Section 214 authority to provide global resold and facilities-based telecommunications services between the United States and all international points.

(h) The name, address, citizenship and principal businesses of any person or entity that directly or indirectly owns at least ten percent of the equity of the applicant, and the percentage of equity owned by each of those entities (to the nearest one percent). The applicant shall also identify any interlocking directorates with a foreign carrier.

**Transferee's Response:**

Name:	CIH Telecommunications Holdings, LLC
Address:	c/o CIH Technology Holdings, LLC, 1800 M St. NW, Ste. 500 South, Washington, DC 20036
Citizenship:	United States (Delaware limited liability company)
Principal Business:	Telecommunications Holding Company
Ownership of Transferee:	100%
Attributed Ownership:	100%
Held:	Directly

Name: CIH Technology Holdings, LLC  
Address: 1800 M St. NW, Ste. 500 South, Washington, DC 20036  
Citizenship: United States (Delaware limited liability company)  
Principal Business: Holding Company  
Ownership of Transferee: 100%  
Attributed Ownership: 100%  
Held: Indirectly through 100% ownership of CIH  
Telecommunications Holdings, LLC

Name: St. Paul International Development Company, LLC  
Address: c/o CIH Technology Holdings, LLC,  
1800 M St. NW, Ste. 500 South, Washington, DC 20036  
Citizenship: United States (Delaware limited liability company)  
Principal Business: Investments  
Ownership of Transferee: 50%  
Attributed Ownership: 100% pursuant to 47 C.F.R. § 63.18(h)  
Held: Indirectly through 50% ownership of CIH Technology  
Holdings, LLC

Name: George M. Kappaz  
Address: c/o CIH Technology Holdings, LLC  
1800 M St. NW, Ste. 500 South, Washington, DC 20036  
Citizenship: United States  
Principal Business: Individual  
Ownership of Transferee: 45.5%  
Attributed Ownership: 100% pursuant to 47 C.F.R. § 63.18(h)  
Held: Indirectly through 91% ownership of St. Paul International  
Development Company

Name: The Harmon 1999 Descendants' Trust  
Address: c/o CIH Technology Holdings, LLC  
1800 M St. NW, Ste. 500 South, Washington, DC 20036  
Citizenship: United States (Virginia)  
Principal Business: Trust  
Ownership of Transferee: 50%  
Attributed Ownership: 100% pursuant to 47 C.F.R. § 63.18(h)  
Held: Indirectly through 50% ownership of CIH Technology  
Holdings, LLC

Name: Timothy B. Harmon  
Address: c/o CIH Technology Holdings, LLC  
1800 M St. NW, Ste. 500 South, Washington, DC 20036  
Citizenship: United States  
Principal Business: Individual  
Ownership of Transferee: 50%  
Attributed Ownership: 100% pursuant to 47 C.F.R. § 63.18(h)  
Held: Indirectly as Trustee of The Harmon 1999 Descendants'  
Trust

No other entity or individual will hold, directly or indirectly, a ten percent (10%) or greater equity interest in BT LatAm.

CIH does not have any interlocking directorates with a foreign carrier.

(i) A certification as to whether or not the applicant is, or is affiliated with, a foreign carrier. The certification shall state with specificity each foreign country in which the applicant is, or is affiliated with, a foreign carrier.

**Transferee's Response:** By its signature below, CIH certifies that it is not a foreign carrier and that it is not affiliated with a foreign carrier. Upon consummation of the proposed Transaction, it will be affiliated with the foreign carriers listed below, none of which are dominant carriers nor affiliated with dominant carriers.

(j) A certification as to whether or not the applicant seeks to provide international telecommunications services to any destination country for which any of the following is true. The certification shall state with specificity the foreign carriers and destination countries:

- (1) The applicant is a foreign carrier in that country; or
- (2) The applicant controls a foreign carrier in that country; or
- (3) Any entity that owns more than 25 percent of the applicant, or that controls the applicant, controls a foreign carrier in that country.
- 4) Two or more foreign carriers (or parties that control foreign carriers own, in the aggregate, more than 25 percent of the applicant and are parties to, or the beneficiaries of, a contractual relation (e.g., a joint venture or market alliance) affecting the provision or marketing of international basic telecommunications services in the United States.

**Transferee's Response:** CIH certifies that (i) it is not a foreign carrier; (ii) it does not control a foreign carrier providing international telecommunications services in any destination country; (iii) no entity that owns 25 percent of CIH, or controls CIH, also controls a foreign carrier providing international telecommunications services; and (iv) through its acquisition of control of BT LatAm, CIH does not seek to provide international telecommunications services to any destination country where two or more foreign carriers (or parties that control foreign carriers) own, in the aggregate, more than 25 percent of CIH and are parties to, or the beneficiaries of, a contractual relation affecting the provision or marketing of international basic telecommunications services in the United States.

By its signature below, CIH Telecommunications Americas, LLC certifies that upon completion of the Transaction, it will be affiliated with the following foreign carriers. None of these entities are dominant in their market nor are they affiliated with dominant carriers.

<b>Name</b>	<b>Country</b>
BT Latam Argentina SA	Argentina
BT Latam Brasil Ltda	Brazil
BT Brasil Servicios de Telecomunicaciones	Brazil
BT Latam Colombia SA	Colombia
BT Latam Costa Rica SA	Costa Rica
BT Latam Dominicana SA	Dominican Republic
BT Latam El Salvador SA de CV	El Salvador
BT Latam Guatemala SA	Guatemala
BT Latam Honduras	Honduras
BT Latam Nicaragua SA	Nicaragua
BT Latam Panama Inc.	Panama
BT Latam Peru	Peru

(k) For any country that the applicant has listed in response to paragraph (j) of this section that is not a member of the World Trade Organization, the applicant shall make a demonstration as to whether the foreign carrier has market power, or lacks market power, with reference to the criteria in § 63.10(a).

**Transferee's Response:** CIH certifies that each country listed in Transferee's Response to 63.18(j) above is a member of the World Trade Organization.

(m) With respect to regulatory classification under § 63.10 of this part, any applicant that is or is affiliated with a foreign carrier in a country listed in response to paragraph (i) of this section and that desires to be regulated as non-dominant for the provision of particular international telecommunications services to that country should provide information in its application to demonstrate that it qualifies for non-dominant classification pursuant to §63.10 of this part.

**Transferee's Response:** Transferee CIH is not a foreign carrier and is not affiliated with a foreign carrier.

(n) A certification that the applicant has not agreed to accept special concessions directly or indirectly from any foreign carrier with respect to any U.S. international route where the foreign carrier possesses market power on the foreign end of the route and will not enter into such agreements in the future.

**Transferee's Response:** Transferee CIH certifies that is has not agreed to accept special concessions directly or indirectly from a foreign carrier with respect to any U.S. international route where the foreign carrier possesses sufficient market power on the foreign end of the route to affect competition adversely in the U.S. and that it will not enter into any such agreements in the future.

(o) A certification pursuant to §§ 1.2001 through 1.2003 of this chapter that no party to the application is subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988. *See* 21 U.S.C. 853a.

**Transferee's Response:** Transferee CIH certifies that no party to this Application is subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse

Act of 1988, 21 U.S.C. § 862, because of a conviction for possession or distribution of a controlled substance.

(p) If the applicant desires streamlined processing pursuant to § 63.12, a statement of how the application qualifies for streamlined processing.

**Transferee's Response:** Transferee CIH is requesting streamlined processing of this application pursuant to Section 63.12 of the Commission's rules, 47 C.F.R. § 63.12. This Application qualifies for streamlined treatment under Section 63.12(c) of the Commission's rules because: (i) Transferee is not affiliated with a foreign carrier; (ii) Transferee is not affiliated with any dominant U.S. carrier whose international switched or private line services Transferee seeks to resell; and (iii) none of the other scenarios outlined in Section 63.12(c) of the Commission's rules, 47 C.F.R. § 63.12, apply.

#### **INFORMATION REQUIRED BY SECTION 63.04(b) OF THE COMMISSION'S RULES FOR TRANSFER OF CONTROL**

In support of this Application, Applicants submit the following information pursuant to Section 63.04(b) of the Commission's rules, which is the information requested in paragraphs (a)(6) through (a)(12) of Section 63.04 of the Commission's rules, 47 C.F.R. § 63.04.

##### **Section 63.04(a)(6): Description of the Transactions**

The proposed transaction is described above in the section of this Application entitled "Description of the Proposed Transaction."

##### **Section 63.04(a)(7): Description of Geographic Service Area and Services in Each Area**

BT LatAm provides a minimal amount of international telecommunications services in the United States from a single location in Miami, Florida. It currently provides no intrastate nor

interstate telecommunications services. BTAH and BT US provide no services in the United States.

Neither Transferee nor its affiliates offers any domestic telecommunications services.

**Section 63.04(a)(8): Presumption of Non-Dominance and Qualification for Streamlining**

Applicants are requesting streamlined processing for the domestic portion of this Application pursuant to Section 63.03(b) of the Commission's rules, 47 C.F.R. § 63.03(b). This Application qualifies for streamlined treatment under Section 63.03(b) of the Commission's rules because: (i) post-closing, Applicants (and their Affiliates) will have a market share in the interstate, interexchange market of less than 10 percent; (ii) neither Applicants (nor their Affiliates) provides local exchange services; and (iii) no Applicant is dominant with respect to any service. *See* 47 C.F.R. § 63.03(b)(2).

**Section 63.04(a)(9): Other Pending Commission Applications Concerning the Proposed Transaction**

In addition to requesting consent to the transfer of control of international and domestic Section 214 authorizations, Transferee before consummation of the Transaction will apply for domestic and international Section 214 authority to provide global resold and facilities-based telecommunications services between the United States and all international points.

**Section 63.04(a)(10): Special Considerations**

The Applicants are not requesting special consideration, because no parties to the Transaction are facing imminent business failure.

**Section 63.04(a)(11): Waiver Requests (If Any)**

No separately filed waiver requests are sought in conjunction with this application.

**Section 63.04(a)(12): Public Interest Statement**

Consummation of the proposed transaction will serve the public interest for the reasons detailed above in the section of the Application entitled “Public Interest Statement.”

**CONCLUSION**

WHEREFORE, for the foregoing reasons, the Applicants respectfully submit that the public interest, convenience, and necessity would be furthered by grant of this Application. Applicants request that the Commission act expeditiously to approve the Transaction.

Respectfully submitted,

For BT LatAm Inc., BT Americas Holdings Inc., and BT United States L.L.C.	For CIH Telecommunications Americas, LLC
<u>/s/ A. Sheba Chacko</u> A. Sheba Chacko Chief Regulatory Counsel BT Americas Holdings Inc. 11440 Commerce Park Drive Reston, VA 20191 Tel: (703) 615-4173	<u>/s/ Timothy B. Harmon</u> Timothy B. Harmon Manager CIH Telecommunications Americas, LLC 1800 M St. NW, Ste. 500 South Washington, DC 20036 Tel: (202) 327-8103
<u>/s/ Denise N. Smith</u> Denise N. Smith Kelley Drye & Warren LLP 3050 K Street, NW, Suite 400 Washington, DC 20007 Tel: (202) 342-8614	<u>/s/ Q. Scott Kaye</u> Q. Scott Kaye Miller, Canfield, Paddock and Stone, P.L.C. 21515 Hawthorne Blvd., Suite 200 Torrance, California 90503 Tel: (310) 683-6615

Date: July 2, 2020



POST-TRANSACTION CIH OWNERSHIP STRUCTURE

