

Econet Wireless heads a diversified telecommunications group with operations in seven countries in Africa and the United Kingdom. It currently offers products and services in the core areas of mobile and fixed telephony services, internet and satellite. The group is headquartered in South Africa and currently has offices and provides cellular phone service in Botswana, Burundi, Kenya, Lesotho, Nigeria and Zimbabwe. In total, Econet Wireless has more than 11 million subscribers, making it one of the largest African-owned telecommunications companies and one with the broadest geographic reach.

The Public Interest Test Includes a National Security Analysis. Since this is a transfer of radio licenses, Section 310(d) of the Communications Act applies. It states that:

“no construction permit or station license, or any rights thereunder, shall be transferred, assigned, or disposed of in any manner . . . to any person except upon application to the Commission and upon finding by the Commission that the public interest, convenience and necessity will be served thereby.”⁴

In applying Section 310(d), the Commission has stated that it “considers national security, law enforcement, foreign policy and trade policy concerns.”⁵ In this case, the Assignee is a British Virgin Islands company. While incorporation in the British Virgin Islands is unlikely to raise national security concerns, the application does not present a full picture of the underlying ownership structure of the Assignee in order to determine whether the national security aspects of the public interest test have been satisfied.

⁴ *Id.*

⁵ See IT& E Overseas, Inc., *Memorandum Opinion and Order and Declaratory Ruling*, DA 09-1054 (May 12, 2009), fn 193. See also AT&T Corp., British Telecommunications plc, VLT Co., L.L.C., Violet License Co. LLC and TNF [Bahamas] Limited, *Memorandum Opinion and Order*, 14 FCC Rcd 19140 (1999) at ¶77.

The Application Presents Insufficient Information. The application states only that Noah Samara controls the Assignee “through Yenura Pte. Ltd., a Singapore corporation of which Mr. Samara holds all of the outstanding voting stock.”⁶ There is no information about the equity ownership of Yenura, whether there are any shareholders’ or similar agreements or what obligations or control rights may arise as a result of funding sources or the significant economic interests held by others in the Assignee.

The application states that the control structure of the Assignee “will be substantially the same to that of WorldSpace and AfriSpace prior to bankruptcy.”⁷ This may be true but it is not the whole story.

While the management structure of the pre- and post-bankruptcy entities may be similar, the equity ownership is certainly different. Pre-bankruptcy, Mr. Samara owned 47.64% of WorldSpace, Inc., the ultimate parent of original AfriSpace, Inc., directly and through ownership interests in Yenura and another investment vehicle (TelUS).⁸ The remainder was held by Aletheia Research and Management, Inc., other institutional investors and individuals.⁹ As a result of the bankruptcy, while Aletheia and the others lost their investment, Mr. Samara ended up with 100% of the voting stock of the Assignee, through his ownership interest in Yenura.

According to Singapore corporate records, Mr. Samara owns 578,125 “ordinary” (voting) shares in Yenura and Salah El-Din Ahmed Mohammed Idris owns 1,782,234 “preference” (non-voting) shares,¹⁰ which represents a majority of the economic interest

⁶ Application, Exhibit B at 1.

⁷ *Id.* at 3.

⁸ Application of AfriSpace, Inc., SAT-ASG-20081107-00213 (Nov. 7, 2008), Exhibit E.

⁹ *Id.*

¹⁰ Business Profile of Yenura Pte. Ltd. filed with the Singapore Accounting & Corporate Regulatory Authority (April 24, 2009) at 3, available at <https://www.psi.gov.sg/NASApp/tmf/TMFServlet?app=MYBIZFILE-SHOP->

in Yenura.¹¹ We believe this structure, at a minimum, has been maintained in the proposed transaction, but not revealed.

In a filing with the Securities and Exchange Commission, as a public company, WorldSpace cited prior ownership interests of Mr. Idris as a “risk factor.”¹² Whether or not Mr. Idris’ current investment would have to be revealed as a “risk factor” if WorldSpace was still a public company, the fact is that the application contains no information about his important ownership interest.

Prior to approving the assignment application, the Commission should seek additional information about the equity interests, shareholder arrangements and loan agreements between Mr. Samara and Mr. Idris. It is only with such information that the Commission can make an informed decision on whether the assignment serves the public interest, convenience and necessity.

Respectfully submitted,

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¹¹ World Space, Inc., Form 10-K for the year ended 2007. at pp. 41-42, available at <http://www.sec.gov/Archives/edgar/data/1315054/000119312508071173/d10k.htm>.

¹² *Id.*

CERTIFICATE OF SERVICE

I, Ashanti Brown, hereby certify that the foregoing Comment was served this first day of June, 2009 by depositing true copies thereof with the U.S. Postal Service, first class postage prepaid, addressed to the following:

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