

## Attachment 1

### Description of Transaction

Hispamar Satélites, S.A. (“Hispamar”), pursuant to the *Satellite Licensing Streamlining Order* and Section 25.137(g) of the Commission’s rules, hereby notifies the Commission of a proposed change in ownership.<sup>1</sup> As Commission records reflect, Hispamar is owned by three entities: Hispasat S.A. (“Hispasat”) owns 12.44 percent of Hispamar’s shares; Hispasat Brasil, Ltda., a wholly owned subsidiary of Hispasat, owns 68.52 percent of Hispamar; and Telemar Norte Leste S.A. owns the remaining 19.04 percent. On February 12, 2019, Abertis Telecom Satélites, S.A.U. (“Abertis”), reached an agreement to sell its existing 89.68% controlling interest in Hispasat to Red Eléctrica Corporación, S.A. (“REC”) whereby REC will acquire the Abertis interest through its subsidiary Red Eléctrica Sistemas de Telecomunicaciones (RESTEL).<sup>2</sup> The parties submit that the agreement will allow a significant expansion of the REC Group’s telecommunications business towards new customer segments and geographical areas, in addition to exploring potential synergies with the REC Group’s existing fiber optic business.<sup>3</sup>

#### I. Officers, Directors and Ten Percent or Greater Shareholders – Responsive to Question 40

Hispamar is a limited company with 7 directors and 2 officers. As noted above, currently, the entities with 10% or greater direct interests in Hispamar are: Hispasat (12.44%); Hispasat Brasil, Ltda. (“Hispasat Brasil”) (68.52%); Telemar Norte Leste S.A. (“Telemar”) (19.04%). The only entity holding a 10% or greater indirect interest in Hispamar is Abertis, through its controlling

---

<sup>1</sup> See *Amendment of the Commission’s Space Station Licensing Rules and Policies*, First Report and Order and Further Notice of Proposed Rulemaking in IB Docket No. 02-34, 18 FCC Rcd 10760, 10880 (¶¶ 326-27) (2003) (“*Satellite Licensing Streamlining Order*”). Although the *Satellite Licensing Streamlining Order* and Section 25.137(g) contemplate a post-consummation notification, Hispamar is providing this notification prior to completion of the proposed transaction. The parties reserve the right to consummate the transaction and to continue to provide service subject to the provisions of the rule until and unless the Commission determines otherwise. To the extent that the transaction is consummated prior to a Commission determination on this notification, Hispamar will supplement the notification to reflect the consummation.

<sup>2</sup> Hispasat also owns two satellites on the Permitted List: HISPASAT 30W-4 (formerly HISPASAT-1D) (call sign S2476) and HISPASAT 30W-6 (call sign S2969). Separate applications are being filed with respect to the Hispasat and Hispamar Permitted List Satellites, but it is requested that the applications be processed together.

<sup>3</sup> See Press Release, Red Eléctrica Corporación reaches an agreement with Abertis to acquire 89.68% of Hispasat for €949 million (Feb. 12, 2019), *available at* <https://www.ree.es/en/press-office/press-release/2019/02/red-electrica-corporacion-reaches-agreement-abertis-acquire-89-68-per-cent-of-Hispasat-for-949-million-euros>.

interest in Hispasat.<sup>4</sup> Following completion of the proposed transaction, there will be no change in the direct ownership interests in Hispamar (which will continue to be held by Hispasat, Hispasat Brasil and Telemar), and the following entities will hold 10% or greater indirect interests in Hispamar<sup>5</sup>:

**Red Eléctrica Sistemas de Telecomunicaciones** (“RESTEL”) will own 89.68% of the outstanding stock of Hispasat.

RESTEL is a wholly-owned subsidiary of:

**Red Eléctrica Corporación, S.A.** (“REC”).

REC has one ten percent or greater shareholder:

**Sociedad Estatal de Participaciones Industriales** (SEPI) (20%). SEPI also holds an existing 7.41% interest in Hispasat.

## **II. Notification of Transfer of Control of Permitted Space Station List Satellites – Responsive to Question 42a**

Hispamar operates the following satellites, which have received authority to provide service in the United States and currently are included on the U.S. Permitted List (“Permitted Satellites”):

- S2793: AMAZONAS-2<sup>6</sup>
- S2886: AMAZONAS-3<sup>7</sup>

In light of this proposed change in control, Hispamar requests that the Commission issue a public notice announcing the proposed transaction and inviting comment on whether the transaction will affect any of the considerations made when Hispamar was allowed to enter the U.S. market. Consistent with the Commission’s rules, Hispamar will continue to operate its Permitted Satellites in accordance with the conditions of the respective original orders adding them to the Permitted List unless otherwise notified by the Commission.<sup>8</sup> As the

---

<sup>4</sup> The remaining interests in Hispasat are held by Sociedad Estatal de Participaciones Industriales (“SEPI”), and Centro para el Desarrollo Tecnológico e Industrial (“CDTI”). The agreement between Abertis and REC does not contemplate any changes to these interests.

<sup>5</sup> A chart depicting the existing and post-consummation structure of Hispamar is attached as Attachment 1.

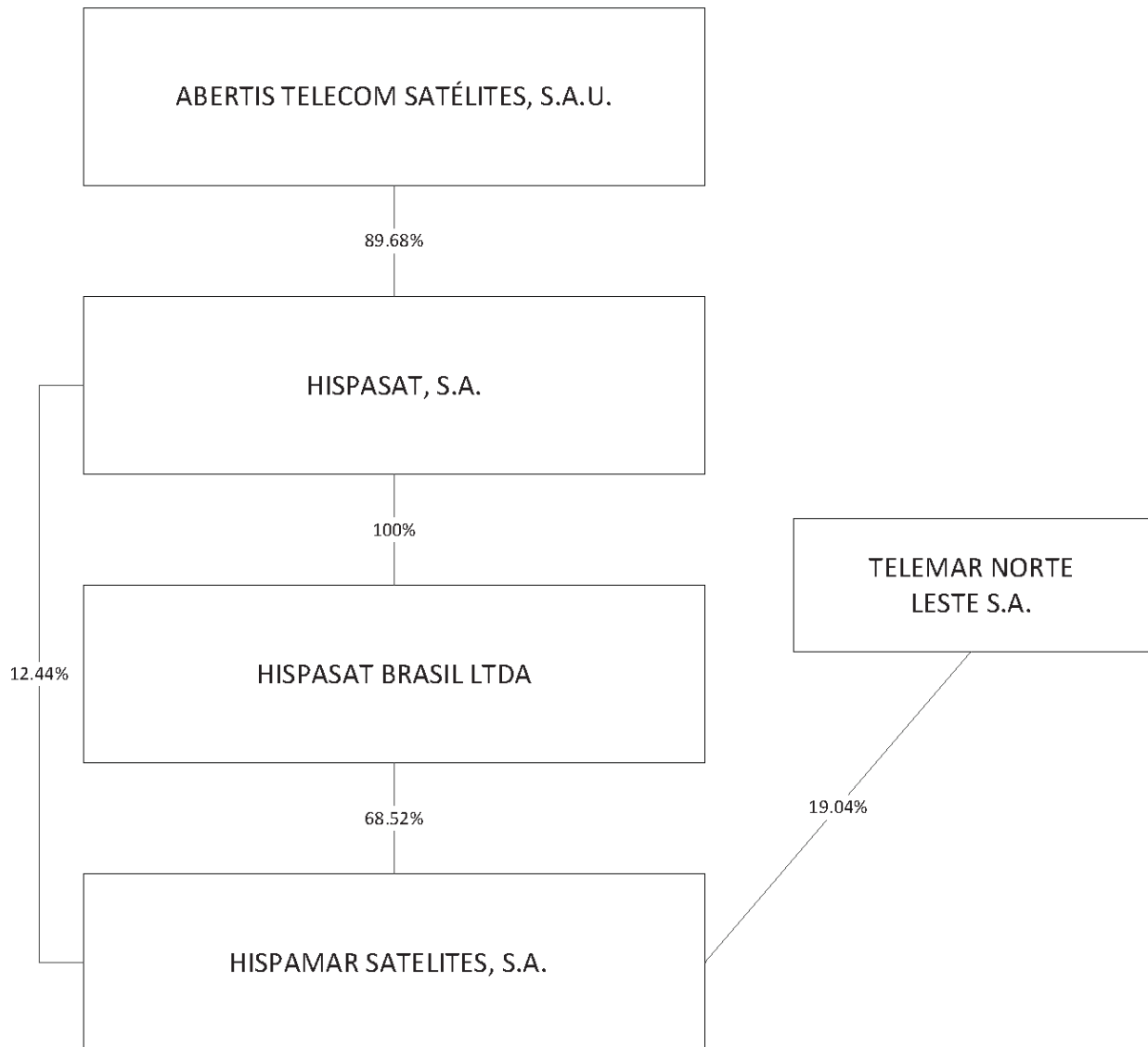
<sup>6</sup> See *Policy Branch Information; Actions Taken*, Report No. SAT-00746, File No. SAT-PPL-20100506-00093 (Dec. 29, 2010) (Public Notice).

<sup>7</sup> See *Policy Branch Information; Actions Taken*, Report No. SAT-00965, File No. SAT-PPL-20121018-00183 (Aug. 2, 2013) (Public Notice).

<sup>8</sup> *Satellite Licensing Streamlining Order* at ¶ 327.

Commission has noted, the ability of non-U.S.-licensed satellite operators to offer service to U.S. customers advances the public interest by enhancing competition in the U.S. market.<sup>9</sup> The presence of Hispamar satellites on the Permitted List will continue to serve this important public interest by driving competition and improving services for U.S. based customers.

**HISPAMAR SATELITES, S.A.  
CURRENT OWNERSHIP STRUCTURE**



<sup>9</sup> *Satellite Licensing Streamlining Order* at ¶ 285.

**HISPAMAR SATELITES, S.A.  
PROPOSED OWNERSHIP STRUCTURE**

