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FEDERAL COMMUNICATIONS COMMISSION
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October 18, 2001

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Satellite Policy Branch
International Bureau

BY HAND DELIVERY

Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

**Re: General Electric Capital Corporation and SES
Global S.A., Order and Authorization, DA 01-
2100 (IB and WTB, Oct. 2, 2001)**

Dear Ms. Salas:

Enclosed on behalf of the applicants in the above-referenced proceeding is a copy of a draft reconsideration order prepared by the applicants. The draft order was discussed at a meeting yesterday afternoon involving counsel for the applicants and Commission staff members.

KS43 SAT-T/C-20010402-00030
SES AMERICOM, INC.
KS-43

S2416 SAT-T/C-20010402-00031
COLUMBIA COMMUNICATIONS CORPORATION

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Ms. Magalie Roman Salas
October 18, 2001
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Please address any questions regarding the draft order to the undersigned or to Phillip Spector, counsel for SES Global, (202) 223-7340.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'K. A. Hastings', with a horizontal line extending to the right.

Karis A. Hastings
Counsel for General Electric Capital
Corporation

Enclosures

cc: Donald Abelson, Chief, International Bureau, FCC
Linda Haller, Senior Legal Advisor, International Bureau, FCC
James Bird, Office of General Counsel Transaction Team, FCC
Phillip Spector, Counsel for SES Global S.A.

Draft, 10/17/2001

Before the
Federal Communications Commission
Washington, D.C.

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In re Application of)
)
GENERAL ELECTRIC CAPITAL)
CORPORATION,)
Transferors,)
)
and)
)
SES GLOBAL, S.A.)
Transferees,)
)
for Consent to Transfer Control of)
Licenses and Authorizations Pursuant)
to Sections 214(a) and 310(d) of the)
Communications Act)
and)
Petition for Declaratory Ruling)
Pursuant to Section 310(b)(4))
of the Communications Act)

File Nos. SAT-T/C-20010402-00030,
SAT-T/C-20010402-00031,
SES-T/C-20010402-00736,
SES-T/C-20010402-00740,
SES-T/C-20010402-00741,
SES-T/C-20010402-00742,
SES-T/C-20010402-00743,
SES-T/C-20010402-00744,
ITC-T/C-20010402-00178,
0000413466, and
ISP-PDR-20010402-00017

ORDER ON RECONSIDERATION

Adopted: October __, 2001

Released: October __, 2001

By the Chief, International Bureau and the Chief, Wireless Telecommunications Bureau:

1. On October 2, 2001, we granted the above-captioned applications of General Electric Capital Corporation (GE Capital) and SES Global S.A. (SES Global) (collectively Applicants) for consent to transfer control of GE American Communications, Inc. (GE Americom) and Columbia Communications Corporation (Columbia) (collectively Americom Licensees) to SES Global.¹ In this Order, we reconsider the *Transfer Order* on our own motion pursuant to Section 1.113 of the Commission's Rules in light of supplemental information provided by SES Global,² and modify two paragraphs of the *Transfer Order*.

2. First, we modify paragraph 42 of the *Transfer Order*. That paragraph permitted SES Global to own 100% of GE Americom, and imposed limitations relating to indirect ownership of GE Americom by investors that receive shares in SES Global pursuant to the exchange offer described in the Application. The supplemental information provided by SES Global permits us to make a finding under Section 310(b)(4) of

¹ General Electric Capital Corporation, Transferors, and SES Global S.A., Transferees, *Order and Authorization*, DA 01-2100 (IB and WTB, Oct. 2, 2001) (*Transfer Order*).

² See Letter of Phillip L. Spector and Laura B. Sherman to Magalie Roman Salas dated Oct. 10, 2001 (October 10 Letter); Letter of Laura B. Sherman to Magalie Roman Salas dated Oct. 12, 2001.

the Communications Act that authorizing indirect ownership of GE Americom by investors that receive shares in SES Global pursuant to the exchange offer is consistent with the public interest.³ In addition, SES Global has advised us that it is not proceeding with the previously contemplated public offering of shares.⁴ We recognized in the *Transfer Order* that, if the public offering did not occur, the percentage interests of Class A and Class C shareholders of SES Global would increase.⁵ The October 10 letter provides updated ownership percentages reflecting the decision not to proceed with the public offering, and a related decision that GE Capital will purchase additional shares of SES Global.⁶ In light of this information, we modify paragraph 42 of the *Transfer Order* to read as follows:

42. Specifically, this ruling permits the requested indirect foreign ownership of GE Americom by SES Global (100 percent), DT affiliates and DT's German shareholders (13.15 percent economic interest and 10.52 percent voting interest), BCEE and SNCI and the State of Luxembourg (16.67 percent economic interest and 33.33 percent voting interest, which aggregate interest may be held in any amount by any one or more of these named Luxembourg entities), and other non-U.S. institutions and individuals who receive shares in SES Global pursuant to the exchange offer (39.46 percent economic interest and 31.57 percent voting interest). GE Americom may accept up to and including an additional, aggregate 25 percent indirect equity and/or voting interests from the above foreign investors or other non-U.S. investors and entities without seeking further Commission approval under Section 310(b)(4).¹³⁸ However, no single non-U.S. investor or entity, including Deutsche Telekom and its German shareholders, may acquire indirect ownership in excess of 25 percent without further Commission approval under Section 310(b)(4). Moreover, GE Americom shall seek approval under Section 310(b)(4) before it accepts any additional indirect interest by BCEE, SNCI and the State of Luxembourg in excess of the permitted 33.33 percent voting interest.

¹³⁸ For this purpose, non-U.S. ownership of GE Capital and non-German foreign ownership of Deutsche Telekom would be included in the total indirect foreign ownership of GE Americom.

3. Second, we take this opportunity on our own motion to modify paragraph 65 of the *Transfer Order*. That provision requires amendment of pending applications pursuant to Section 1.65 of the Commission's Rules to reflect the ownership changes permitted by the *Transfer Order*. We modify that paragraph to provide that such amendments are required within 30 days of consummation of the transaction authorized in the *Transfer Order*. The revised paragraph 65 of the *Transfer Order* reads as follows:

³ See October 10 Letter at 4-5 and Exhibits 1 and 2 (describing anticipated foreign investment in SES Global and providing information regarding home markets of investors).

⁴ See *id.* at 2.

⁵ *Transfer Order* at n.44.

⁶ October 10 letter at 2-3 & Exhibit 1. In addition, SES Global advised us that Deutsche Telekom would hold its SES Global shares through wholly-owned companies rather than directly. *Id.* at 4 n.18.

65. IT IS FURTHER ORDERED that pursuant to Section 1.65 of the Commission's Rules, 47 C.F.R. § 1.65, GE Capital and SES Global are afforded thirty days from the consummation date of the transactions authorized herein to amend all such pending applications in connection with the instant Transfer Application to reflect the new ownership structure approved in this Order and Authorization.

Ordering Clauses

4. Consistent with the foregoing, we hereby modify the *Transfer Order* as specified herein.
5. This Order on Reconsideration does not modify any other terms or conditions imposed in the *Transfer Order*.
6. This Order is issued under delegated authority pursuant to Sections 0.51, 0.261, 0.131, 0.331, 1.113 of the Commission's Rules, 47 C.F.R. §§ 0.51, 0.261, 0.131, 0.331, 1.113 and SHALL BE EFFECTIVE upon release.

FEDERAL COMMUNICATIONS COMMISSION

Donald Abelson
Chief, International Bureau

Thomas J. Sugrue
Chief, Wireless Telecommunications Bureau