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DA No. 03-687 March 7, 2003

ACTIONS TAKEN UNDER CABLE LANDING LICENSE ACT

Section 1.767(a) Cable Landing Licenses, Modifications, and Assignments or Transfers of Control of Interests in Cable Landing Licenses (47 C.F.R. § 1.767(a))

By the Chief, Policy Division, International Bureau:

Pursuant to An Act Relating to the Landing and Operation of Submarine Cables in the United States, 47 U.S.C. §§ 34-39 (Cable Landing License Act), Executive Order No. 10530, Exec. Ord. No. 10530 *reprinted as amended in* 3 U.S.C. § 301, and section 1.767 of the Commission's rules, 47 C.F.R. § 1.767, the following application ARE GRANTED. These grants of authority are taken under section 0.261 of the Commission's rules, 47 C.F.R. § 0.261, and are effective upon release of this public notice. Petitions for reconsideration under section 1.106 or applications for review under section 1.115 of the Commission's rules, 47 C.F.R. §§ 1.106, 1.115, may be filed within 30 days of the date of this public notice.

This public notice serves as each cable landing licensee's Cable Landing License, or modification thereto, pursuant to the Cable Landing License Act and sections 1.767 and 1.768 of the Commission's rules. Cable landing licensees should review carefully the terms and conditions of their licenses. Failure to comply with these terms and conditions or relevant Commission rules and policies could result in fines or forfeitures.

The Commission most recently amended its rules applicable to submarine cable landing licenses in *Review of Commission Consideration of Applications under the Cable Landing License Act*, IB Docket No. 00-106, FCC 01-332 (rel. Dec. 14, 2001), 67 Fed. Reg. 1615 (Jan. 14, 2002). An updated version of sections 1.767 and 1.768 of the rules is available at http://www.fcc.gov/ib/pd/pf/telecomrules.html. *See also* http://hraunfoss.fcc.gov/edocs_public/attachmatch/DA-02-598A1.pdf for the December 14, 2001 Report and Order.

SCL-ASG-20030109-00002

Teleglobe USA Inc., Debtor-in-Possession (Licensee and Assignor) Teleglobe USA LLC (Assignee) OPTEL Telecommunications, Inc., Debtor-in-Possession (Licensee and Assignor) Teleglobe USA III LLC (Assignee)

ASSIGNMENT

Action Taken: Grant of authority to assign interests in the cable landing licenses for the China-US Cable System (SCL-LIC-19980309-00005); AMERICAS-II Cable System (SCL-LIC-19980430-00006); Japan-US Cable System (SCL-LIC-19981117-00025); Columbus III Cable System (SCL-LIC-19980527-00007); and TAT-14 Cable System (SCL-LIC-19990303-00004) held by Teleglobe USA Inc., Debtor-in-Possession, to Teleglobe USA LLC. Grant of authority also to assign the cable landing license for the CANUS-1 Cable System (SCL-LIC-19930503-00004) held by Optel Telecommunications, Inc., Debtor-in-Possession, to Teleglobe USA III LLC.

Conditions and Requirements: See AT&T Corp. et al., China-US Cable Landing License, File No. SCL-LIC-19980309-00005, 13 FCC Rcd 16232 (1998); AT&T Corp. et al., AMERICAS-II Cable Landing License, File No. SCL-LIC-19980430-00006, 13 FCC Rcd 22534 (1998); AT&T Corp. et al., Japan-US Cable Landing License, File No. SCL-LIC-19981117-00025, 14 FCC Rcd 13066 (1999); AT&T Corp. et al., Columbus III Cable Landing License, File No. SCL-LIC-19980527-00007, 14 FCC Rcd 13436 (1999); and AT&T Corp. et al., TAT-14 Cable Landing License, File No. SCL-LIC-19990303-00004, DA 99-2042. See also, Optel Communications, Inc., CANUS-1 Cable Landing License, File No. SCL-LIC-19930503-00004, 8 FCC Rcd 2267 (1993).

Licensees shall comply with the requirements of Section 1.768 (notifications and prior approval for submarine cable landing licensees that are or propose to become affiliated with a foreign carrier), 47 C.F.R. § 1.768.

<u>Licensee Information</u>: Teleglobe USA Inc., Debtor-in-Possession (Teleglobe USA), is a Delaware corporation that provides both facilities-based and resold telecommunications services to customers in the United States. Teleglobe USA holds cable landing licenses for the China-US Cable System, AMERICAS-II Cable System, Japan-US Cable System, Columbus III Cable System, and the TAT-14 Cable System. Optel Telecommunications, Inc., Debtor-in-Possession (Optel), is a Delaware corporation that owns, operates and holds the U.S. cable landing license for the CANUS-1 Cable System. Teleglobe USA and Optel are indirectly held subsidiaries of Teleglobe Inc., Debtor-in-Possession, a corporation organized under the laws of Ontario, Canada. Teleglobe USA LLC and Teleglobe USA III LLC are newly formed limited liability companies organized under the laws of Delaware.

This application was filed in connection with the proposed sale of Teleglobe USA's and Optel's telecommunications assets and business in the United States out of bankruptcy to TLGB Corporation ("TLGB"), a Delaware holding company. After consummation of the proposed transaction, Teleglobe USA LLC and Teleglobe USA III LLC, the assignees, will be direct, wholly-owned subsidiaries of TLGB, which is a direct, wholly-owned subsidiary of TLGB Netherlands Holdings BV, a Dutch corporation (TLGB Netherlands). TLGB Netherlands will be 100 percent owned by a Luxembourg company (TLGB Luxembourg) that is being created for purposes of the proposed transaction. TLGB Luxembourg will be 100 percent owned by Teleglobe International Holdings Ltd. ("TIH"), a newlyformed Bermuda corporation.

The majority owners of TIH are four investment funds that are affiliated with Cerberus Capital Management, LP, a private equity fund based in New York. Applicants state that the Cerberus funds are Page 2 of 3

controlled by Stephen Feinberg and that he possesses the sole power to vote and direct the disposition of all of the TIH stock owned by the Cerberus funds. Mr. Feinberg is a U.S. citizen who is the CEO of Cerberus.

Applicants certify that the proposed transactions will not result in the licensees acquiring any new affiliations with foreign carriers. They also state, however, that the licensees will no longer be affiliated with Bell Canada upon consummation of the proposed transactions.

Regulatory Status of Cable: The China-US, Japan-US, Columbus III, TAT-14, and the CANUS-1 Cable Systems will continue to operate on a non-common carrier basis. *See* File Nos. SCL-LIC-19980309-00005 (13 FCC Rcd 16232), SCL-LIC-19981117-00025 (14 FCC Rcd 13066), SCL-LIC-19980527-00007 (14 FCC Rcd 13436), SCL-LIC-19990303-00004 (DA 99-2042 or 1999 FCC LEXIS 4942 (October 1, 1999)), and SCL-LIC-19930503-00004 (8 FCC Rcd 2267). AMERICAS-II Cable System is operated on a common carrier basis. See File No. SCL-LIC-19980430-00006 (13 FCC Rcd 22534).

<u>Cable Design and Capacity</u>: *See* File Nos. SCL-LIC-19980309-00005 (13 FCC Rcd 16232), SCL-LIC-19980430-00006 (13 FCC Rcd 22534), SCL-LIC-19981117-00025 (14 FCC Rcd 13066); SCL-LIC-19980527-00007 (14 FCC Rcd 13436); SCL-LIC-19990303-00004 (DA 99-2042 or 1999 FCC LEXIS 4942 (October 1, 1999)), SCL-LIC-19930503-00004 (8 FCC Rcd 2267).