



PUBLIC NOTICE

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DA No. 03-1063
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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 a March 13, 2002 Public Notice; http://hraunfoss.fcc.gov/edocs_public/attachmatch/FCC-01-332A1.pdf for the December 14, 2001 Report and Order.

SCL-ASG-20030205-00004

360americas (USA) Corp. (Licensee & Assignor)
Brasil Telecom of America, Inc. (Assignee)

ASSIGNMENT

Action Taken: Grant of authority to assign the interests in the cable landing licenses held by 360Americas (USA) Corp. for the 360Americas cable system to Brasil Telecom of America, Inc. The BUS-1Cable System (SCL-LIC-19961026-00001) and Atlantica-1Cable System (SCL-LIC-19990602-00010) comprise the 360Americas cable system. The 360Americas cable system now operates under the trade name GlobeNet Cable System.

Conditions and Requirements: See Bus-1Cable Landing License, File No. SCL-LIC-19961026-00001, TeleBermuda International, L.L.C., 11 FCC Rcd 21141 (Int'l Bur., 1996), and Atlantica-1Cable Landing License, SCL-LIC-19990602-00010, Atlantica USA LLC, 14 FCC Rcd 20787 (Int'l Bur., 1999).

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.

Licensee Information: 360Americas (USA) Corp. ("360Americas"), a Delaware corporation and wholly-owned subsidiary of 360Americas network (Bermuda) Ltd. ("GlobeNet"), holds the cable landing licenses for the 360Americas cable system (the "System"). All the outstanding shares of GlobeNet's parent, GlobeNet Communications Group Ltd ("GlobeNet Group"), a Bermudan corporation, are currently held by 360networks, inc., a Canadian company. The System, which now operates under the trade name GlobeNet Cable System, links two cable landing stations in Tuckerton, New Jersey and Boca Raton, Florida, in the United States, with cable landing stations in Fortaleza and Rio de Janeiro, Brazil, St. David's, Bermuda, and Maiquetia (Caracas), Venezuela.

The proposed assignee, Brasil Telecom of America Inc. ("BrT America"), a Delaware corporation, is a direct wholly-owned subsidiary of Brasil Telecom Subsea Cable Systems (Bermuda) Ltd., a Bermudan corporation, which is a direct wholly-owned subsidiary of Brasil Telecom BrT Servicios de Internet S.A. ("BrTi"), also a Brazilian corporation. BrTi is a direct wholly-owned subsidiary of Brasil Telecom, S.A. ("Brasil Telecom"), a Brazilian corporation and the principal provider of fixed-line telecommunications service within its local exchange service territory in Brazil.

The majority of the voting and equity interests in Brasil Telecom (97.7% and approximately 65.4%, respectively) are owned by Brasil Telecom Participações S.A. ("BRP"), a Brazilian corporation. The remaining ownership interests are widely held and publicly traded. The majority of the voting interests of BRP (53.3%) and approximately 20.1% of the equity interests of BRP are owned by Solpart Participações S.A. ("Solpart"), a Brazilian holding company. The remaining ownership interests in BRP are widely held and publicly traded. The voting and approximate equity interests in Solpart are held as follows: Timepart Participações Ltda. ("Timepart"), a Brazilian corporation (62% voting, 20.9% equity); Telecom Italia International N.V. ("Telecom Italia"), a Dutch corporation (19% voting, 31.6% equity); and Techold Participações S.A. ("Techold"), a Brazilian corporation (19% voting, 47.5% equity). Applicants represent that, pursuant to a shareholders agreement dated July 19, 1998, as amended on August 27, 2002, among Techold, Telecom Italia, Timepart and Solpart, and others, Brasil Telecom is controlled by Techold. The vast majority of shares of Techold are owned by Invitel S.A., a Brazilian holding company. Invitel in turn is majority-owned and controlled by Opportunity Zain S.A., a Brazilian holding company for several named mutual funds and an asset management company, each of which is organized under the laws of Brazil or the Cayman Islands.

This application was filed in connection with the proposed acquisition of the entire System, including all foreign landing points, by Brasil Telecom's wholly owned subsidiary, BrTi. At closing, GlobeNet will transfer assets of the System, including assets located in the United States, Bermuda, Brazil, and

Venezuela to subsidiaries of BrTi, created in each of those jurisdictions. BrT America, the proposed assignee, will own the U.S. landing stations and the portion of the submarine cable located in U.S. territorial waters. The remaining system assets will be held by the following BrTi subsidiaries: Brasil Telecom Cabos Submarinos Ltda., a Brazilian corporation (Brazilian cable landing stations and submarine cable located in Brazilian territorial waters); Brasil Telecom Subsea Cable Systems (Bermuda) Ltd., a Bermudan corporation (Bermudan cable landing station, submarine cable located in Bermudan territorial waters, and submarine cable located in international waters); and Brasil Telecom de Venezuela S.A., a Venezuelan corporation (Venezuelan cable landing station and submarine cable located in Venezuelan territorial waters).

Pursuant to section 1.767(a)(8) of the rules, Applicants certify that BrT America has, or is expected to have, affiliations with the following foreign carriers: Brasil Telecom and its wholly-owned subsidiary BrTi, Brasil Telecom Celular S.A., and each of the BrTi subsidiaries that will own the non-U.S. System assets. Brasil Telecom and BrTi have agreed that, upon consummation of the proposed assignment, and until such time as the Commission may remove Brasil Telecom from the Commission's "List of Foreign Carriers Presumed to Possess Market Power in Foreign Telecommunications Markets," they will accept and abide by the reporting requirements set out in section 1.767(1) of the rules on the U.S.-Brazil route.

Interlocking Directorates: Applicants state that Brasil Telecom of America, Inc. has interlocking directorates with its foreign carrier affiliates.

Regulatory Status of Cable: The 360americas cable system operates on a non-common carrier basis. *See* Bus-1Cable Landing License, File Nos. SCL-LIC-19961026-00001, TeleBermuda International, L.L.C., 11 FCC Rcd 21141 (Int'l Bur., 1996); and Atlantica-1Cable Landing License, SCL-LIC-19990602-00010, Atlantica USA LLC, 14 FCC Rcd 20787 (Int'l Bur., 1999).

Cable Design and Capacity: *See* Bus-1Cable Landing License, File Nos. SCL-LIC-19961026-00001, TeleBermuda International, L.L.C., 11 FCC Rcd 21141 (Int'l Bur., 1996); and Atlantica-1Cable Landing License, SCL-LIC-19990602-00010, Atlantica USA LLC, 14 FCC Rcd 20787 (Int'l Bur., 1999).