-TAT-14

Federal Communications Commission

DA 99-2042

Before the Federal Communications Commission Washington, D.C. 20554

| In the Matter of |) |
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| AT&T CORP. BELLSOUTH INTERNATIONAL, INC. CABLE & WIRELESS USA, INC. CABLE & WIRELESS GLOBAL NETWORKS LTD GTE INTELLIGENT NETWORK SERVICES INC. IXC COMMUNICATIONS SERVICES, INC. KDD AMERICA, INC. MCI WORLDCOM, INC. PACIFIC GATEWAY EXCHANGE (BERMUDA) LIMITED RSL COM U.S.A., INC. SPRINT COMMUNICATIONS COMPANY, L.P. STAR TELECOMMUNICATIONS, INC. STARTEC GLOBAL COMMUNICATIONS CORP. SWISSCOM NORTH AMERICA, INC. TELEBERMUDA INTERNATIONAL LIMITED TELEGLOBE USA INC. TELENOR GLOBAL SERVICES AS TELIA NORTH AMERICA INC. VIATEL, INC. | <pre> } File No. SCL-LIC-19990303-00004 } </pre> |
| Joint Application for a License to Land and Operate in the United States a Submarine Cable System Extending Between the United States, Denmark, Germany, the Netherlands, France and the United Kingdom. | ,)))) |

CABLE LANDING LICENSE

Adopted: September 30, 1999

Released: October 1, 1999

By the Chief, Telecommunications Division:

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I. Introduction

1. In this Order, we grant the application of AT&T Corp. (AT&T), BellSouth International, Inc. (BSI), Cable & Wireless USA, Inc. (C&W USA), Cable & Wireless Global Networks Ltd. (C&WGN), GTE Intelligent Network Services Inc. (GTEINS), IXC Communications Services, Inc. (IXC-CSI), KDD America, Inc. (KDDA), MCI WorldCom, Inc. (MCI WorldCom), Pacific Gateway Exchange (BERMUDA) Limited (PGE Bermuda), RSL COM U.S.A., Inc. (RSL USA), Sprint Communications Company, L.P. (Sprint), STAR Telecommunications, Inc. (STAR), Startec Global Communications Corp. (STGC), Swisscom North America, Inc. (SCNA), TeleBermuda International Limited (TeleBermuda), Teleglobe USA Inc. (TUSA), Telenor Global Services AS (Telenor Global), Telia North America Inc. (Telia NA), and Viatel, Inc. (Viatel) (collectively the Joint Applicants or Licensees) under the Cable Landing License Act and Executive Order No. 10530¹ for authority to land and operate a private fiber optic submarine cable system to be called "TAT-14 Cable Network" or "TAT-14," extending between the United States, Denmark, Germany, the Netherlands, France, and the United Kingdom. The capacity of TAT-14 will be sold or leased to users on a nontariffed, non-common carrier basis. We find that the Joint Applicants have provided sufficient information under our rules to comply with the Cable Landing License Act and that it would serve the public interest to grant the cable landing license subject to the conditions listed below.

II. Application

2. The application identifies as Joint Applicants 19 of the 51 initial investors in TAT-14. Sprint is a limited partnership organized and existing under the laws of Delaware. AT&T and KDDA are corporations organized and existing under the laws of New York. BSI is a corporation organized and existing under the laws of New York. BSI is a corporation organized and existing under the laws of the District of Columbia. C&WGN is a corporation organized and existing under the laws of Ireland. GTEINS, IXC-CSI, MCI WorldCom, RSL USA, STAR, SCNA, TUSA, Telia NA, and Viatel are corporations organized and existing under the laws of Delaware. PGE Bermuda and TeleBermuda are corporations organized and existing under the laws of Bermuda. STGC is a corporation organized and existing under the laws of Norway. Each of the Joint Applicants is a common carrier subject to the Communications Act of 1934, as amended.² The Joint Applicants and other carriers will own and operate TAT-14 in the approximate proportions stated in the application.³ The Joint Applicants' Management of TAT-14 will be in accordance with the Construction and Maintenance Agreement (C&MA) included in the Application.

3. The proposed TAT-14 system will connect: (1) Manasquan, New Jersey; (2) Tuckerton, New Jersey; (3) Blaabjerg, Denmark; (4) Norden, Germany; (5) Katwijk, the Netherlands; (6) St. Valery, France; and (7) Widemouth, North Cornwall, United Kingdom. The application states that TAT-14 will employ state-of-the-art wave division multiplexing (WDM) fiber optic technology operating at up to 640 Gbps in a self-healing ring configuration. TAT-14 will be connected to technologically suitable facilities providing access to the domestic networks in each country or territory. In addition, TAT-14 will be extended by suitable facilities to the terminals of other communications systems, including other cable terminals and satellite earth stations, to enable TAT-14

¹ Exec. Ord. No. 10530 reprinted as amended in 3 U.S.C. § 301.

² AT&T Corp. et al., Joint Application to Land and Operate a Submarine Cable Network between the United States, Denmark, Germany, the Netherlands, France, and the United Kingdom, File No. SCL-19990303-00004 (Application). A complete list of the owners of TAT-14 is included in Schedule A, which is attached to this order in Appendix B.

³ See Appendix B, which is attached to this order.

to be used for services between and among the United States, Denmark, Germany, the Netherlands, France, the United Kingdom, and points beyond.

4. As shown in Exhibit 1 that is attached to this order, TAT-14 will consist of seven cable landing stations (Segments T1-T7) and seven wet subsegments (Subsegments S1-S7). Three of the subsegments (Subsegments S1, S2, and S7) and two of the land points (Segments T1 at Manasquan, New Jersey and T2 at Tuckerton, New Jersey) are subject to the jurisdiction of the Commission. The C&MA provides that landing point Segment T1 shall be owned by Sprint and landing point Segment T2 shall be owned by AT&T. Section 16.1 of the C&MA provides that Sprint and AT&T are also responsible for the operation and maintenance of the T1 and T2 segments, respectively.

5. Subsegment S1 consists of four fiber pairs between Manasquan and Tuckerton, New Jersey. Subsegment S2 consists of four fiber pairs between Tuckerton, New Jersey and Widemouth, North Cornwall, U.K. Subsegment S3 consists of four fiber pairs between Widemouth, U.K. and St. Valery-en-Caux, France. Subsegment S4 consists of four fiber pairs between St. Valery-en-Caux, France, and Katwijk, the Netherlands. Subsegment S5 consists of four fiber pairs between Katwijk, the Netherlands and Norden, Germany. Subsegment S6 consists of four fiber pairs between Blaabjerg, Denmark and Manasquan, New Jersey. Each fiber pair will operate at 160 Gbps. The initial capacity of each fiber pair is equivalent to 1024-155 Mbps Basic System Modules (BSMs), with each BSM containing 63 minimum investment units (MIUs). Operation of the TAT-14 system is anticipated to begin no later than December 31, 2000.

III. Comments

6. The application was placed on public notice on March 26, 1999. We received no comments. Pursuant to Section 1.767(b) of the Commission's rules,⁴ the Cable Landing License Act, and Executive Order No. 10530, we informed the Department of State of the application.⁵ The

⁴ 47 C.F.R. § 1.767(b) (1997).

⁵ Letter from Rebecca Arbogast, Chief, Telecommunications Division, International Bureau, Federal Communications Commission, to Steven W. Lett, Deputy U.S. Coordinator, Office of International Communications and Information Policy, U.S. Department of State (April 13, 1999).

Department of State, after coordinating with the National Telecommunications and Information Administration and the Department of Defense, stated that it has no objection to issuance of the cable landing license.⁶

IV. Discussion

A. Private Submarine Cable Policy

7. The Joint Applicants propose to operate TAT-14 as a non-common carrier submarine cable system in which capacity will not be offered indifferently to the user public. The Joint Applicants request a license under the Commission's private submarine cable policy, which is intended to promote competition in the provision of international transmission facilities.⁷ Pursuant to this policy, the Commission has authorized non-common carrier cables where: (1) there is no legal compulsion to serve the public indifferently; and (2) there are no reasons implicit in the nature of the operations to expect an indifferent holding-out to the eligible user public.⁸

8. In applying the first prong of the test to submarine cable authorizations, the Commission has stated that there will be no legal compulsion to serve the public indifferently where there is no public interest reason to require facilities to be offered on a common carrier basis. This public interest analysis has generally focused on whether an applicant will be able to exercise market power because of the lack of alternative facilities. Where the Commission has found that the licensee will lack market power and therefore will not be able to charge monopoly rates for cable capacity, the Commission has found that the public interest would be served by allowing a submarine cable to be offered on a non-common carrier basis.⁹

9. No one has suggested that the public interest requires TAT-14 to be operated on a common carrier basis. The Joint Applicants are affiliated with several foreign carriers in Europe, including carriers in the United Kingdom, Denmark, the Netherlands, France and Germany, the destination countries for TAT-14.¹⁰ The Joint Applicants state that none of the Joint Applicants is affiliated with a carrier designated by the Commission as presumptively dominant in those foreign

⁸ See Cable & Wireless, 12 FCC Rcd at 8522; see also Optel Communications, Inc., Conditional Cable Landing License, 8 FCC Rcd 2267 (1993); National Association of Regulatory Utility Commissioners v. FCC, 525 F.2d 630, 642 (D.C. Cir.) (NARUC I), cert. denied, 425 U.S. 992 (1976).

⁹ See, e.g., Cable & Wireless, 12 FCC Rcd at 8523.

¹⁰ Certification for each of the Joint Applicants pursuant to 47 C.F.R. § 63.18(h) as to affiliations with foreign carriers is attached to the Application. *See also* letters from Kent Y. Nakamura, Attorney for the Joint Applicants, to Joanna Lowry, Acting Chief, Policy and Facilities Branch, Telecommunications Division, International Bureau, FCC (Aug. 20, 1999 and Sept. 15, 1999).

⁶ Letter from Seven W. Lett, Deputy United States Coordinator, International Communications and Information Policy, U.S. Department of State, to Donald Abelson, Chief, International Bureau, FCC (Sept. 3, 1999).

⁷ See Tel-Optik, Ltd., Memorandum Opinion and Order, 100 F.C.C.2d 1033, 1040-42, 1046-48 (1985); see also Cable & Wireless, plc, Cable Landing License, 12 FCC Rcd 8516 (1997) (Cable & Wireless).

countries where the TAT-14 will land. No commenter has disputed this fact, and we find that, in light of all the circumstances, it would not serve the public interest to impose common carrier regulation on the operations of TAT-14 at this time. We note, however, that we maintain the ability to impose common carrier or common-carrier-like obligations on the operations of this or any other submarine cable system if the public interest so requires. Furthermore, we have always maintained the authority to classify facilities as common carrier facilities subject to Title II of the Communications Act if the public interest requires that the facilities be offered to the public indifferently.¹¹

10. Regarding the second prong of the test, the Joint Applicants state that capacity will not be sold indifferently to the user public. We therefore conclude that the Joint Applicants will operate TAT-14 on a non-common carrier basis.

11. We conclude that the Joint Applicants will not offer capacity in TAT-14 to the public on a common carrier basis and that the public interest does not require that they do so. Accordingly, we conclude that it is appropriate to license TAT-14 on a non-common carrier basis. We also find that the Joint Applicants will not provide a telecommunications service for a fee to such a class of users as to be "effectively available directly to the public" and thus will not be a "telecommunications carrier" under the Telecommunications Act of 1996.¹²

¹¹ See, e.g., Foreign Participation Order, 12 FCC Rcd at 23,934 ¶ 95; Cable & Wireless, 12 FCC Rcd at 8530 ¶ 39; AT&T Corp. et al., Cable Landing License, 13 FCC Rcd 16,232, 16,237 ¶ 15 (Int'l Bur. 1998) (China-US Cable Landing License).

¹² See 47 U.S.C. § 153(44) (defining "telecommunications carrier"); Cable & Wireless, 12 FCC Rcd at 8523.

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B. Ownership and Landing Points

12. The Joint Applicants have provided the ownership information required by sections 1.767(a)(6), 63.18(e)(6), and 63.18(h) of the Commission's rules. Segment T1 located at Manasquan, New Jersey will be owned by Sprint, and landing point Segment T2 located at Tuckerton, New Jersey will be owned by AT&T. Sprint and AT&T are also responsible for the operation and maintenance of the T1 and T2 segments, respectively, including real property, buildings and terminal equipment, as well as the U.S. territorial portions of the submarine cable from the landing stations to the U.S territorial limit. The foreign cable stations and the portions of the submarine cable will be owned as follows:

Segment T3 located at Widemouth, North Cornwall, U.K., owned by BT; Segment T4 located at St. Valery, France, owned by FT; Segment T5 located at Katwijk, the Netherlands, owned by KPN; Segment T6 located at Norden, Germany, owned by DTAG; and Segment T7 located at Blaabjerg, Denmark, owned by Telia.

13. The application states that TAT-14 will land at Manasquan, New Jersey; Tuckerton, New Jersey; Blaabjerg, Denmark; Norden, Germany; Katwijk, the Netherlands; St. Valery, France; and Widemouth, North Cornwall, United Kingdom. The Manasquan, New Jersey station will be located at Latitude 40.129868, Longitude -74.0430879. The Tuckerton, New Jersey station will be located at Latitude 39.6135, Longitude -74.32804. We find the applicant's description of the likely locations of the remaining landing points to be sufficient to determine that the proposed cable system will comply with the provisions of the Cable Landing License Act and Commission rules. Section 1.767(a) of the Commission's rules permits applicants in an initial application to provide a general description of the landing points.¹³ The applicant must file a specific description of the remaining landing points, including a map, no later than 90 days prior to construction at that landing point. The Commission will give public notice of the filing of the specific description, and grant of the license will be considered final with respect to that landing point unless the Commission notifies the applicant to the contrary no later than 60 days after receipt of the specific description of the landing points.

C. Environmental Impact

14. The Commission has found that the construction of new submarine cable systems, individually and cumulatively, will not have a significant effect on the environment and therefore should be expressly excluded from our procedures implementing the National Environmental Policy Act of 1969.¹⁴ Therefore, the Joint Applicants are not required to submit an environmental assessment, and this Application is categorically excluded from environmental processing.

¹³ 47 C.F.R. § 1.767(a)(5) (1997).

¹⁴ See 47 C.F.R. § 1.1306 Note 1 (as amended 1999); 1998 Biennial Regulatory Review -- Review of International Common Carrier Regulations, IB Docket No. 98-118, *Report and Order*, FCC 99-51, ¶¶ 67-69 (rel. Mar. 23, 1999).

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V. Conclusion

15. We grant the Joint Applicants Application for authority to land and operate a non-common carrier fiber optic submarine cable extending between the United States, Denmark, Germany, the Netherlands, France, and the United Kingdom, subject to the conditions listed below.

VI. Ordering Clauses

16. Consistent with the foregoing, we hereby GRANT AND ISSUE the Joint Applicants a license to land and operate a non-common carrier fiber optic submarine cable system (consisting of four fiber pairs, each fiber pair to operate at 160 Gbps with an initial capacity for each fiber pair that is equivalent to 1024-155 Mbps BSMs, with each BSM containing 63 MIUs) extending between landing points at cable stations in Manasquan, New Jersey; Tuckerton, New Jersey; Blaabjerg, Denmark; Norden, Germany; Katwijk, the Netherlands; St. Valery, France; and Widemouth, North Cornwall, United Kingdom under the provisions of the Cable Landing License Act and Executive Order 10530. This grant is subject to all rules and regulations of the Commission; any treaties or conventions relating to communications to which the United States is or may hereafter become a party; any action by the Commission or the Congress of the United States rescinding, changing, modifying, or amending any rights accruing to any person hereunder; and the following conditions:

(1) The location of the cable system within the territorial waters of the United States, its territories and possessions, and upon its shore shall be in conformity with plans approved by the Secretary of the Army, and the cable shall be moved or shifted by the Licensees at their expense upon the request of the Secretary of the Army whenever he or she considers such course necessary in the public interest, for reasons of national defense, or for the maintenance or improvement of harbors for navigational purposes;

(2) The Licensees shall at all times comply with any requirements of U.S. government authorities regarding the location and concealment of the cable facilities, buildings, and apparatus for the purpose of protecting and safeguarding the cable from injury or destruction by enemies of the United States;

(3) The Licensees or any persons or companies controlling them, controlled by them, or under direct or indirect common control with them do not enjoy and shall not acquire any right to handle traffic on a common carrier basis to or from the United States, its territories, or its possessions unless such service be authorized by the Commission pursuant to Section 214 of the Communications Act, as amended;

(4) The Licensees or any persons or companies controlling them, controlled by them, or under direct or indirect common control with them shall not acquire or enjoy any right to land, connect, or operate submarine cables that is denied to any other United States company by reason of any concession, contract, understanding, or working arrangement to which the Licensees or any persons controlling them, controlled by them, or under direct or indirect common control with them are parties;

(5) Neither this license nor the rights granted herein shall be transferred, assigned, or in any manner either voluntarily or involuntarily disposed of or disposed of indirectly by transfer of control of the Licensees to any persons, unless the Commission shall give prior consent in writing;

(6) The Licensees shall notify the Commission in writing of the precise locations at which the cable will land in Blaabjerg, Denmark; Norden, Germany; Katwijk, the Netherlands; St. Valery, France; and Widemouth, North Cornwall, United Kingdom. Such notification with respect to any given landing location shall occur no later than ninety days prior to commencing construction at that landing location. The Commission will give public notice of the filing of each description, and grant of this license will be considered final with respect to that landing location unless the Commission issues a notice to the contrary no later than sixty days after receipt of the specific description;

(7) The Commission reserves the right to require the Licensees to file an environmental assessment or environmental impact statement should it determine that the landing of the cables at those locations and construction of necessary cable landing stations would significantly affect the environment within the meaning of Section 1.1307 of the Commission's procedures implementing the National Environmental Policy Act of 1969; this license is subject to modification by the Commission upon its review of any environmental assessment or environmental impact statement that it may require pursuant to its rules;

(8) Pursuant to Section 2 of the Cable Landing License Act, 47 U.S.C. § 35; Executive Order No. 10530, as amended; and Section 214 of the Communications Act of 1934, as amended, 47 U.S.C. § 214, the Commission reserves the right to impose common carrier regulation or other regulation consistent with the Cable Landing License Act on the operations of the cable system if it finds that the public interest so requires;

(9) The Licensees shall maintain *de jure* and *de facto* control of the U.S. portion of the cable system, including the cable landing stations in the United States, sufficient to comply with the requirements of this license;

(10) This license is revocable by the Commission after due notice and opportunity for hearing pursuant to Section 2 of "An Act relating to the Landing and Operation of Submarine Cables in the United States"; 47 U.S.C. § 35, or for failure to comply with the terms of this License;

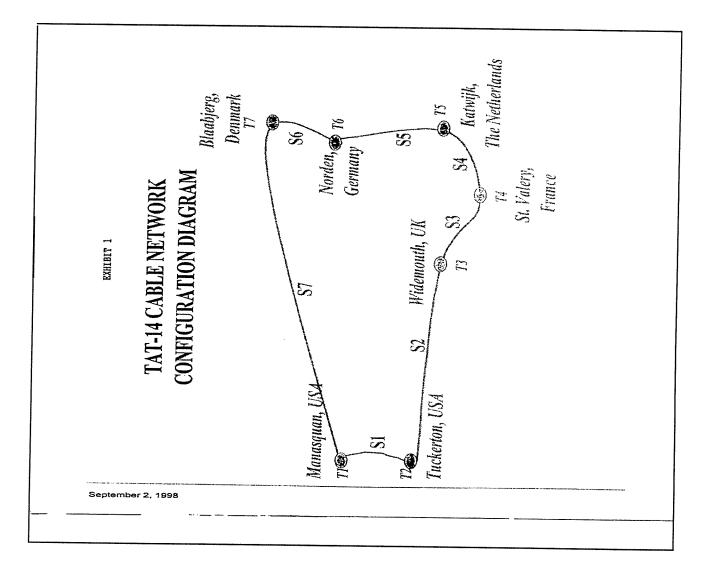
(11) The Licensees shall notify the Commission in writing of the date on which the cable is placed in service, and this license shall expire 25 years from such date, unless renewed or extended upon proper application, and, upon expiration of this license, all rights granted under it shall be terminated; and

(12) The terms and conditions upon which this license is given shall be accepted by the Licensees by filing a letter with the Secretary, Federal Communications Commission, Washington, D.C. 20554, within 30 days of the release of the cable landing license.

17. This Order is issued under Section 0.261 of the Commission's rules, 47 C.F.R. § 0.261, and is effective upon release. 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 public notice of this order (see 47 C.F.R. § 1.4(b)(2)).

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Chief, Telecommunications Division International Bureau



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Appendix B

Attached Schedules A, B, C and C-1 of the TAT-14 Construction and Maintenance Agreement

SCHEDULE A

TAT-14 CABLE NETWORK

PARTIES TO THE AGREEMENT

ABS Telecom plc, having an office at ABS House, 607 High Road, London N12 OD2, England (herein called ,ABS", which expression shall include its successors).

AT&T Corp., a corporation organized and existing under the laws of the State of New York and having its principal office at 340 Mount Kemble Avenue, Morristown, New Jersey 07960, USA (herein called "AT&T" which expression shall include its successors).

BC TEL, having an office at 21-3777 Kingsway, Burnaby, B.C., Canada V5H 3Z7 (herein called "BC TEL' which expression shall include its successors).

Beigacom S.A. of public law, a company existing under the laws of Belgium, whose registered office is at 177, Boulivard E. Jacqmain, 1030 Brussels, Belgium, (herein called "Belgacom", which expression shall include its successors).

BellSouth International, Inc., a corporation organized and existing under the laws of the State of Georgia in the United States of America and having its principal office at I 100 Peachtree St., NE, Atlanta, Georgia 30309 (herein called "BSI", which expression shall include its successors).

British Telecommunications pic, a public limited company, registered in England (No 1800000) whose registered office is at 81 Newgate street, London, ECIA 7AJ, England (herein called "B-r', which expression shall include its successors).

Cable & Wireless Global Network Organization Limited, registered in Ireland (No 282637) whose registered office is at 6 Fitzwilliam Square, Dublin 2, Ireland (herein called 'C&W", which expression shall include its successors) on its own behalf and as agent for Mercury Communications Limited.

Cable & Wireless, Inc., a corporation organized and existing under the laws of the District of Columbia having its principal office at 821 9 Leesburg Pike, Vienna, Virginia 22182, USA (herein called "C&W USA", which expression shall include its successors).

Carrierl AG, a limited liability company, registered in Switzerland whose registered office is at Militarstrasse 36, CH 8004 Zurich, Switzerland, (herein called "Carrierl", which expression shall include its successors) for the use of its wholly owned or affiliated companies.

COMPANHIA PORTUGUESA RADIO MARCONI, SA., a corporation organized and existing under the laws of Portugal, having its main office at Av. Alvaro Pais, 2,1699 Lisboa Codex, Portugal, (herein called "MARCONI", which expression shall include its successors).

Com Tech International Corporation, a Washington corporation, whose corporate office is at 6001 Broken Sound Parkway NW, Suite 400, Boca Raton, Florida 33487, USA (herein called 'ComTech", which expression shall include its successors).

CYPRUS TELECOMMUNCATIONS AUTHORITY, a corporate body established by law, having its main office at Telecommunications Street, P.O. Box 4929, CY-1 396, Nicosia, Cyprus, (herein called 'CYTA", which expression shall include its successors).

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Deutsche Telekom AG, a company existing under the laws of the Federal Republic of Germany and having its registered office at Friedrich-Ebert-Allee 140, 53113 Bonn Germany (herein called "DTAG" which expression shall include its successors).

Energis Communications Limited, a limited company, registered in England and Wales (No. 2630471) whose registered office is at Carmelite, 50 Victoria Embankment, London EC4Y ODE, England (herein called 'Energis'', which expression shall include its successors).

Emirates Telecommunications Corporation - ETISALAT, a corporation having its principal office at Sh Rashid Bin Saced AJ Maktoum St. P.O. Box 3838, Abu Dhabi, United Arab Emirates (herein called "ETISALAT", which expression shall include its successors).

France Telecom, a Public Company with a share capital of 25,000,000,000 French Francs registered with the Paris Trade Register under number 380 129 886 RCS Paris, whose head office is at 6 Place d'Alleray, 75505 Paris Cedex 15, France (herein called 'FRANCE TELECOM" or "FT", which expression shall include its successors).

GTE Intelligent Network Services Incorporated, organized and existing under the laws of Delaware and having its principal office at 5525 MacArthur Boulevard, Irving, Texas, 75038 USA (herein called "GTE", which expression shall include its successors) for the use of its wholly owned or otherwise affiliated authorized international carriers.

Hellenic Telecommunications Organization S.A., having its main office at 15 Stadiou Street, GR-10246, Athens, Greece (herein called "OTE", which expression shall include its successors).

IXC Communications, Inc., a corporation having its principal office at 1122 Capital of Texas Hwy, South Austin, TX 78746, USA (herein called "IXC", which expression shall include its successors).

IXNET Limited, a limited company, registered in England whose registered office is at Duke's Gate, Acton Lane, Chiswick Park, London, W4 5DX, England (herein called "IXNET", which expression shall include its successors).

Japan Telecom Co., Ltd., a corporation having its principal office at 7-1, Hatchobori 4-Chome, Chouku, Tokyo, 104-8508, Japan (herein called "JT", which expression shall include its successors).

Kokusai Denshin Denwa America, Inc., having its office at 375 Park Avenue, 711 Floor, New York, New York II 01 52, USA (herein called "KDD America", which expression shall include its successors).

KPN Telecom B.V., a limited company existing under the laws of the Netherlands, having a registered office at Prinses Beatrixlaan 23, 2595 AK, The Hague, the Netherlands (herein called "KPN", which expression shall include its successors).

MCI International Inc., a corporation organized and existing under the laws of the State of Delaware and having its principal office at 2 International Drive, Rye Brook, New York, United States of America (herein called 'MCII", which expression shall include its successors) for the use of its wholly owned or otherwise affiliated authorized international carrier.

NTT Worldwide Network Corporation, a corporation organized and existing under the laws of Japan and having its registered addresses at 20-2 Nishi-shinjuku 3-chome Shinjuku-ku, Tokyo, 163-1439, Japan (herein called "NTT-WN", which expression shall include its successors).

Oy Finnet International AS, a corporation organized and existing under the laws of Finland, having its main office at Runeberginkatu 5, Helsinki, Finland (herein called 'FINNET", which expression shall include its successors).

Pacific Gateway Exchange, Inc., a corporation organized and existing under the laws of the state of Delaware whose office is at 533 Airport Boulevard Suite 505, Burlingame, California 94010, USA (herein called "PGE', which expression shall include its successors).

Pacific Gateway Exchange (Bermuda) Limited, (a wholly-owned subsidiary of Pacific Gateway Exchange, Inc., a corporation organized and existing under the laws of the state of Delaware) whose registered office is at Convers Dill Pearman, Clarendon House, 2 Church Street, Hamilton HM[I, Bermuda and whose mailing address is at 533 Airport Boulevard Suite 505, Burlingame, California 94010, USA (herein called "PGE-Bermuda', which expression shall include its successors).

Rostelecom, an Open Joint Stock Company for long-distance and international telecommunications existing under the laws of Russia, having its main office at Delegatskaya St. 5. 103091, Moscow, Russia (herein called "Rostelecom", which expression shall include its successors).

RSL Communications Limited, a facilities based international long distance telecommunications company, incorporated in Bermuda with global headquarters in New York, USA and in the UK, at Victoria House. London Square, Cross Lanes, Guildford, Surrey GUI 1 UN, England (herein called "RSL COM", which expression shall include its successors).

Singapore Telecommunications Limited, a company incorporated under the laws of the Republic of Singapore, and having its registered office at 31 Exeter Road, Singapore 239732 (herein called "SINGTEL", which expression shall include its successors).

Slovenske Telekomunikacie s.e., an entity organized and existing under the laws of the Slovak Republic and having its principal office at Namestie slobody 6, SK-817 62, Bratislava, Slovak Republic (herein called 'STSE", which expression shall include its successors).

Sonera Ltd., a corporation organized and existing under the laws of Finland, having its principal office at Teollisuuskatu 15, 00510 Helsinki, Finland (herein called "Sonera", which expression shall include its successors).

Sprint Communications Company L.P., a limited partnership organized and existing under the laws of the State of Delaware and having its principal office at 8140 Ward Parkway, Kansas City, Missouri 64114, USA (herein called "SPRINT", which expression shall include its successors) for the use of its wholly- owned or otherwise affiliated authorized international carriers.

STAR Telecommunications Inc., a corporation existing under the laws of the State of Delaware and having its principal place of business at 223 E. De La Guerra Street, Santa Barbara, California, USA 93101 (herein called 'STAR", which expression shall include its successors).

StarHub Pte Ltd, having an office at 3 Lim Teck Kim Road, # 10-02 Singapo@e Technologies Building, Singapore 088934 (herein called "StarHub", which expression shall include its successors).

STARTEC GLOBAL COMMUNICATIONS CORPORATION, a corporation organized and existing under the laws of the State of Maryland, USA, and having its head office at 1041 1 Motor City Drive, Bethesda, MD 20817, USA (herein called "STGC", which expression shall include its successors and assigns).

Swisscom Ltd, a company existing under the Swiss laws, having its office at Viktoriastrasse 21, 3050 Berne, Switzerland (herein called 'Swisscom'', which expression shall include its successors).

Swisscom North America Inc., a corporation organized and existing under the laws of the state of Delaware having its office at 2001 L Street NW, Suite 600, Washington, DC 20036, USA (herein called "SCNA", which expression shall include its successors).

TELE2 AB, a limited company organized under the laws of Sweden, having its office at Borgarfjordgatan 16. PO Box 62, S-16494 Kista, Sweden (herein called 'Tele2', which expression shall include its successors).

TeleBermuda International Limited, a corporation organized and existing under the laws of Bermuda and having its principal office at Minfflower Place 8, Par-la-Ville Road, Hamilton HM 08, Bermuda, (herein called 'TBI", which expression shall include its successors).

Tele Danmark AIS, a limited company registered in Denmark (No. 193447), whose registered office is at Kannikegade 16, DK-8000 Aarhus C, Denmark (mailing address Carrier Services, Telegade 2, DK-2630 Taastrup) (herein called 'TDK', which expression shall include its successors).

Telefônica de Espaiia, S.A., a corporation organized and existing under the laws of Spain and having its principal office at Gran Via 28, Madrid, Spain, (herein called 'TLFN', which expression shall include its successors).

Teleglobe USA, a corporation organized and existing under the laws of the stade of Delaware having an office at I 000 de la Gauchetiere Street W., Montreal, Quebec H3B 4X5, Canada (herein called "Teleglobe USA", which expression shall include its successors).

Telenor Global Services AS, a wholly owned subsidiary of Telenor AS, a company organized as a state owned limited company existing under the laws of Norway, having its principal office at Universitetsgata 2, N-0130 Oslo, Norway (herein called "Telenor', which expression shall include its successors) for the use of its subsidiaries, affiliates and where Telenor is authorized as an international carrier.

Telesur, a company organized under the laws of Suriname and having an office at Heiligenweg No. 2, P.O.Box 1839, Paramaribo, Suriname (herein called, TELESUR) which expression shall include its successors).

Telia AB (publ), d public limited company, having its registered office at M6rbackagatan 1 1, SE-123 86 Farsta, Sweden (herein called "Telia", which expression shall include its successors).

Telia North America Inc., a company organized and existing under the laws of the State of Delaware, USA and having its principal office at 8133 Leesburg Pike, Suite 400, Vienna, Virginia, USA (herein called "TNA", which shall include its successors).

Transoceanic Communications Incorporated, a wholly owned subsidiary of AT&T, a corporation organized and existing under the laws of the State of Delaware and having an office at 340 Mount Kemble Avenue, Morristown, New Jersey 07960, USA (herein called "TOCI", which expression shall include its successors).

Turk Telekomunikasyon **A.S.**, a corporation organized and existing under the laws of Turkey, having its main office at Turgut Ozal Buivari, 06103 Aydinlikevier-Ankara, Turkey (herein called "TURK TELECOM', which expression shall include its successors).

Ultraline (Bermuda) Limited, a Bermuda exempt company, a wholly owned subsidiary of Level 3 Communications, LLC., organized and existing under the laws of Delaware and having its principal office at 3555 Farnam Street, Omaha, Nebraska, 68131, USA, for the use its wholly owned or otherwise affiliated authorized Internationals carriers (herein called "Ultraline", which expression shall include its successors).

VIATEL INC., a Delaware corporation with its executive offices located for the use of its wholly owned subsidiaries, or, affiliated entities at 800 Third Avenue, New York, NY, USA (herein called "VIATEL", which expression shall include its successors).

Videsh Sanchar Nigam Limited, having its main office at Videsh Sanchar Bhavan, Mahatma Gandhi Road, Fort, Mumbai 400001, India (herein called "VSNL', which expression shall include its successors).

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VOTING INTERESTS IN THE TAT-14 CABLE NETWORK OWNERSHIP INTERESTS IN SEGMENT S

ALLOCATION OF CAPITAL. OPERATING AND MAINTENANCE COSTS IN SEGMENTS S AND T

| PARTIES | * |
|----------------|-----------|
| ABS | 0.0184 |
| ATAT | 5.6752 |
| BC TEL | 0,2304 |
| BELGACOM | 0.00461 |
| BELLSOUTH | 0,23046 |
| BT | 13.28427 |
| C&W | 8.46298 |
| CEW USA | |
| CARRIER 1 | 0.00461 |
| COM TECH | |
| CYTA | 0,23046 |
| DTAG | 0.00461 |
| ENERGIS | 8.34682 |
| ETISALAT | 0.23045 |
| FINNET | 0.23046 |
| FRANCE TELECOM | 0.23046 |
| GTE | 8.230671 |
| IXC | 1.082269 |
| IXNET | 0.004611 |
| JAPAN TELECOM | 0.230469 |
| KDD America | 0.230469 |
| (PN | 0.230469 |
| MARCONI | 5.675299 |
| ACII | 0,00461% |
| ITT-WN | 12,76065% |
| DTE | 0,35584% |
| GE | 2,30684% |
| | 4.62991% |
| OSTELECOM | 0.03687% |
| SLCOM | 0.23046% |
| CNA | 0.00461% |
| INGTEL | 0.09679% |
| ONERA | 0.09679% |
| PRINT | 4.62991% |
| TAR | 0.23045% |
| TARHUB | 0,06453% |
| TGC | 0,09679% |
| ISE | 0.00461% |
| WISSCOM | 3.23607% |
| 31 | 0.23046% |
| ж | 2.30684% |
| LE2 | 1.09719% |
| LEGLOBE USA | 0.23046% |
| LENOR | 4.62991% |
| LESUR | 0.00922% |
| LIA | 5,67529% |
| FN | |
| A | 0.14750% |
| RK TELEKOM | 0.00461% |
| TRALINE | 0.23046% |
| TEL | 2,30684% |
| NL | 0.46277% |
| | 0.23046% |

Note I

For each Party, the percentage is calculated by dmding the financial investment of that Party by the sum of the total financial investment of all the Parties.

Note 2

For the purposes of this Agreemeryt, Transoceanic Communic3tions Inc. shall 1) own and be responsible for the percentage of capital, operation and maintenance costs listed against AT&T for that portion of Segmeryt S of TAT-14 within the LJK, France, The Netherlands, Germany and Denmark including their territorial waters. AT&T shall be responsible for the capital, operation and mairdenance costs for the percordages listed against AT&T for the remainder of Segment S and 2) have no rights or obligations independent from those of AT&T. Note 3

For the purposes of this agreemend, PGE-Bermuda shall 1) own and be responsible for the percentage of capital, operation and maintenance costs listed against PGE and 2) have no rights or obligations inde;>enderit from those of PGE.

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> SCHEDULE C Sectaminer 16 1986

TAT-14 CABLE NETWORK RING MIUS ACQUIRED BY THE PAKTRESTO*fFM 44CREEWi2Ur ALLOCATED CAPACITY

| PARTIES | RING MIUS | × |
|----------------|-----------|------------|
| ABS | 4 | 0,00800 |
| ATAT | 2961 | |
| BC TEL | 63 | |
| BELGACOM | 1 | 0.00200 |
| BELLSOUTH | ຄ | 0,12594 |
| BT | 7088 | 14,16920 |
| C&W | - 4473 | 8,941711 |
| C&W USA | 1 | 0.002009 |
| CARRIER 1 | 252 | 0.503769 |
| COM TECH | හ | 0,125949 |
| DTAG | 1 | 0.002009 |
| ENERGIS | 4410 | 8,815779 |
| ETISALAT | <u>୍</u> | 0,125949 |
| FINNET | <u></u> | 0,125949 |
| FRANCE TELECOM | <u> </u> | 0,125949 |
| GTE | 4347 | 8.689839 |
| IXC | 372 | 0,74364% |
| IXNET | 1 | 0.002009 |
| JAPAN TELECOM | | 0,125949 |
| KDD America | | 0,12594% |
| KPN | <u>6</u> | 0,12594% |
| MARCONI | 2961 | 5.91916% |
| MCII | 1 | 0.00200% |
| NTT-WN | 6804 | 13,60147% |
| DTE | 97 | 0.19391% |
| PGE | 2394 | 2.01503% |
| ROSTELECOM | 2354 | 4,78570% |
| RSLCOM | 63 | 0,01599% |
| SCNA | | 0,12594% |
| SINGTEL | 21 | 0.04198% |
| SONERA | 21 | 0.04198% |
| PRINT | 2394 | 4,78570% |
| TAR | 63 | 0,12594% |
| TARHUB | 14 | 0.02799% |
| TGC | 21 | 0.04198% |
| TSE | 1 | 0.00200% |
| WISSCOM | 1512 | 3.02255% |
| BI | <u></u> | 0,12594% |
| DK | 1008 | 2,01503% |
| ELE2 | 378 | 0,75564% |
| ELEGLOBE USA | 63 | |
| ELENOR | | 0,12594% |
| LESUR | 2394 | 4,78570% |
| LIA | 2 | 0,00400% |
| FN | 2961 | 5,91916% |
| IA | 32 | 0.06397% |
| | 1 | 0,00200% |
| | 63 | 0,12594% |
| TRALINE | 1008 | 2.01503% |
| ATEL | 126 | 0.25188% |
| INL. | 63 | 0.12594% |
| DTAL | 50.024 | 100.00000% |

Note I

For each Party, the ;>ercerdage is calculated by dividing the Ring MiUs acquired ofthat Party by the sum of the total Ring MIUs purchased by all the Parties.

TAT-14 C&MA

TAT-14 CABLE NETWORK ALLOCATED CAPACITY AS ASSIGNED AT THE TIME OF C&MA SIGNING

SCHEDULE C-1 September IS, I M

| MM manipulation (manipulation) manipulation) manipulation manipplatinitititititititititititititititititit | | | | | | | | | |
|---|-----------------------------|------------|-----------|----------|------------|-----------------|---------------------------------------|----------|-----------|
| | TANIY | MANAGONIAN | 12 | £1 | | | | | |
| 1 2 2 1 | | NAUPCONT | TUCKERTON | MDEMOUTH | ST. VALEAY | KATWIJK | | 4 | |
| 0 361 17- | BS | 2 | Ven | ¥. | FRANCE | THE NETHERLANDS | GERMANY | BLABUERO | TOTAL |
| 0 0 1/4 | 181 | | <u>×</u> | - | - | | | DEMMARK | RING MIUs |
| 1 | <u>c 16.</u> | , e | 1967 | 1742 | 261 | 436 | - | | • |
| Math Math <th< td=""><td>ELGACOM</td><td>3,-</td><td></td><td>21</td><td>21</td><td></td><td>107</td><td>281</td><td>2 961</td></th<> | ELGACOM | 3,- | | 21 | 21 | | 107 | 281 | 2 961 |
| 324 329 660 41 133 600 41 111 111 111 | EI SOITH | | | | | | 21 | | |
| 3333 2334 600 44 94 7 1 1 1 1 1 1 1 7 1 1 1 1 1 1 1 1 1 7 1 <td< td=""><td>1</td><td></td><td>8</td><td>63</td><td></td><td></td><td></td><td></td><td></td></td<> | 1 | | 8 | 63 | | | | | |
| 120 233 595 44 10 <th1< td=""><td>RW</td><td>100</td><td>3544</td><td>7088</td><td></td><td></td><td></td><td></td><td>2</td></th1<> | RW | 100 | 3544 | 7088 | | | | | 2 |
| 133 136 <t< td=""><td>AW LISA</td><td>2231</td><td>2236</td><td>3579</td><td>447</td><td></td><td></td><td></td><td></td></t<> | AW LISA | 2231 | 2236 | 3579 | 447 | | | | |
| 1 | ABBIED 4 | | | + | | | 447 | | |
| | | 126 | 126 | en en | | | | | |
| 200 100 101 <td>OM LECH</td> <td>42</td> <td>21</td> <td>16</td> <td></td> <td>126</td> <td>8</td> <td></td> <td></td> | OM LECH | 42 | 21 | 16 | | 126 | 8 | | |
| 3800 1400 10013 1 | V U | - | | 17 | 21 | 21 | | | Ŕ |
| 00 000 | AG | 2840 | 4.470 | | | | | | 8 |
| 4 5 1 | ERGIS | | 0/61 | 1107,75 | | | 20 MG | | - |
| 4 33 13 </td <td>ISALAT</td> <td></td> <td></td> <td>8</td> <td></td> <td></td> <td>c7'70cc</td> <td></td> <td>4.410</td> | ISALAT | | | 8 | | | c7'70cc | | 4.410 |
| M 2000 100 | ENET | | 21 | 21 | 21 | | | | 8 |
| 2000 1440 647 647 15 647 15 64 15 64 15 64 15 64 15 64 15 64 15 64 15 64 15 64 15 | ANOE TELECOM | | ខ | | | | | | |
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| 1 <td>C.</td> <td>250</td> <td>122</td> <td>301</td> <td></td> <td></td> <td></td> <td></td> <td>60</td> | C. | 250 | 122 | 301 | | | | | 60 |
| 42 21 <t< td=""><td></td><td>+</td><td></td><td></td><td>25</td><td>125</td><td>9</td><td>5</td><td>171</td></t<> | | + | | | 25 | 125 | 9 | 5 | 171 |
| $ \begin{array}{c c c c c c c c c c c c c c c c c c c $ | ÆT | (7 | | | | | | 2 | 372 |
| 03 <t< td=""><td>PAN TELECOM</td><td></td><td></td><td>21</td><td></td><td>21</td><td>16</td><td></td><td>-</td></t<> | PAN TELECOM | | | 21 | | 21 | 16 | | - |
| $ \begin{array}{c c c c c c c c c c c c c c c c c c c $ | D America | | 2 | 63 | | | 17 | | 6 |
| 13/4 $90/7$ 1 366 136 366 136 366 136 <t< td=""><td>7</td><td>3</td><td></td><td>33</td><td>15</td><td></td><td></td><td></td><td>5</td></t<> | 7 | 3 | | 33 | 15 | | | | 5 |
| $ \begin{array}{c c c c c c c c c c c c c c c c c c c $ | ROOMI | 13/4 | 987 | | | 1000 | 15 | | 2 |
| 400 200 $13/6$ 33 $16/4$ 1000 100 100 | | | | - | | | | | 2 041 |
| $ \begin{array}{c c c c c c c c c c c c c c c c c c c $ | 1AMI | CSO+ | 2709 | 1378 | 575 | | | | |
| 2016 1006 316 | | | 97 | 67 | | FIAL | 1063 | 1914 | |
| 2016 376 316 < | | | 1008 | | | | | | |
| 6 1 1 1 6 1 1 6 1 6 6 1 6 6 6 6 6 6 6 6 6 7 6 6 7 6 6 7 6 7 | | 2016 | 376 | 378 | 315 | | 1000 | | |
| $ \begin{array}{c c c c c c c c c c c c c c c c c c c $ | DIELEUUM | Ð | | | 612 | 441 | 315 | P13 | |
| $ \begin{array}{c c c c c c c c c c c c c c c c c c c $ | MAN | 63 | | 11 | | | | | Mr. v |
| $ \begin{array}{ c c c c c c c c c c c c c c c c c c c$ | 4 | - | | | | 8 | 17 | | |
| $ \begin{array}{ c c c c c c c c c c c c c c c c c c c$ | 31EL | 10 | 11 | | | - | | , | 8 |
| $ \begin{array}{c c c c c c c c c c c c c c c c c c c $ | ERA | | | c1 | 2 | | · · · · · · · · · · · · · · · · · · · | | - |
| $ \begin{array}{ c c c c c c c c c c c c c c c c c c c$ | INI | 1304 | | | | | | - | 21 |
| $ \begin{array}{ c c c c c c c c c c c c c c c c c c c$ | | Lecy Lecy | - | 119,9375 | 1008 | 817 127E | | 21 | 2 |
| $ \begin{array}{c c c c c c c c c c c c c c c c c c c $ | PLANE | 50 | | | | C101,100 | 219,875 | 169 | 2394 |
| $ \begin{array}{ c c c c c c c c c c c c c c c c c c c$ | | | 7 | 3 | 3 | | | | 8 |
| $ \begin{array}{c c c c c c c c c c c c c c c c c c c $ | | 21 | | - | 4 | | C | 2 | |
| 945 567 61 61 61 61 61 61 61 61 61 61 61 61 261 $2 261$ $2 261$ $2 261$ $2 261$ $2 261$ $2 261$ $2 261$ $2 261$ $2 261$ $2 261$ $2 261$ $2 261$ $2 261$ $2 261$ $2 261$ $2 261$ $2 261$ $2 261$ $2 261$ | Corrow Corrow | - | | | | * | 5 | * | |
| $ \begin{array}{c c c c c c c c c c c c c c c c c c c $ | WAY | 945 | 567 | | | | - | | |
| $ \begin{array}{ c c c c c c c c c c c c c c c c c c c$ | | | 8 | | 8 | 1134 | 8 | 283 | |
| $ \begin{array}{ c c c c c c c c c c c c c c c c c c c$ | | 504 | 504 | | 3 | | | | |
| 63 756 252 61 126 <th< td=""><td>2</td><td>376</td><td></td><td></td><td></td><td>204</td><td></td><td>14</td><td>88.</td></th<> | 2 | 376 | | | | 204 | | 14 | 88. |
| $ \begin{array}{c c c c c c c c c c c c c c c c c c c $ | EGLOBE USA | 83 | | | | 126 | 126 | 178 | 80- |
| $ \begin{array}{ c c c c c c c c c c c c c c c c c c c$ | NOR | 1636 | 758 | | 69 | | | | ave |
| $\begin{array}{c c c c c c c c c c c c c c c c c c c $ | SUR | | | 767 | | 252 | 126 | 1764 | 6 |
| 1 32 32 32 32 201 1 201 1 201 | × | 1470 | 1491 | | | 2 | | 5 | 199.7 |
| 1 3 3 3 4 5 4 5 4 5 4 5 4 1 4 5 4 1 4 1 4 1 4 1 4 1 4 1 4 1 4 1 4 1 | | | 32 | | | | | 1996 | |
| 21 42 24 126 534 126 116 1 504 504 504 126 252 126 1 1 128 23 15 25 126 25 1 1 1 1 40 23 15 23 1 63 63 1 | | - | | * | | | | 1747 | 1997 |
| 504 504 126 533 63 <th< td=""><td>K TELEKOM</td><td>21</td><td></td><td></td><td></td><td></td><td></td><td></td><td>32</td></th<> | K TELEKOM | 21 | | | | | | | 32 |
| 126 504 126 252 126 40 23 15 20 60 76 21.00 23 15 20 60 76 21.00 21.00 15 20 60 76 21.00 21.00 16.01 7.195 8.16 7.16 | MINE | 105 | | | | | | | - |
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| 21.140 21.344 1.161 2.1 7.395 0.316 7.4 | | 04 | 23 | | 3 | 8 | | | 8001 |
| | 1 | 23.660 | 21.341 | | 3 | | 38 | | 971 |
| | | | | 10,001 | 5671 | | | | 5 |

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Appendix C

Schedule of Co-Chairmen or Responsible Parties for the Managing Group, Procurement Group, Assignment Routing and Restoration Subcommittee, Financial and Administrative Subcommittee, Central Billing Party and Network Administrator As summarized from Annexes 1 through 6 of the TAT-14 Construction and Maintenance Agreement

| Managing Group | One U.S. member Party and one European Member party elected by the Managing Group Representatives |
|--|---|
| Procurement Group | British Telecommunications plc (BT) and France Telecom (or the Chairperson of the Procurement Group shall rotate among the Terminal Parties) |
| Assignment, Routing and Restoration Subcommittee | Cable & Wireless Global Network Organization Limited and BT |
| Financial and Administrative Subcommittee | MCI International, Inc. |
| Central Billing Party | Appointed by the Managing Group |
| Network Administrator | One of the Terminal Parties as Appointed by the Managing Group |

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