### Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

In the Matter of	)
BRASIL TELECOM OF AMERICA, INC.	)
Application for a Modification to Cable Landing License	)

File No. SCL-MOD-2012\_\_\_\_

# <u>APPLICATION FOR A MODIFICATION TO CABLE LANDING LICENSE</u> <u>STREAMLINED PROCESSING REQUESTED</u>

Brasil Telecom of America, Inc. ("GlobeNet" or the "Licensee"), through its undersigned counsel, and pursuant to the Act Relating to the Landing and Operation of Submarine Cables in the United States, 47 U.S.C. §§ 34-39 (the "Cable Landing License Act"), Executive Order 10,530, and Section 1.767(e) of the Commission's rules, 47 C.F.R. § 1.767(e), hereby seeks authority to modify the cable landing license for the private submarine cable system known as the GlobeNet Cable System, which links two cable landing stations on the East Coast of the United States with cable landing stations in Bermuda, Venezuela and Brazil. GlobeNet holds the Atlantica-1 cable license,<sup>1</sup> and owns the GlobeNet Cable System. Specifically, the Licensee seeks to modify the GlobeNet Cable System authorization to include a new authorized landing point in Colombia.

For the reasons set forth below, the Licensee respectfully submits that grant of this modification request will serve the public interest and should be granted on a streamlined basis.

<sup>1</sup> See FCC File Nos. SCL-LIC-19990602-00010 and SCL-ASG-20030205-0004.

#### I. DESCRIPTION OF THE MODIFICATION TO CABLE SYSTEM

By this Application, GlobeNet seeks authority to modify the GlobeNet Cable System in order to establish an additional cable landing station in Municipio Puerto Colombia, Province of Atlantico, Colombia. The cable landing will be accomplished by creating a branch from an existing segment of the GlobeNet System that runs between Boca Raton, Florida and Maiquetia, Venezuela (designated as "Segment 2" of the system, *see* DA 99-2778, ¶5 (rel. Dec. 10, 1999)). The branch will run between Segment 2 and a Beach Manhole ("BMH"), located at N 11°01.596' – W 74°55.415'. The new GlobeNet Cable Landing Station ("CLS") will be built on a trapezoidal piece of land at Puerto Colombia, Colombia (the coordinates of the property are: N 11°01.321' / W 74°55.632', N 11°01.334' / W 74°55.616', N 11°01.309' / W 74°55.600', and N 11°01.320' / W 74°55.598'. A cable land route will run between the BMH and the CLS. A photograph depicting the BMH, CLS and associated land route is attached as <u>Exhibit A</u>.

#### II. INFORMATION REQUIRED BY 47 C.F.R. § 1.767

#### (1) Names, Addresses and Telephone Numbers of the Applicant

Brasil Telecom of America, Inc. 5355 Town Center Road Suite 1105 Boca Raton, FL 33486 (561) 314-0500 FRN 0008377665

#### (2) Place of Formation

GlobeNet is a Delaware corporation.

### (3) Correspondence concerning the application should be sent to the following:

Ulises R. Pin Jeffrey R. Strenkowski Bingham McCutchen, LLP 2020 K Street, NW Washington, DC 20006 (202) 373-6000 (Tel) (202) 373-6001 (Fax) u.pin@bingham.com jeffrey.strenkowski@bingham.com

## (4) **Description of the Cable**

GlobeNet holds the Atlantica-1 cable license, and operates the GlobeNet Cable System (FCC File Nos. SCL-LIC-19990602-00010 and SCL-ASG-20030205-00004).

## (5) Landing Points

The landing points for the GlobeNet System are: Boca Raton, Florida; Maiquetia,

Venezuela; Fortaleza, Brazil; Rio de Janeiro, Brazil; St. David's, Bermuda; and Tuckerton, New

Jersey. By this Application, Licensee requests authority to add Puerto Colombia, Colombia as an additional landing point.

# (6) Common Carrier or Non-Common Carrier Status

The GlobeNet Cable System continues to be operated on a non-common carrier basis.

# (7) List of Owners

As set forth in SCL-ASG-20030205-00004, GlobeNet owns the entirety of the GlobeNet Cable System. Information concerning the ownership of GlobeNet is provided hereto as <u>Exhibit</u> B.

# (8) Certification and Ownership Information Requested by Sections 63.18(h)-(k) and (o) of the Commission's Rules

#### **Information requested by Section 63.18(h):**

Information concerning the ownership of GlobeNet is provided hereto as Exhibit B.

#### **Information requested by Section 63.18(i):**

GlobeNet certifies that its foreign affiliation information on file with the Commission has not changed and is incorporated by reference herein.

#### **Information requested by Section 63.18(j):**

GlobeNet certifies that the information responsive to Section 63.18(j) on file with the

Commission has not changed and is incorporated by reference herein.

#### **Information requested by Section 63.18(k):**

GlobeNet certifies that the information responsive to Section 63.18(k) on file with the

Commission has not changed and is incorporated by reference herein.

#### **Information requested by Section 63.18(o):**

GlobeNet certifies that, in accordance with Sections 1.2001-1.2003 of the Commission's rules, 47 C.F.R. §§1.2001-1.2003, no party to the application is subject to a denial of Federal benefits that include FCC benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988. *See* 21 U.S.C. § 853(a).

#### (9) **Routine Conditions Certification**

GlobeNet certifies that they accept and will abide by the routine conditions specified in Section 1.767(g) of the Commission's rules, 47 C.F.R. § 1.767(g).

(10)Not applicable. The new landing site is not located within the United States, and is not subject to the Coastal Zone Management Act.

(11) Not applicable. This Application does not concern an assignment or transfer of control.

#### III. **QUALIFICATION FOR STREAMLINED PROCESSING**

This application qualifies for streamlined processing under Section 1.767(k)(3) of the Commission's rules, 47 C.F.R.§ 1.767(k)(3). As noted in the original application and notification regarding affiliated interests, GlobeNet is affiliated with foreign carriers deemed by the Commission to hold market power in Brazil. Brazil is a member of the WTO as of January 1, 1995.<sup>2</sup> Again, GlobeNet agrees to continue to accept and abide by the reporting requirements contained in Section 1.767(1) of the Commission's rules, 47 C.F.R. § 1.767(1), and any other conditions the Commission may impose on the U.S.-Brazil route. For all of these reasons, this application is eligible for streamlined processing under the Commission's rules.

#### IV. NATIONAL SECURITY REVIEW

GlobeNet states that it has previously undergone a "Team Telecom" review, and has in place a Letter of Assurance ("LOA") with the relevant U.S. Executive Branch agencies governing its operations of the GlobeNet Cable System. GlobeNet will continue to abide by the requirements of the LOA with respect to the new landing site for which it has requested authority herein.

See WTO Members, http://www.wto.org/english/thewto\_e/whatis\_e/tif\_e/org6\_e.htm. A/75211657.1 5

#### V. CONCLUSION

As demonstrated above, the public interest, convenience and necessity will be served by a grant of this application to modify the cable landing license to add a landing site as described herein. The Licensee respectfully requests that the Commission grant this application.

Respectfully submitted,

Ulises R. Pin Jeffrey R. Strenkowski Bingham McCutchen, LLP 2020 K Street, NW Washington, DC 20006 (202) 373-6000 (Tel) (202) 373-6001 (Fax) u.pin@bingham.com jeffrey.strenkowski@bingham.com

Counsel for GlobeNet

Dated: October 3, 2012

#### **CERTIFICATE OF SERVICE**

The undersigned hereby certifies that the foregoing document was served this date upon the following:

Marlene Dortch Secretary Federal Communications Commission 445 12th Street, S.W. Washington, DC 20554 (via first class U.S. mail, postage prepaid)

James Ball International Bureau Federal Communications Commission 445 12th Street, S.W. Washington, DC 20554 (via electronic mail to James.Ball@fcc.gov)

David Krech International Bureau Federal Communications Commission 445 12th Street, S.W. Washington, DC 20554 (via electronic mail to David.Krech@fcc.gov)

Susan O'Connell International Bureau Federal Communications Commission 445 12th Street, S.W. Washington, DC 20554 (via electronic mail to Susan.O'Connell@fcc.gov) U.S. Coordinator EB/CIP U.S. Department of State 2201 C Street, N.W. Washington, D.C. 20520-5818 (via first class U.S. mail, postage prepaid)

Office of Chief Counsel/NTIA U.S. Department of Commerce 14<sup>th</sup> Street and Constitution Ave., N.W. Washington, D.C. 20230 (via first class U.S. mail, postage prepaid)

Defense Information Systems Agency Attn: GC/DO1 6910 Cooper Avenue Fort Meade, MD 20755-7088 (via first class U.S. mail, postage prepaid)

Jeffrey R. Strenkowski

October 3, 2012

#### **CERTIFICATION**

I, Erick, W. Contag, state that I am Chief Operating Officer of Brasil Telecom of America, Inc. ("GlobeNet"), that I am authorized to make this Verification on behalf of GlobeNet; that the foregoing filing was prepared under my direction and supervision; and that the contents are true and correct to the best of my knowledge, information, and belief. I declare under penalty of perjury that the foregoing is true and correct.

#### BRASIL TELECOM OF AMERICA, INC.

By: Name: Erick W. Contag Title: Chief Operating Officer Date: OCT/3/2012



# <u>Exhibit A</u>

New Cable Landing Location



# **GLOBENET – SUBMARINE SYSTEM**

#### SEGMENT 2 EXTENSION TO BARRANQUILA - COLOMBIA





1. Beach Manhole (BMH):

The GPS coordinates: N 11°01.596' – W 74°55.415'.



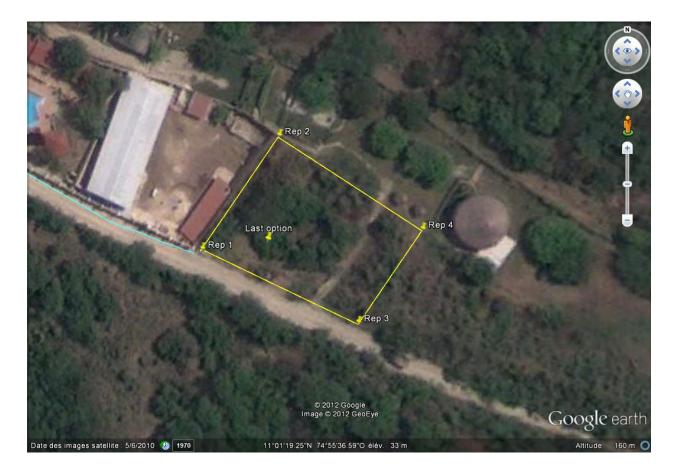


#### 2. Cable Land Station (CLS)

The station will be built on the selected land of 1600m<sup>2</sup> trapezoidal format. Address: Municipio Puerto Colombia - Atlantico – Colombia. GPS coordinates of the land boundary:

Rep 1: N 11°01.321' / W 74°55.632'

- Rep 2: N 11°01.334' / W 74°55.616'
- Rep 3 : N 11°01.309' / W 74°55.600'
- Rep 4 : N 11°01.320' / W 74°55.598'





#### 3. Cable Land Route:

The map below shows the land cable route, which goes from point BMH (Beach Manhole) to the station selected land.

GPS N 11°01.321' – W 74°55.632'



## <u>Exhibit B</u>

The following entity holds a 100% voting and equity interest in Licensee, GlobeNet:

Brasil Telecom Subsea Cable Systems (Bermuda) Ltd. Thistle House, #4 Burnaby Street Hamilton, HM 11, Bermuda Citizenship: Bermuda Principal Business: Telecommunications

The following entity holds a 100% voting and equity interest in <u>Brasil Telecom Subsea Cable</u> <u>Systems (Bermuda) Ltd.</u>:

Brasil Telecom Cabos Submarinos Ltda. Avenida Doutor Cardoso de Melo, 1184, 2nd.floor Sao Paulo, SP, Brazil – CEP: 04548-004 Citizenship: Brazil Principal Business: Telecommunications

The following entity holds a 99.99% interest in Brasil Telecom Cabos Submarinos Ltda.:

<u>Oi S.A.</u> ("<u>Oi</u>") Rua General Polidoro, 99, 5th floor, Botafogo Rio de Janeiro, RJ, Brazil – CEP: 22280-004 Citizenship: Brazil Principal Business: Telecommunications

The following entity holds a 17.72% interest in Oi:

<u>Telemar Participações S.A.</u> ("<u>TmarPart</u>") Praia de Botafogo, 300, 11th floor, Botafogo Rio de Janeiro, RJ, Brazil – CEP: 22250-040 Citizenship: Brazil Principal Business: Telecommunications

Oi is a Brazilian corporation whose common and preferred shares are publicly traded on the BOVESPA market in Sao Paulo, Brazil and the New York Stock Exchange.

TmarPart has two classes of capital stock: common and preferred. TmarPart's shareholders are parties to shareholders' agreements that address, among other matters the election of the board of directors of Oi.

The following table sets forth information concerning the ownership of the common and preferred shares of TmarPart as of July 2012. TmarPart's preferred shares do not convey voting rights except in limited circumstances.

TmarPart Shareholders	Common	Preferred	Total Shares
	Shares %	Shares	%
		%	
AG	565.880	0	19,350
LF TEL	565.880	0	19.350
BNDESPAR	381.552	800	13,075
BratelBrasilS.A.(Portugal Telecom)	352.857	0	12.066
FATL	336.440	0	11.505
Previ	283.380	0	9.690
Petros	218.778	0	7.481
Funcef	218.778	0	7.481
TmarPart	0	67	0,002
Total	100%	100%	100%

TmarPart's shareholders hold indirect voting interests in GlobeNet of 7.39% (BNDES Participações S.A.); 6.48% (Fundação Atlântico de Seguridade Social); 10.91% (L.F. Tel S.A.); 10.91% (AG Telecom Participações S.A.), and 6.80% (Portugal Telecom SGP, S.A. ("<u>Portugal Telecom</u>").

Set forth below are the names, business address, telephone numbers and brief descriptions of the 10% or higher shareholders of TmarPart. With the exception of Portugal Telecom, each of these entities is a company incorporated under the laws of Brazil.

<u>Name</u>	Business Description
BNDES	
Participações S.A.	BNDESPar, located at Avenida Chile 100, 22nd floor, Rio de Janeiro, RJ,
(" <u>BNDESPar</u> ")	Brazil, telephone +55 21 2172-7231, is a subsidiary of BNDES, a

Brazilian government owned economic and social development bank linked to the Brazilian Ministry of Development, Industry and External Trade. The purpose of BNDESPar is: (i) to promote operations in order to capitalize ventures controlled by private groups, in conformity with BNDES` plans and politics; (ii) to support companies which gather economical, technological and management efficiency conditions and moreover which demonstrate adequate investment return perspectives in terms and conditions compatible to its activity's risk and nature; (iii) to support the development of new ventures, in which activities new technologies are incorporated; (iv) to contribute for the strengthening of the capital market through the increase of the securities offer and the democratization on the ownership of the companies capital; (v) to manage own and third parties securities portfolio.

FundaçãoThe company is controlled by Fundação Atlantico de Seguridade Social -<br/>FATL, located at Rua Lauro Müller, 116, 18th floor, room 1807/1808,<br/>Rio de Janeiro, RJ, Brazil, telephone +55 21 3873-9277, a private pension<br/>fund created in 2004 and sponsored by TMAR. Its purpose is to<br/>manage and ensure the provision and maintenance of social security<br/>benefits of their participants.

LF. Located at Angelina Maffei Vita No. 200, 9th floor, São Paulo, SP, Brazil, telephone +55 11 3137-6980, is a subsidiary of Jereissati Telecom S.A., a holding company that is part of the Jereissati Group. LF's principal asset is its equity interest in TmarPart. The Jereissati Group has investments in the commercial real estate sector in Brazil. It partially owns and manages nine shopping malls in the Southern and Southeastern regions of Brazil.

AG, located at Praia de Botafogo 300, 4th Floor, Rio de Janeiro, Rio de Janeiro, Brazil, telephone +55-21-22118000, is a subsidiary of Andrade Gutierrez S.A. responsible for managing the telecommunications business of the Andrade Gutierrez Group. The conglomerate develops its activities focused on three core businesses: (a) engineering work in Brazil and abroad; (b) operating public concessions in Brazil, primarily highways and water treatment; and (c) telecommunications in Brazil.

L.F. Tel S.A.

("**LF**")

Portugal Telecom is the leading telecommunications provider in Portugal. As an operator with a strong national and international footprint, Portugal Telecom has a diversified business portfolio covering all segments of the telecommunications sector: wireline, mobile, multimedia, data and corporate solutions, strongly focused on the convergence of telecommunications with media and information technology areas. Portugal Telecom is headquartered at Av. Fontes Pereira de Melo, 40, Lisbon, Portugal +351-21-500-2000. Portugal Telecom's shares are widely held. Portugal Telecom is one of the most traded stock in Euronext Lisbon stock exchange, and it is also quoted on the New York Stock Exchange.

There are no other shareholders of TmarPart who directly or indirectly own 10% or more of TmarPart's equity and thus own 10% or more of GlobeNet's equity.