

**VIA ELECTRONIC FILING**

December 12, 2008

Ms. Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 12th Street, SW  
Washington, DC 20554

**Re: Brasil Telecom of America Inc.  
Request for Special Temporary Authority  
SCL-LIC-19961026-00001 and SCL-LIC-19990602-00010**

Dear Ms. Dortch:

Brasil Telecom of America Inc. (“GlobeNet” or “Licensee”), its ultimate parent company, Brasil Telecom S.A. (“Brasil Telecom” or “Transferor”), and Telemar Norte Leste S.A. (“Telemar” or “Transferee”) (collectively, the “Applicants”), pursuant to an Act Relating to the Landing and Operation of Submarine Cables in the United States, 47 U.S.C. §§ 34-39 (1994), Executive Order No. 10530, Exec. Ord. No. 10530 reprinted as amended in 3 U.S.C. § 301, and Sections 1.767 and 63.25 of the Commission's Rules, 47 C.F.R. §§ 1.767 and 63.25, hereby respectfully request expedited Special Temporary Authority (“STA”) for the transfer of control of GlobeNet as the holder of the above-captioned cable landing licenses from Brasil Telecom to Telemar. Applicants respectfully request that the Commission grant this STA request as soon as possible, **and no later than December 26, 2008.**

As detailed in the underlying application for approval for the transfer of control of GlobeNet filed concurrently herewith, and attached hereto as Exhibit A (the “Application”), through a series of corporate transactions, including stock purchases, tender offers and mergers, Brasil Telecom will become a direct wholly-owned subsidiary of Telemar (the “Transaction”). As a result of the Transaction, Telemar will indirectly control GlobeNet. Although control of GlobeNet will change, GlobeNet will continue to provide services in the United States to its existing customers under existing service arrangements pursuant to its submarine cable landing licenses granted by the Commission. The Transaction, therefore, will be seamless to GlobeNet’s customers.

The attached Application includes all of the information required in Section 63.25 of the Commission’s Rules, including organization charts that illustrate, with respect to control of GlobeNet, the current corporate structure of the Applicants and the structure that will exist immediately following consummation of the proposed Transaction.

As it will be demonstrated herein below, for various urgent financial and operational reasons, expedited completion of the Transaction is necessary. According to the terms of the Transaction, Telemar is required to pay a R\$490 million (approximately USD\$203,360,000) contractual penalty in the event that the proposed acquisition of Brasil Telecom cannot be completed by December 21, 2008. The total value of the Transaction is projected at nearly R\$13 billion (approximately US\$5.42 billion). The vast majority of operations of the Applicants is in Brazil. Accordingly, the timing of this Transaction is being driven by events in Brazil that have little nexus to the United States. The transfer of control of GlobeNet is only a small, incidental part of this much larger international transaction, and will have minimal U.S. impact. Yet if the Applicants do not receive prior Commission approval for the indirect transfer of

control of GlobeNet that will result from the Transaction, they may be out of compliance with FCC regulations, and subject to penalties.

As noted in detail in the Application, although the Transaction was first announced on April 25, 2008, the Applicants have been required under Brazilian law to wait for a change in the Brazilian telecommunications law before they could formally work together to file the necessary applications for approval of the Transaction, including, without limitation, the Application. It was not until November 20, 2008, that Brazilian President, Luiz Inácio Lula da Silva, approved the necessary changes to Brazil's telecommunications licensing laws that allowed telecommunications operators to acquire compatriot operators with concessions in different areas of Brazil. As soon as the law was signed, the Applicants began quickly working together to complete all of the applications necessary to effectuate the transfer of control in Brazil, the United States, and the other countries where Brasil Telecom, directly or indirectly, operates.

Grant of this STA request will enable the Applicants to quickly consummate Telemar's acquisition of control of Brasil Telecom without violating any FCC rules. This, in turn, will serve the public interest by making GlobeNet a more effective competitor. After final completion of the Transaction, GlobeNet's existing management and operations staff will continue to oversee the day-to-day operations of GlobeNet. Thus, GlobeNet will continue to provide high-quality, affordable services, but with even more resources at its disposal. The Transaction will not cause inconvenience or confusion to GlobeNet's customers, but rather will allow the Applicants to realize certain critical financial benefits. Indeed, the Transaction will be virtually transparent to GlobeNet's customers.

Accordingly, the Applicants request Special Temporary Authority by the planned closing date of December 26, 2008. Applicants acknowledge that grant of this request will not prejudice action by the Commission on the underlying Application and that any authority granted pursuant to this request is subject to cancellation or modification upon notice, but without a hearing.

Should you have any questions or require further information, please do not hesitate to contact us.

Respectfully submitted,

**Brasil Telecom of America, Inc.**

By: /s/  
Erick W. Contag  
Chief Operating Officer

**Telemar Norte Leste S.A.**

By: /s/  
Cintia Schaimberg Medvedovsky  
Consultant Regulatory Affairs

**EXHIBIT A**

**Application for Transfer of Control of  
Brasil Telecom of America Inc.**

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

In the Matter of	)	
	)	
<b>Brasil Telecom of America Inc.</b>	)	
	)	
<i>Licensee,</i>	)	
	)	
<b>Brasil Telecom S.A.</b>	)	
<i>Transferor,</i>	)	
	)	
and	)	File No. SCL-T/C-2008 _____
	)	
<b>Telemar Norte Leste S.A.</b>	)	
<i>Transferee</i>	)	
	)	
Application for Transfer of Control of	)	
Cable Landing Licenses	)	

**APPLICATION FOR TRANSFER OF CONTROL OF  
CABLE LANDING LICENSES**

Brasil Telecom of America Inc. (“GlobeNet”), its ultimate parent company, Brasil Telecom S.A. (“Brasil Telecom”), and Telemar Norte Leste S.A. (“Telemar”) (collectively, the “Applicants”), pursuant to an Act Relating to the Landing and Operation of Submarine Cables in the United States, 47 U.S.C. §§ 34-39 (1994), Executive Order No. 10530, Exec. Ord. No. 10530 *reprinted as amended in* 3 U.S.C. § 301, and Section 1.767 of the Rules of the Federal Communications Commission (“Commission”), 47 C.F.R. § 1.767, hereby request approval for the transfer of control of GlobeNet as the holder of cable landing licenses<sup>1</sup> from Brasil Telecom to Telemar.

As described below, through a series of related transactions, Brasil Telecom will become

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<sup>1</sup> FCC File Nos. SCL-LIC-19961026-00001 and SCL-LIC-19990602-00010.

a direct wholly-owned subsidiary of Telemar (the “Transaction”). As a result of the Transaction, Telemar will indirectly control GlobeNet. Although control of GlobeNet will change, GlobeNet will continue to provide services in the United States to its existing customers under existing service arrangements pursuant to its submarine cable landing licenses granted by the Commission. The Transaction, therefore, will be seamless to GlobeNet’s customers. Attached hereto as Exhibit A are organization charts that illustrate, with respect to control of GlobeNet, the current corporate structure of the Applicants and the structure that will exist immediately following consummation of the proposed Transaction.

Applicants provide the following information in support of this Application:

**I. THE APPLICANTS**

**A. Brasil Telecom of America, Inc. (“GlobeNet”) (Licensee)**

GlobeNet is a Delaware corporation. GlobeNet is an indirect wholly-owned subsidiary of Brasil Telecom, a corporation (sociedade anônima) organized under the laws of the Federative Republic of Brazil (“Brazil”), which, in turn, is controlled by Brasil Telecom Participações S.A. (“BrT Part”). BrT Part is indirectly controlled by Invitel S.A. (“Invitel”), also a corporation organized under the laws of the Brazil. GlobeNet owns 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. The GlobeNet Cable System’s U.S. cable landing stations are in Boca Raton, Florida and Tuckerton, New Jersey.

**B. Brasil Telecom S.A. (“Brasil Telecom”) (Transferor)**

Brasil Telecom provides public switched fixed-line telephone services (“STFC”) in Region II of Brazil under concessions for each of the states in its region. Brasil Telecom is the leading provider of local fixed-line telecommunications services and intraregional long-distance

telecommunications services in its service region. In addition, Brasil Telecom offers interregional and international long-distance telecommunications services, broadband services, mobile services, and a variety of data transmission services through various technologies and means of access.

**C. Telemar Norte Leste S.A. (“Telemar”) (Transferee)**

Telemar is a corporation (sociedade anônima) formed under the laws of Brazil. Telemar is the leading STFC concessionaire in Region I of Brazil, offering, together with its subsidiary, TNL PCS S.A. (known as “Oi”), an integrated communications product portfolio that includes traditional fixed-line telephony, mobile telephony, broadband, ISP, and other services to residential consumers; small, midsize and large business users; and government entities.

Telemar has 16 local service and 16 domestic long-distance concessions in Brazil under which it provides telecommunications services through its fixed-line telecommunications network. Oi provides mobile services under a license to provide personal mobile telecommunications services (Serviço Móvel Pessoal), in Region I utilizing a frequency band referred to as “Band D.”

Telemar Internet Ltda., a subsidiary of Telemar, is an Internet access provider that started operations in February 2005 under the brand name Oi Internet.

**II. THE PROPOSED TRANSACTION**

The transfer of control of GlobeNet will occur as part of a series of corporate transactions by which Telemar will acquire *de jure* and *de facto* control of Brasil Telecom and its operating subsidiaries, including GlobeNet. The Transaction is to be carried out under Brazilian law.

As a first step of the Transaction, on April 25, 2008, Banco de Investimentos Credit Suisse (Brasil) S.A. (“Credit Suisse”), acting as agent for Telemar, entered into a Share Purchase Agreement (the “Share Purchase Agreement”) with Invitel’s controlling shareholders (“Sellers”),

regarding the shares representing the indirect control of Brasil Telecom and GlobeNet. The Share Purchase Agreement provides for the future transfer to Telemar of all shares of Invitel and some common shares of BrT Part directly owned by Sellers, representing altogether 60.5% of the voting capital stock, and 22.28% of the total share capital of BrT Part. BrT Part itself holds 99.09% of the outstanding voting capital stock of Brasil Telecom, and preferred shares of Brasil Telecom, representing 38.83% of the total outstanding preferred shares of Brasil Telecom, which common and preferred shares collectively represent 65.64% of the total share capital of Brasil Telecom. At the same time, Telemar and Credit Suisse entered into an agency agreement (*contrato de comissão*) (the “Agency Agreement”) to rule the terms under which Credit Suisse would enter into the Share Purchase Agreement on behalf of Telemar.

As previously noted, Brasil Telecom is a concessionaire of STFC in Brazil’s Region II, as defined by the General Granting Plan (Plano Geral de Outorgas) enacted by Decree No. 2,534 of April 2, 1998 (the “PGO”). Telemar is a concessionaire for the same services in Region I of the PGO. At the time the Share Purchase Agreement was executed, Brazilian law imposed certain restrictions in relation to the purchase of control of an STFC concessionaire by another STFC concessionaire, which prevented Telemar from directly acquiring the shares of Invitel. This restriction in the PGO was eliminated by the Brazilian Government on November 21, 2008, by means of Decree No. 6,654.

On November 21, 2008, Credit Suisse, in compliance with the Agency Agreement, transferred its position in the Share Purchase Agreement to Telemar, which immediately filed before the Brazilian Telecommunications Agency, ANATEL, a Request for Prior Approval (“Pedido de Anuência Prévia”), as requested by law, of the acquisition of the shares representing the control of Brasil Telecom. Such Request is currently under analysis by ANATEL.

As per the Share Purchase Agreement, Telemar may assign its rights and obligations under the Share Purchase Agreement to one of its subsidiaries; should that happen, the Request for Prior Approval before ANATEL will have to be amended accordingly. Once ANATEL approval is granted, Telemar will acquire the shares of Invitel and the shares of BrT Part owned by Sellers and therefore will become the controlling shareholder of BrT Part and Brasil Telecom. The closing of this part of the Transaction shall take place within 10 business days after obtaining ANATEL's approval (the "Closing Date").

As a second step of the Transaction, and independent from the transactions contemplated by the Share Purchase Agreement, Telemar has issued voluntary tender offers to the holders of preferred shares of BrT Part and Brasil Telecom, for up to 1/3 of the outstanding preferred shares of BrT Part and of Brasil Telecom (the "Voluntary Tender Offers").<sup>2</sup>

As a third step of the Transaction, following the acquisition of control of BrT Part and Brasil Telecom by Telemar, Telemar will conduct mandatory public tender offers (the "Mandatory Tender Offers"), destined to all minority common shareholders of BrT Part and of Brasil Telecom. The goal of the Mandatory Tender Offers is to obtain 100% of the common shares of BrT Part and Brasil Telecom held by their minority shareholders. Telemar has to file a request for registration of the Mandatory Tender Offers with the Brazilian Securities Commission (*Comissão de Valores Mobiliários*) up to 30 days after the Closing Date.

Finally, following the conclusion of the Mandatory Tender Offers, a corporate restructuring is intended for the companies acquired, directly or indirectly, in order to simplify the corporate structure, unifying the shareholders of BrT Part and Brasil Telecom within Telemar

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<sup>2</sup> The Voluntary Tender Offers have been launched by a wholly-owned subsidiary of Telemar, COPART2 Participações S.A., a corporation organized under the laws of the Federative Republic of Brazil.



and strengthening the companies involved (the “Corporate Restructuring”). The Corporate Restructuring will contemplate, among other transactions, the merger of BrT Part into Brasil Telecom, followed by the share exchange of Brasil Telecom into a subsidiary of Telemar and its subsequent merger. It is expected that, after the Corporate Restructuring, considering the full adhesion by minority shareholders of the announced tender offers, such that the purchase of 100% of the common shares and one third of the preferred shares outstanding of BrT Part and Brasil Telecom, the shareholding structure of Telemar (and as a result of Brasil Telecom and its operating subsidiaries) will be, substantially, as set forth in Exhibit A attached hereto.

### **III. PUBLIC INTEREST CONSIDERATIONS**

Consummation of the Transaction described herein will serve the public interest because it will lead to the emergence of a stronger and better-financed competitor in the submarine cable market for capacity between the United States and the Caribbean and Brazil. Under Telemar’s ownership, GlobeNet will be able to operate in a more efficient and economical manner and will have better access to capital needed to maintain and grow GlobeNet’s competitive submarine cable capacity business.

Moreover, the change in ownership of GlobeNet will not have any adverse impact on existing customers. GlobeNet, backed by its new parent company, Telemar, will continue to possess the managerial and technical qualifications to provide international telecommunications services. Because the Transaction will be completed at the holding company level and will not change the rates, terms or conditions of GlobeNet’s services, the Transaction will not result in a change of service provider for GlobeNet’s customers and will otherwise be transparent to customers of GlobeNet receiving services in the United States. Immediately following consummation of the Transaction, GlobeNet will continue to provide high-quality private

carriage services to its customers without interruption and without immediate change in rates, terms or conditions.

At the same time, a grant of the Application would not result in any anticompetitive effects. For these reasons, Applicants respectfully submit that this Transaction is in the public interest.

**IV. INFORMATION REQUIRED BY SECTION 1.767 OF THE COMMISSION'S RULES**

In support of this Application, Applicants submit the following information in accordance with Section 1.767 of the Commission's Rules, 47 C.F.R. § 1.767:

**(1) Name, address and telephone number of Applicants:**

Licensee: Brasil Telecom of America, Inc. FRN: 0008377665  
5355 Town Center Road  
Suite 1102  
Boca Raton, FL 33486  
(561) 314-0502

Transferor: Brasil Telecom S.A. FRN: 0018323964  
SIA/Sul, ASP, Lote D, Bloco B  
Setor de Indústria e Abastecimento  
Brasília, DF, Brazil - CEP:71215-00  
011-55-61-3415-1414

Transferee: Telemar Norte Leste S.A. FRN: 0018321984  
Rua General Polidoro, nr. 99, 5th floor, Botafogo  
Rio de Janeiro, RJ, Brazil – CEP: 22280-004  
011-55-21-3131-1208

**(2) Place of Formation:**

Licensee/Transferor: GlobeNet is a corporation organized under the laws of Delaware. Brasil Telecom is a corporation organized under the laws of Brazil.

Transferee: Telemar is a corporation organized under the laws of Brazil.

**(3) Correspondence concerning this Application should be sent to:**

For GlobeNet and Brasil Telecom:

Erick W. Contag  
5355 Town Center Road  
Suite 1102  
Boca Raton, FL 33486  
Tel: (561) 314-0502  
Fax: (561) 314-0510

with a copy to:

Ulises R. Pin  
Troy F. Tanner  
Bingham McCutchen LLP  
2020 K Street, NW  
Washington, DC 20006  
Tel: (202) 373-6000  
Fax: (202) 373-6001

For Telemar:

Alain Riviere  
Regulatory Matters Director  
Telemar Norte Leste S.A.  
Rua Humberto de Campos, nr. 425 – 8th floor  
Rio de Janeiro, RJ, Brazil – CEP: 22430-190  
Tel: 011-55-21-3131-1212  
Fax: 011-55-21-3131-1339

with a copy to:

Paul O. Gagnier  
Bingham McCutchen LLP  
2020 K Street, NW  
Washington, DC 20006  
Tel: (202) 373-6592  
Fax: (202) 373-6001

**(4)-(7) Not Applicable.**

**(8) Certification and Ownership Information Required by Sections 63.18(h)-(k) and (o) of the Commission's Rules, 47 C.F.R. §§ 63.18(h)-(k), (o):**

Post-close, the ownership structure of GlobeNet will be as follows:

The following entity will hold a 100% voting and equity interest in Licensee GlobeNet:

Brasil Telecom Subset Cable Systems (Bermuda) Ltd.

SIA/Sul, ASP, Lote D, Bloco B  
Setor de Indústria e Abastecimento  
Brasília, DF, Brazil – CEP: 71215-00  
Citizenship: Bermuda  
Principal Business: Telecommunications

The following entity will hold a 100% voting and equity interest in Brasil Telecom Subset Cable Systems (Bermuda) Ltd.:

Brasil Telecom Cabos Submarinos Ltda.

SIA/Sul, ASP, Lote D, Bloco B  
Setor de Indústria e Abastecimento  
Brasília, DF, Brazil – CEP: 71215-00  
Citizenship: Brazil  
Principal Business: Telecommunications

The following entity will hold a 99.99% voting and equity interest in Brasil Telecom Subset Cable Systems (Bermuda) Ltd.:

Brasil Telecom S.A.

SIA/Sul, ASP, Lote D, Bloco B  
Setor de Indústria e Abastecimento  
Brasília, DF, Brazil- CEP: 71215-00  
Citizenship: Brazil  
Principal Business: Telecommunications

The following entity will hold a 100% voting and equity interest in Brasil Telecom S.A.:

Telemar Norte Leste S.A.

Rua General Polidoro, 99, 5th floor, Botafogo  
Rio de Janeiro, RJ, Brazil – CEP: 22280-004  
Citizenship: Brazil  
Principal Business: Telecommunications

Telemar is a Brazilian corporation whose common and preferred shares are publicly traded on the BOVESPA market in Sao Paulo, Brazil. The following entity holds a 97.4% voting interest and 82.0% equity interest in Telemar:

Tele Norte Leste Participações S.A. (“TNL”)  
Rua Humberto de Campos, 425, 8th floor, Leblon,  
Rio de Janeiro, RJ, Brazil – CEP: 22430-190  
Citizenship: Brazil  
Principal Business: Holding Company

No other individual or entity holds a 10% or greater voting or equity interest in Telemar.

TNL is a Brazilian corporation whose common and preferred shares are publicly traded on the BOVESPA market and the New York Stock Exchange. The following entity holds a 52.45% voting and 17.48% equity ownership interest in TNL:

Telemar Participações S.A. (“TmarPart”)  
Praia de Botafogo 300, 11th Floor, sala 1101 (parte),  
Rio de Janeiro, RJ, Brazil 22250-040  
Citizenship: Brazil  
Principal Business: Holding Company

TmarPart thus is deemed to have an indirect voting and equity interests of 97.4% and 14.33% respectively in GlobeNet. No other individual or entity hold a 10% or greater equity or voting interest in TNL or, indirectly, in GlobeNet.<sup>3</sup>

TmarPart has two classes of capital stock: common and preferred. TmarPart’s shareholders are parties to shareholders’ agreements that address, among other matters: (1) the election of the board of directors of Telemar and (2) rights of the shareholders of TmarPart with respect to the disposal by TNL and TmarPart of their shares in Telemar.

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<sup>3</sup> The Bank of New York is the holder of record of American Depositary Receipts (“ADRs”) that represent 49.51% of the preferred shares of TNL. The preferred shares constitute a 33% equity holding in TNL (and an indirect equity interest in GlobeNet of 27.06%). The ADRs are publicly traded on the New York Stock Exchange and are widely held.

The following table sets forth information concerning the ownership of the common and preferred shares of TmarPart as of June 30, 2008. TmarPart's preferred shares do not convey voting rights except in limited circumstances.

<u>TmarPart Shareholders</u>	<u>Common Shares Owned</u>	<u>Preferred Shares Owned</u>	<u>Total Shares Owned</u>	<u>%</u>
BNDES Participações S.A.	858,225,280	1,000,000	859,225,280	31.4%
Fiago Participações S.A	683,147,324	—	683,147,324	25.0%
L.F. Tel S.A.	529,095,885	—	529,095,885	19.3%
AG Group	529,095,885	—	529,095,885	19.3%
Fundação Atlântico de Seguridade Social	137,316,044	—	137,316,044	5.0%
Others	10	—	10	*
<b>Total</b>	<b>2,736,880,418</b>	<b>1,000,000</b>	<b>2,737,880,418</b>	<b>100.0%</b>

Upon closing of the Transaction, none of the shareholders of TmarPart will hold an indirect equity interest in Globenet of 10% or greater. TmarPart's shareholders will hold indirect voting interests in GlobeNet of 30.58% (BNDES Participacoes); 24.35% (Fiago); 18.80% (L.F. Tel); 18.80% (AG Group); and 4.87% (Fundacao Atlantico de Seguridade Social).

Set forth below are the names, business addresss, telephone numbers and brief descriptions of the shareholders of TmarPart. Each is a company incorporated under the laws of Brazil.

<u>Name</u>	<u>Business Description</u>
<b>BNDES Participações S.A. (BNDESPar)</b>	BNDESPar, located at Avenida Chile 100, 22nd floor, Rio de Janeiro—RJ, CEP: 20031-917, 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 the Company 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.

**Fiago Participações S.A.** Fiago Participações S.A., located at Avenida Presidente Wilson, 231, 11th floor, Centro, Rio de Janeiro, RJ, Brazil, CEP:20030-905, telephone +55 21 3974-4549, is a holding company which invests in other companies. It was established on January 23, 1998 to invest in companies emerging from the privatization of Telebrás. It is controlled by FCF Fundo de Investimento em Ações.

**L.F. Tel S.A.** L.F. Tel S.A., located at Avenida Dr. Chucri Zaidan No. 920, 16th floor, São Paulo, SP, Brazil, telephone +55 11 3048-7270, is a subsidiary of La Fonte Telecom S.A., a holding company that is part of the Jereissati Group. L.F. Tel'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 Group** The companies comprising AG Group, located at Av. Do Contorno 8123, Belo Horizonte, Minas Gerais, Brazil, telephone +55-31-3290 6645, are subsidiaries 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.

**Fundação Atlântico de Seguridade Social** Fundação Atlântico de Seguridade Social, or FASS, is a private supplementary pension entity that Telemar incorporated in August 2004, and which manages private pension plans for the benefit of Telemar's employees. FASS is located at Rua Lauro Muller, 116, sala 2091, Torre do Rio Sul, Botofogo, Rio de Janeiro, RJ Brazil, CEP:22.290-160, telephone +55-21-3873 9292.

There are no other shareholders of TmarPart who directly or indirectly own 10 percent or more of TmarPart or Telemar's equity and thus will own 10% or more of GlobeNet's equity post-close.

**Section 63.18(h) Interlocking Directorates**

There are no officers or directors of Telemar that are officers and directors of foreign carriers.

**Section 63.18(i) - Certification Regarding Foreign Carrier Status and Foreign Affiliation:**

By its signature to this Application, Telemar certifies that it is a foreign carrier in Brazil within the meaning of 63.09(d) of the Commission's Rules. Telemar is not affiliated with any other foreign carriers in Brazil or other countries. Upon consummation of the Transaction, Telemar will become affiliated with Brasil Telecom's foreign carrier affiliates in Bermuda and Venezuela.

GlobeNet is currently affiliated with Brasil Telecom, a dominant carrier in Brazil, and the following non-dominant carriers in Brazil, Venezuela and Bermuda;

- (a) Brasil Telecom de Venezuela S.A., in Venezuela;
- (b) Brasil Telecom Cabos Submarinos Ltda., in Brazil;
- (c) Brasil Telecom Celular S.A., in Brazil; and
- (d) Brasil Telecom Subsea Cable Systems (Bermuda) Ltd., in Bermuda.

**Section 63.18(j) - Certification Regarding Destination Markets:**

By its signature to this Application, Telemar certifies that through the acquisition of control of GlobeNet, it seeks to provide international telecommunications services to the destination countries of Bermuda, Brazil, and Venezuela.

Telemar is a foreign carrier deemed by the FCC to hold market power in Brazil because it holds a greater than 50% market share of local exchange services in Region I of Brazil.

GlobeNet will retain its affiliations with non-dominant carriers in Venezuela and Bermuda.

**Section 63.18(k) - Demonstration Regarding WTO Status, Market Power, and the Effective Competitive Opportunities Test:**

The foreign carriers listed above in Section 63.18(i)(j) of this Application are based in countries that are Members of the World Trade Organization. GlobeNet will accept dominant carrier treatment in its provision of service to Brazil, and will file the quarterly reports required by Section 1.767(l) of the Commission's Rules, 47 CFR § 1.767(l).

With the exception of Brasil Telecom and Telemar, none of the carriers listed above in Section (j) is listed on the Commission's List of Foreign Telecommunications Carriers that are Presumed to Possess Market Power in Foreign Telecommunications Markets. In addition, these foreign carriers offer services in competition with dominant foreign carriers and others. These foreign carriers each hold significantly less than a 50% market share in the international



transport market between the U.S. and their home markets and in the local access markets in the countries where they operate. Moreover, these foreign carriers do not have the ability to discriminate against unaffiliated U.S. international carriers through the control of bottleneck services or facilities to exercise market power in the countries where they operate. Accordingly, GlobeNet's foreign carrier affiliates lack sufficient market power on the U.S.-international routes on which they operate to affect competition adversely in the U.S. market. Therefore, GlobeNet should be presumptively classified as a non-dominant carrier on all international routes, except Brazil.

**Section 63.18(o) - Certification Regarding the Anti-Drug Abuse Act of 1988:**

By their signature to this Application, Telemar and Brasil Telecom certify, pursuant to Sections 1.2001 through 1.2003 of the Commission's Rules, 47 C.F.R. §§ 1.2001-1.2003) (implementing the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 3301), that they are not subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988.

**(9) Certification of Compliance:**

By its signature to this Application, Telemar certifies that it accepts and will abide by the routine conditions set forth in Section 1.767(g) of the Commission's Rules, 47 C.F.R. § 1.767(g).

**(10) Not Applicable.**

**(11) Information Required of Transfer of Control Applicants.**

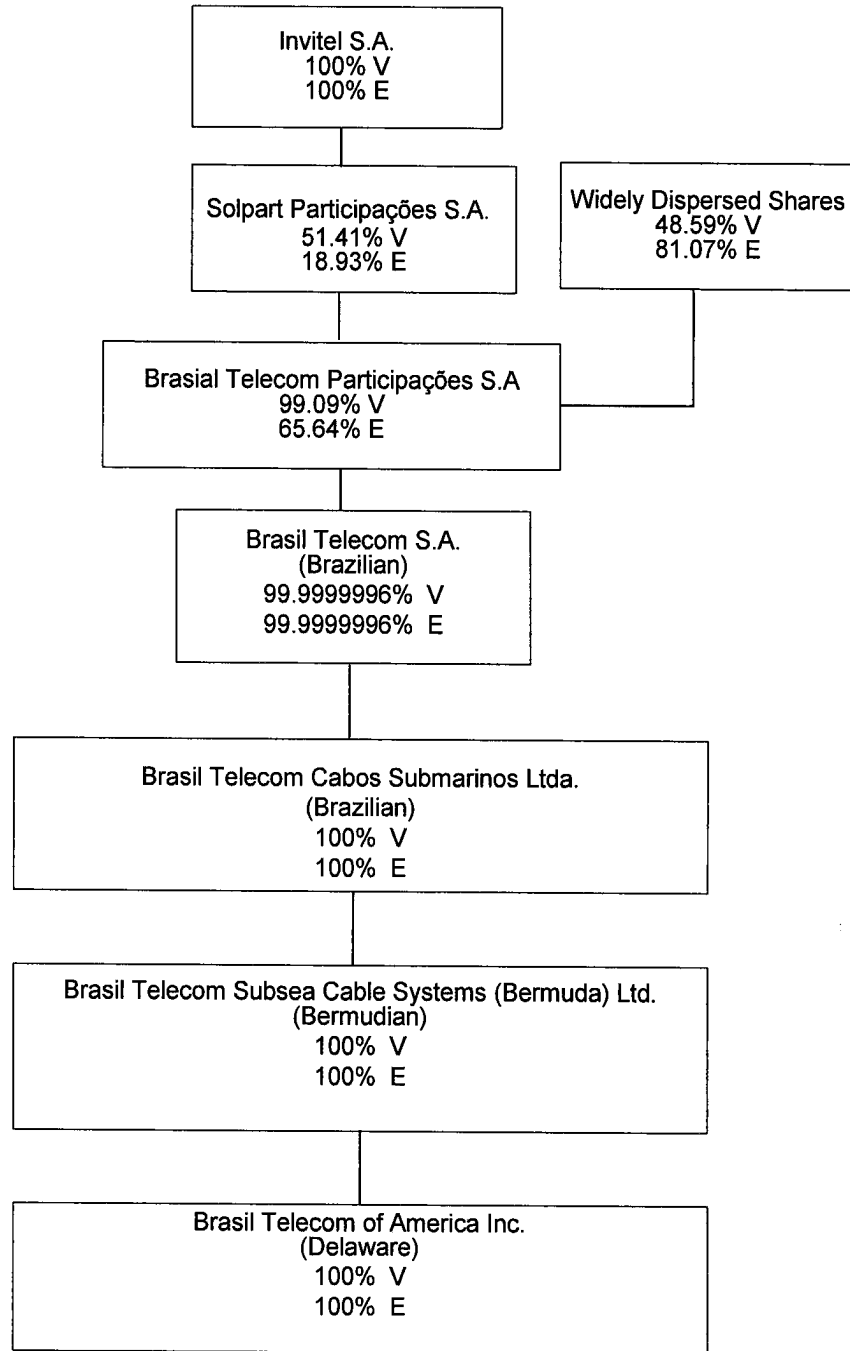
A listing of the cable landing licenses held by GlobeNet and the file numbers of these licenses is attached hereto as Exhibit B.



**EXHIBIT A**

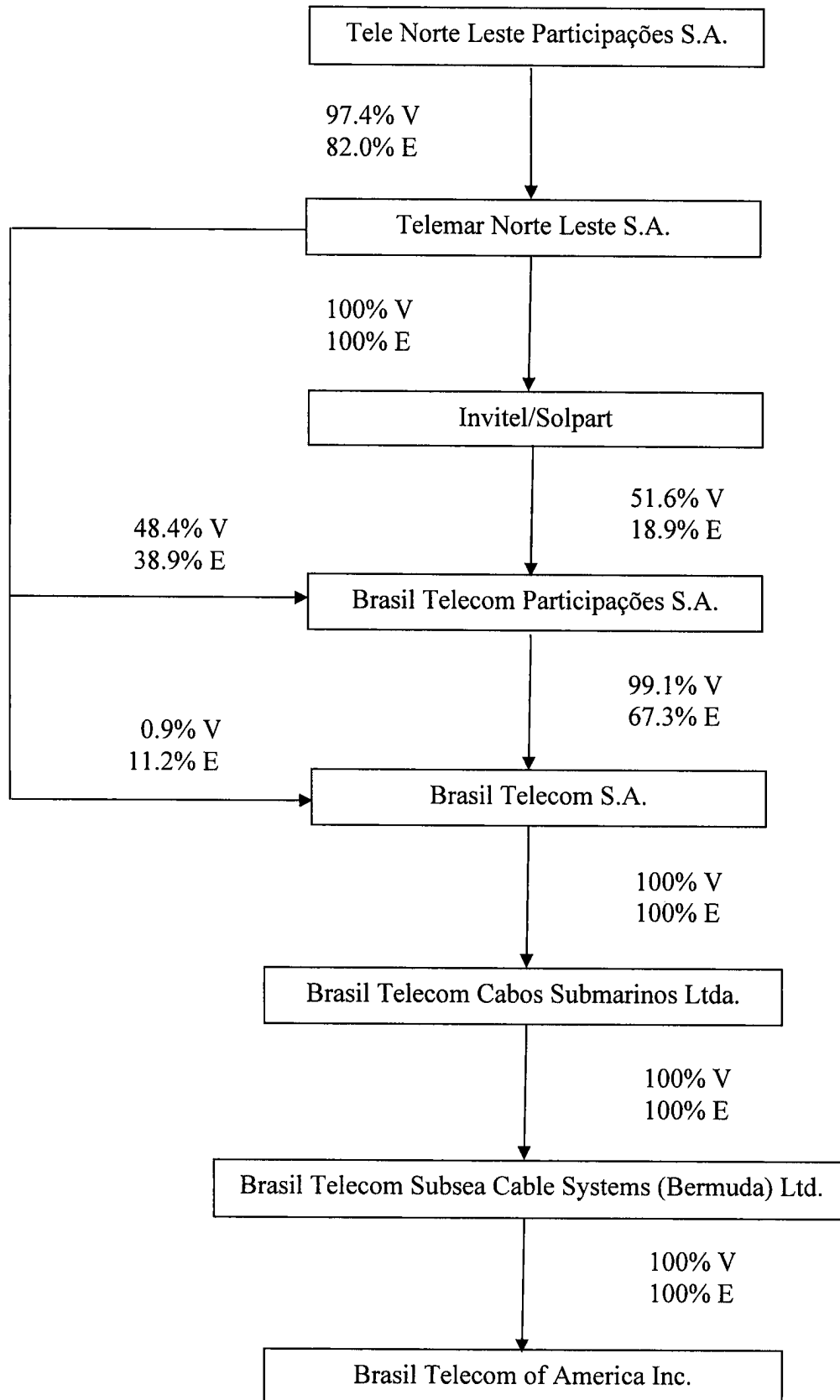
**ILLUSTRATIVE CHARTS OF TRANSACTION**

# PRE-TRANSACTION



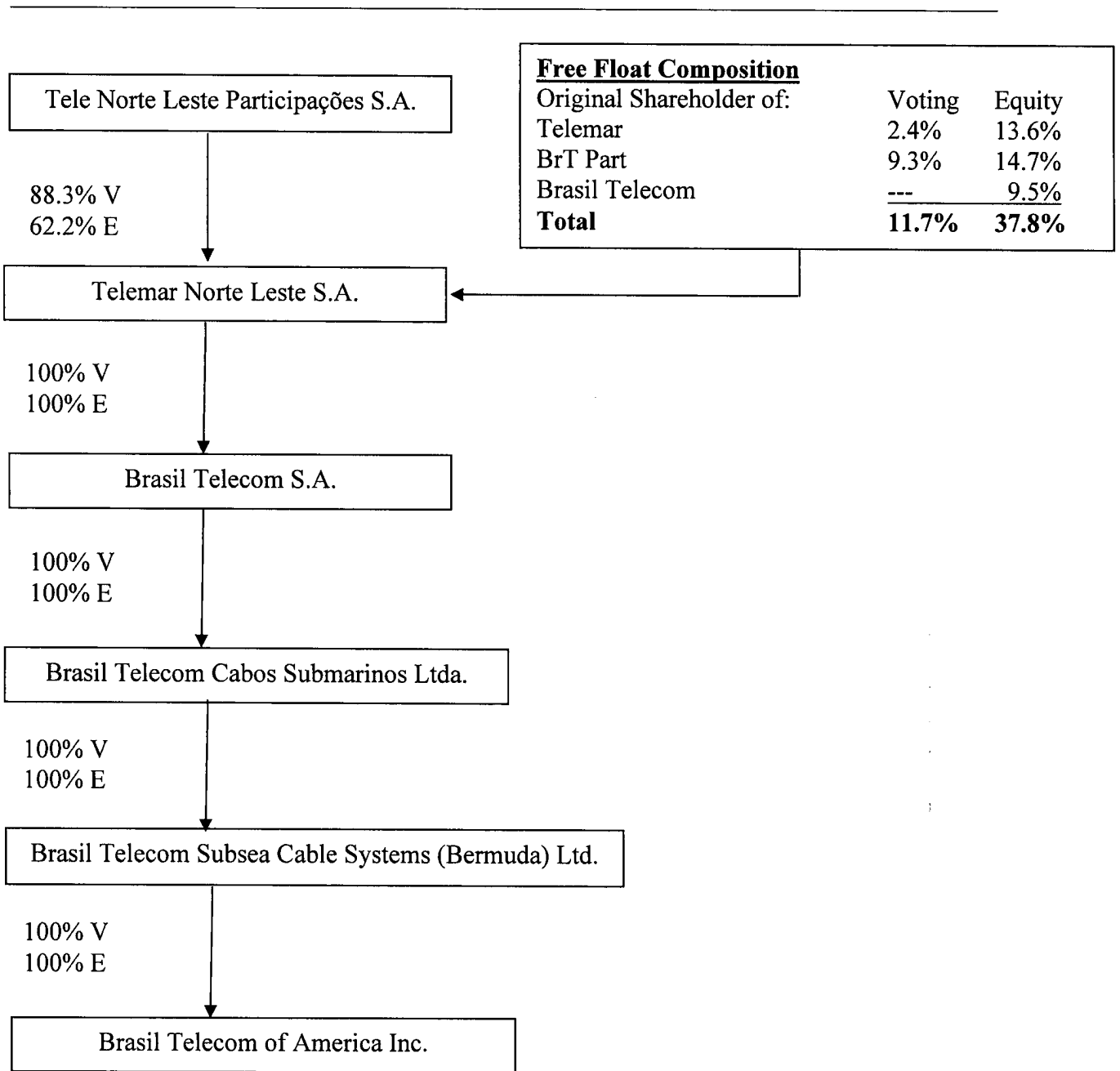
V = Common Voting Stock  
E = Total Equity

**POST-TRANSACTION (1)**  
(Before Pro-forma Consolidation)



V = Common Voting Stock  
E = Total Equity

**POST-TRANSACTION (2)**  
(After Pro-forma Consolidation)



V = Common Voting Stock  
E = Total Equity

**EXHIBIT B**  
**SUBMARINE CABLE LANDING LICENSES HELD BY**  
**BRASIL TELECOM OF AMERICA INC.**

<b>Cable System</b>	<b><u>FCC File No.</u></b>	<b>Regulatory Status</b>	<b>Landing Points</b>
GlobeNet	SCL-LIC-19961026-00001	Non-Common Carrier	Tuckerton, New Jersey, St. David's, Bermuda
GlobeNet	SCL-LIC-19990602-00010	Non-Common Carrier	Tuckerton, New Jersey; Boca Raton, Florida; Punta Gorda, Venezuela; Fortaleza, Brazil; Rio de Janeiro, Brazil; and St. David's, Bermuda

**CERTIFICATE OF SERVICE**

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

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Federal Communications Commission  
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Washington, DC 20554  
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\_\_\_\_\_  
/s/  
Troy F. Tanner

December 12, 2008