

In the Matter of

File No. _____

APPLICATION FOR TRANSFER OF CONTROL OF CABLE LANDING LICENSE – STREAMLINED PROCESSING REQUESTED

FLAG Telecom Group Limited (“FLAG”), the licensee of submarine cable landing license SCL-LIC-19990301-00005 (the “License”), respectfully requests Federal Communications Commission (“Commission”) approval of the transfer of control over FLAG from Reliance Communications Ventures Limited (“RCVL”)¹ to Mr. Anil Ambani,² pursuant to the Cable Landing License Act of 1921, Executive Order 10530, and Section 1.767(a)(11) of the Commission’s Rules, 47 C.F.R. § 1.767 (a)(11).³

¹ RCVL's name was changed to Reliance Communications Limited ("RCOM") on June 7, 2006. The instant application accordingly serves as notice to the Commission of the name change. Hereinafter, RCOM shall also mean RCVL, as appropriate.

² FLAG, RCOM, and Mr. Ambani will be collectively referred to herein as "Applicants."

³ FLAG's license authorizes the operation and landing of the FLAG Atlantic-1 non-common carrier submarine cable between the continental United States and the United Kingdom and France. The license was issued in October 1999 to FLAG Atlantic Limited ("FLAG Atlantic"), a Bermuda company and an indirect wholly-owned subsidiary of FLAG Telecom Holdings Limited ("FLAG Telecom"). In October 2002, pursuant to a court-approved plan of reorganization, FLAG Telecom and certain of its subsidiaries, including FLAG Atlantic, were restructured. As part of the restructuring, the Commission approved the assignment of the

(Continued ...)

The transfer of control to Mr. Ambani was the result of a Scheme of Amalgamation that took place in a series of steps that vested him with control as of September 14, 2006. Applicants inadvertently failed to seek prior Commission authorization for the transfer as required under Section 1.767 of the Commission's rules. 47 C.F.R. § 1.767. Once they realized the error, Applicants sought immediately to rectify the situation and to institute safeguards against future occurrences.⁴

In addition to requesting authorization for this previous unauthorized transfer of control, Applicants request authority to execute further changes to simplify the ownership structure of

License to FLAG Telecom Global Network Limited ("FLAG Global"), a wholly-owned subsidiary of FLAG, which assignment was consummated on October 9, 2002. *See* IBFS File No. SCL-ASG-20020814-00065. In October 2003, FLAG sought Commission approval to transfer control of FLAG Global to a new entity to be formed by the amalgamation of FLAG with Gateway Net Bermuda Limited, which entity was to be 100% owned by Reliance Gateway Net Limited ("RGNL"). The Commission approved the transfer of control, which was consummated on January 12, 2004. *See* IBFS File No. SCL-T/C-20031024-00031. In April 2004, the Commission approved the *pro forma* assignment of the License from FLAG Global to FLAG. *See* IBFS File No. SCL-ASG-20040329-00009. The Commission also approved in April 2004, an application to modify the License to substitute the "no new special concessions" condition and to include the *pro forma* condition in 47 C.F.R. § 1.767(g)(7) of the Commission's rules as an amendment to paragraph (5) of the License. *See* IBFS File Nos. SCL-MOD-20040211-00005, SCL-MOD-20040211-00006. Subsequently, in September, 2005, FLAG filed an application for consent to the *pro forma* change in control that occurred when Reliance Industries Limited ("RIL") assumed *de jure* control over FLAG. IBFS File No. SCL-T/C-20050929-0018. Finally, on November 30, 2005, the Commission approved the transfer of control of the License from the ultimate parent company, Reliance Industries Limited, to a new ultimate parent company, RCVL. *See* IBFS File No. SCL-T/C-20051011-00026.

⁴ Upon learning of the error, Applicants promptly contacted the Commission to schedule a meeting to inform the Commission of the situation and to seek Commission guidance on the corrective steps needed. This meeting was held on October 10, 2006, with members of the Policy Division of the International Bureau. In addition, Applicants have taken steps to familiarize appropriate personnel with the Commission's regulatory requirements regarding transfers of control to ensure that similar mistakes do not occur in the future. Finally, Applicants will ensure that counsel is consulted concerning any future corporate restructurings or other transactions that could require an application or other disclosure to the Commission.

FLAG, as described herein. These additional changes do not further transfer control of FLAG but simply consolidate the holdings of the principal shareholders of RCOM.

I. BACKGROUND AND DESCRIPTION OF THE TRANSACTION

Up until the past year or so, FLAG was controlled indirectly by Reliance Industries Limited (“RIL”), the largest private sector company in India. In the latter half of 2005, RIL initiated steps to de-merge its various lines of business pursuant to a “scheme of demerger.” This scheme of demerger was described by FLAG to the Commission in a filing dated October 10, 2005, whereby FLAG, RIL and RCVL requested Commission authorization to transfer control of FLAG from RIL to RCVL.⁵ The transfer of control application also notified the Commission that Mr. Ambani had acquired a 20.4543% non-controlling interest in FLAG through his acquisition of interests in various intermediate companies in the chain of ownership between RCVL and FLAG. On March 21, 2006, FLAG notified the Commission that Mrs. Kokilaben Ambani had also acquired a 13.6337% non-controlling interest in FLAG by obtaining equity interests in various intermediate companies.

After these steps in the corporate restructuring were completed, RCVL exercised *de jure* and *de facto* control over FLAG. However, the pre-September 14, 2006, ownership structure as shown in Attachment A hereto was extremely complex and included a number of intermediate companies as well as minority shareholders in some of the intermediate companies. For example, prior to September 14, 2006, FLAG was wholly-owned by Reliance Gateway Net Limited (“RGNL”) which, in turn, was 100% owned by Reliance Infocomm Limited (“RIC”).

⁵ See IBFS File No. SCL-T/C-20051011-00026.

RCOM (or RCVL prior to June 7, 2006) held a 45.3425% direct interest in RIC but also held a 45% interest in Reliance Communications Infrastructure Limited ("RCIL"), which held an aggregate 45.71% interest in RIC.⁶ Thus by virtue of its interest in RCIL, RCOM held an additional 20.5695% indirect interest in RIC for an aggregate indirect ownership interest of 65.9120% in RIC.⁷

A. Post-September 14, 2006, Transfer of Control to Mr. Ambani

Following the completion of the scheme of demerger described above that separated the telecommunications line of business from the other lines of business previously held under RIL, RCOM sought to rationalize and simplify its corporate structure in two related respects: by eliminating unnecessary intermediate companies and by converting the interests held by minority shareholders in some of the intermediate companies into interests in RCOM itself. In a series of complex transactions that were approved by the High Court of Judicature at Bombay and the High Court of Gujarat at Ahmedabad, RCOM was able to eliminate most of the intermediate companies in the ownership chain between it and FLAG and assume their assets and liabilities.

⁶ The aggregate 45.71% interest was comprised of a 14.3936% direct interest in RIC and a 31.3164% indirect interest held through a series of cross-ownerships with intermediate affiliate companies namely, Reliance Communications Solutions Private Limited, Reliance Software Solutions Private Limited, and Reliance Communications Technologies Limited.

⁷ Both Mr. Ambani and Mrs. Ambani had similar complex indirect interests in FLAG through their interests in various intermediate companies. Mr. Ambani, through his near complete ownership of Ambani Enterprises Pvt. Ltd, held a 5.37% interest in RIC. He also owned 33% of RCIL, which resulted in an additional 15.08% indirect interest in RIC. Thus Mr. Ambani held, in aggregate, an indirect interest of 20.4543% in RIC. Mrs. Ambani, through her near complete ownership of Panther Consultants Pvt. Ltd., held a 3.5775% interest in RIC. She also held a 22% interest in RCIL, which resulted in an additional 10.0562% interest in RIC for an aggregate indirect ownership interest in RIC of 13.6337%.

On September 14, 2006, it completed this process by issuing additional shares of stock to the former minority shareholders of certain of the now-eliminated intermediate companies. As a result of this "Scheme of Amalgamation," RCOM now owns 100% of FLAG.⁸ In turn, Mr. Ambani now holds an aggregate 42.90% interest in RCOM via three separate means: (i) through his near complete ownership of Reliance Innoventures Limited ("RIVL"), which holds a 0.56% direct interest in RCOM and a 100% interest in AAA Communication Private Limited ("AAACPL") that, in turn, holds a 29.11% interest in RCOM; (ii) through his near complete ownership of Anadha Enterprise Private Limited ("AEPL"), which holds a 13.14% direct interest in RCOM; and (iii) through his 0.09% direct interest in RCOM. By virtue of these holdings, Mr. Ambani exercises *de facto* control over both RCOM and FLAG. Mrs. Ambani now holds an aggregate 21.96% interest in RCOM via two separate means: through her near complete ownership of Bhavan Mercantile Private Limited ("BMPL"), which holds a 21.73 direct interest in RCOM; and through her 0.23% direct interest in RCOM. The post- September 14, 2006, simplified ownership structure is depicted in Attachment B hereto.

⁸ As required by Commission Rule 1.767(a)(11)(i), Applicants specify that RCOM (formerly RCVL) indirectly owns, and will continue to own, 100% of (a) FLAG Atlantic UK Limited ("FLAG UK"), which owns the cable landing station in the United Kingdom and corresponding portions of the system on U.K. territory; (b) FLAG Atlantic France SAS ("FLAG France"), which owns the landing station in France and corresponding portions of the system in French territory; and (c) FLAG, which owns the U.S. cable landing stations, and the U.S.-territory portions of the FLAG Atlantic-1 system from the landing stations to the U.S. territorial limit, and any portions of the FLAG Atlantic-1 system not owned by FLAG UK and FLAG France.

B. Proposed Final Step in the Series of Scheme of Amalgamation Transactions

As a final step in the process of simplifying the ownership structure, Applicants propose to spin-off the interests held by each of AEPL and BMPL in RCOM into AAACPL, thereby consolidating the holdings of the principal shareholders of RCOM. After these proposed changes, AAACPL will hold a 63.98% direct interest in RCOM and a 63.98% indirect interest in FLAG. RIVL will continue to hold a 100% interest in AAACPL and, therefore, will hold a 63.98% indirect interest in each of RCOM and FLAG. In addition, RIVL will continue to hold a 0.56% interest directly in RCOM. In turn, Mr. Ambani will own 60% and Mrs. Ambani will own 40% of RIVL. By virtue of Mr. Ambani's 60% interest in RIVL, the entire 63.98% interest held by AAACPL in RCOM as well as the 0.56% held by RIVL in RCOM directly would be attributed to Mr. Ambani under the Commission's rules. See Note to Paragraph (h), 47 C.F.R. § 63.18(h). Thus, Mr. Ambani will hold a 64.54% indirect interest in RCOM through his ownership interest in RIVL (63.98% via AAACPL + 0.56% directly held by RIVL) and a 0.09% direct interest in RCOM, thereby giving him *de jure* as well as *de facto* control over FLAG. Mrs. Ambani will hold an indirect ownership interest of 25.816% in RCOM through her ownership interest in RIVL (25.592% ($0.4 \times 63.98\%$) via AAACPL + 0.224% ($0.4 \times 0.56\%$) directly held by RIVL) and a direct ownership interest of 0.23% in RCOM. The remaining 35.14% interest in RCOM will be widely dispersed among over 2,000,000 Indian and non-Indian shareholders. The proposed corporate structure is depicted in Attachment C hereto.

II. PUBLIC INTEREST STATEMENT

Grant of this application serves the public interest. The transactions described herein will have little or no impact on the day-to-day operations of FLAG, which will continue to provide

the services it presently provides under the License. However, the Scheme of Amalgamation greatly simplifies the complex ownership structure of RCOM by eliminating unnecessary intermediate companies and the presence of minority shareholders in various intermediate companies. This simplified structure allows for greater transparency and ease of administration. It also allows RCOM, the parent entity, to exercise control over the operating companies in a more direct and focused manner.

Further, this rationalization of the ownership structure below RCOM eliminates the potential problem of minority shareholders in the intermediate companies having interests that differ from those of RCOM. The interests of the two major shareholders, Mr. Anil Ambani and Mrs. Kokilaben Ambani, are now clearly aligned with those of the public shareholders in RCOM. As a result, Applicants believe that the simplified ownership structure resulting from the series of transactions culminating in the September 14, 2006, issuance of additional shares by RCOM and the proposed final step of the Scheme of Amalgamation will maximize the value of RCOM for its two million-plus shareholders.

III. INFORMATION REQUIRED UNDER SECTION 1.767(a)(11)(i) OF THE COMMISSION'S RULES

As required under Section 1.767(a)(11)(i) of the Commission's Rules, Applicants provide below the information requested in Section 1.767(a)(1)-(3) & (a)(8)-(9):

- (1) Name, address, and telephone numbers of Applicants:

Licensee:

FLAG Telecom Group Limited
Milner House
18 Parliament Street
Hamilton HM12
Bermuda

Telephone: +44 207 478 9540
Attn: Mr. Mark Prudden

Transferor:

Reliance Communications Limited
H Block, 1st Floor, Dhirubhai Ambani Knowledge City
Navi Mumbai – 400 710
Maharashtra, India
Telephone: +91 223 038 6113
Attn: Mr. Hasit Shukla

Transferee:

Mr. Anil Ambani
Reliance Center,
19, Walchand Hirachand Marg,
Ballard Estate
Mumbai, India
400 038
Telephone: +91 223 032 7808
Attn: Mr. P.V. Rao

- (2) FLAG is a corporation organized under the laws of Bermuda. RCOM is a corporation organized under the laws of India. Mr. Ambani is an Indian citizen.
- (3) Correspondence concerning this application should be directed to:

FLAG Telecom Group Limited
Sovereign Court
635 Sipson Road
Sipson, West Drayton
Middlesex UB7 0JE
United Kingdom
Attn: Mr. Mark Prudden

with a copy to:

Christopher C. Tai
Steptoe & Johnson LLP
1330 Connecticut Avenue NW
Washington, DC 20036
(202) 429-3000

(8) As required under Section 1.767(a)(8) of the Commission's Rules, Applicants submit below the relevant information and certifications required by Section 63.18(h)-(k) and (o) of the Commission's rules:

(h) 10% or Greater Owners: The following entities and individuals hold a 10% or greater interest in FLAG through their ownership interests in RCOM:

<i>Name:</i>	AAA Communications Private Limited
<i>Address:</i>	3 rd Floor, Reliance Energy Centre Santa Cruz (East) Mumbai – 400 055 Maharashtra, India
<i>Citizenship:</i>	Incorporated in India
<i>Principal Business:</i>	Holding Strategic Investments
<i>Percentage of Equity in FLAG:</i>	29.11% indirect (currently); (63.98% indirect upon completion of the proposed final step in the series of Scheme of Amalgamation transactions)
<i>Name:</i>	Anadha Enterprises Private Limited
<i>Address:</i>	3 rd Floor, Reliance Energy Centre Santa Cruz (East) Mumbai – 400 055 Maharashtra, India
<i>Citizenship:</i>	Incorporated in India
<i>Principal Business:</i>	Holding Strategic Investments
<i>Percentage of Equity in FLAG:</i>	13.14% indirect (currently); (0% upon completion of the proposed final step in the series of Scheme of Amalgamation transactions)
<i>Name:</i>	Bhavan Mercantile Private Limited
<i>Address:</i>	3 rd Floor, Reliance Energy Centre Santa Cruz (East) Mumbai – 400 055 Maharashtra, India
<i>Citizenship:</i>	Incorporated in India
<i>Principal Business:</i>	Holding Strategic Investments
<i>Percentage of Equity in FLAG:</i>	21.73% indirect (currently); (0% upon completion of the proposed final step in the series of Scheme of Amalgamation transactions)

In addition, through its 100% ownership interest in AAA Communications Private Limited, Reliance Innoventures Limited holds an interest of greater than 10% in FLAG, as follows:

<i>Name:</i>	Reliance Innoventures Limited
<i>Address:</i>	3 rd Floor, Reliance Energy Centre Santa Cruz (East) Mumbai – 400 055 Maharashtra, India
<i>Citizenship:</i>	Incorporated in India
<i>Principal Business:</i>	Holding Strategic Investments
<i>Percentage of Equity in FLAG:</i>	29.67% indirect (currently); (64.54% indirect upon completion of the proposed final step in the series of Scheme of Amalgamation transactions)

Through his ownership interests in Reliance Innoventures Limited, Anadha Enterprise Private Limited, and his own small 0.09% direct interest in RCOM, Mr. Ambani also holds an ownership interest in FLAG of greater than 10% as follows:

<i>Name:</i>	Mr. Anil Ambani
<i>Address:</i>	Reliance Center, 19, Walchand Hirachand Marg, Ballard Estate Mumbai, India 400 038
<i>Citizenship:</i>	India
<i>Principal Business:</i>	Industrialist
<i>Percentage of Equity in FLAG:</i>	42.90% indirect (currently); (64.63% indirect upon completion of the proposed final step in the series of Scheme of Amalgamation transactions)

Similarly, through her ownership interests in Bhavan Mercantile Private Limited and her own small 0.23% direct interest in RCOM, Mrs. Ambani holds an ownership interest in FLAG of greater than 10% as follows:

<i>Name:</i>	Mrs. Kokilaben Ambani
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<i>Address:</i>	Reliance Center, 19, Walchand Hirachand Marg, Ballard Estate Mumbai, India 400 038
<i>Citizenship:</i>	India
<i>Principal Business:</i>	Investor
<i>Percentage of Equity in FLAG:</i>	21.96% indirect (currently); (26.046% indirect upon completion of the proposed final step in the series of Scheme of Amalgamation transactions)

Interlocking Directorates

FLAG has interlocking directorates with foreign carriers. Specifically, Mr. Ambani, a member of the FLAG board of directors, is also a member of the board of directors of RCOM, of which FLAG is an indirect subsidiary. RCOM, as a successor to RIC, is authorized to provide competitive wireline and wireless voice and data services in India. Mr. Ambani is also a member of the board of directors of Reliance Telecom Limited ("RTL"). RTL is a wholly-owned subsidiary of RCOM and provides cellular mobile services in India. Finally, Mr. Ambani is a member of the board of directors of Reliance Communications Infrastructure Limited ("RCIL"). RCIL is a wholly-owned subsidiary of RCOM that provides wireless data services in India and operates both intra- and inter-city fiber optic networks in India.

In addition, Mr. Bhagwan D. Khurana, a member of the FLAG board of directors, is also a member of the board of directors of RTL. Further, Mr. Khurana is a member of the board of directors of Reliable Internet Services Limited ("RISL"). RCOM owns RISL, which provides cellular mobile service in India.

RCOM's interlocking directorates with foreign carriers are as follows: Mr. Anil Ambani is a member of RCOM's board of directors as well as that of FLAG, RTL, and

RCIL as discussed above. Additionally, Professor J. Ramachandran, a member of the RCOM board of directors, is also a member of the board of directors of RCIL.

(i) Foreign Carrier Affiliations:

FLAG – Applicants certify that FLAG itself is a foreign carrier. Specifically, FLAG is licensed to provide telecommunications services in Bahrain. FLAG is also affiliated with foreign carriers, as its subsidiaries operate in the following foreign jurisdictions: Hong Kong, Italy, Japan, Korea, Singapore, Taiwan, Belgium, France, Netherlands, Spain, United Kingdom, Germany, Greece, and Switzerland.⁹ These FLAG affiliates have less than a 50% market share in the international transport and the local access markets in each of these markets.

RCOM – Applicants certify that RCOM is a foreign carrier authorized to provide competitive wireline and wireless voice and data services in India. RCOM is also affiliated with the following foreign carriers:

- RTL, an Indian company that provides cellular mobile service in India as noted above. RTL has less than a 50% market share in the international transport and the local access markets in India.
- RCIL, which as described above, is an Indian company that provides wireless data services in India and operates both intra- and inter-city fiber optic networks in India. RCIL has less than a 50% market share in the international transport and the local access markets in India.
- RISL is an Indian company that provides cellular mobile service in India as mentioned above. RISL has than a 50% market share in the international transport and the local access markets in India.

⁹ The names of FLAG's foreign carrier subsidiaries are provided *infra* at 15. FLAG's foreign carrier subsidiaries also include FLAG UK and FLAG France. See note 8, *supra*.

- Reliance Communications UK Limited (“RCUK”), a United Kingdom company that provides international wholesale and retail calling services in the United Kingdom. RCUK has less than a 50% market share in the international transport and the local access markets in the United Kingdom.
- Reliance Communications Canada, Inc. (“RCCI”), a U.S. corporation that provides international calling services from Canada through the use of virtual calling cards. RCCI has no telecommunications assets in Canada, and has less than a 50% market share in the international transport and the local access markets in Canada.

(j) Certifications under 47 C.F.R. § 63.18(j):

FLAG – FLAG does not hold an International Section 214 authorization for the provision of international telecommunications services and, therefore, does not provide such services. Accordingly, FLAG certifies that it will not provide international telecommunications service to any destination where: (1) FLAG is a foreign carrier; (2) any entity that owns more than 25% of FLAG or that controls FLAG also controls a foreign carrier; or (3) two or more foreign carriers (or parties that control foreign carriers) own, in the aggregate, more than 25% of FLAG and are parties to, or the beneficiaries of, a contractual relationship that affects the provision or marketing of international basic telecommunications services in the United States.

RCOM – RCOM itself does not hold an International Section 214 authorization for the provision of international telecommunications services. However, RCOM’s indirect subsidiary, Reliance Communications, Inc. (“RCI”), is the licensee of international Section 214 authorization ITC-214-20021107-00535, which authorizes RCI to provide global facilities-based and resale services to all international points. Through its interests in various intermediate entities, RCOM indirectly owns 100% of RCI. Thus, Mr. Ambani currently holds an indirect ownership interest of 42.90% in RCI.

In addition, Reliance Communications International Inc. ("RCII") provides international calling card services in the United States by piggybacking on the Section 214 authorization held by its parent RCI. RCII is wholly-owned by RCI.

Thus, through RCI and RCII, RCOM indirectly provides international telecommunications services. Such services are provided to the following destination countries of the FLAG Atlantic-1 cable in which RCOM also controls a foreign carrier:

- The United Kingdom, a destination country in which RCOM controls RCUK, an entity established to provide international wholesale and retail calling services in the United Kingdom. RCUK has less than a 50% market share in the international transport and the local access markets in the United Kingdom. RCOM also controls FLAG UK, which operate components of the FLAG Atlantic-1 cable system in the United Kingdom as noted above. FLAG UK has less than a 50% market share in the international transport and the local access markets in the United Kingdom.
- France, a destination country in which RCOM indirectly controls FLAG France, an entity that operates components of the FLAG Atlantic-1 cable system in France as mentioned above. FLAG France has less than a 50% market share in the international transport and local access markets in France.

Through its subsidiaries RCI and RCII, RCOM also indirectly provides international telecommunications services to the following countries not served by the FLAG Atlantic-1 cable, in which RCOM is or controls a foreign carrier:

- India, a destination country in which RCOM is licensed to provide competitive wireline and wireless voice and data services, and its subsidiaries RTL, RISL, and RCIL also provide telecommunications services. RCOM, RTL, RISL and RCIL (individually or collectively) do not have a 50% or greater share of the market for international transport and local access in India.
- Canada, a destination country in which RCOM indirectly controls RCCI, a U.S. corporation that holds a Canadian license for the

provision of basic international telecommunication services from Canada and provides virtual calling cards services. RCCI has no telecommunications assets in Canada, and has less than a 50% market share in the international transport and the local access markets in Canada.

- The following destination countries in which FLAG entities are licensed to provide or do provide telecommunications services:

<u>Destination Country</u>	<u>FLAG Entity</u>
Bahrain	FLAG Telecom Group Limited
Hong Kong	FLAG Telecom Asia Limited
Italy	(1) FLAG Telecom Servizi Italia SpA; (2) FLAG Telecom Ireland Limited (resale only)
Japan	FLAG Telecom Japan Limited
Republic of Korea (South Korea)	Seoul Telenet, Inc.
Singapore	FLAG Telecom Singapore Pte. Limited
Taiwan (Chinese Taipei)	FLAG Telecom Taiwan Limited
Belgium	FLAG Telecom Belgium
France	FLAG Atlantic France SAS
Netherlands	(1) FLAG Telecom Netherland Network B.V.; (2) FLAG Telecom Ireland Limited
Spain	FLAG Telecom Espana Network
United Kingdom	FLAG Atlantic UK Limited
Germany	FLAG Telecom Deutschland Network GmbH
Greece	FLAG Telecom Hellas A.E.
Switzerland	FLAG Telecom Switzerland Network SA

These FLAG affiliates have less than a 50% market share in the international transport and the local access markets in each of these markets.

(k) Showings Required by 47 C.F.R. § 63.18(k):

All of the destination countries listed in the response to the requirements of 47 C.F.R. § 63.18(j) above are members of the World Trade Organization. In addition, each of the listed affiliated foreign carriers lacks market power in its respective country.

(o) Statement Required by 47 C.F.R. § 63.18(o):

Applicants hereby certify that neither they nor any party to this application are subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988. *See* 21 U.S.C. § 853a.

- (9) Applicants hereby certify that they accept and will abide by the routine conditions specified in paragraph (g) of Section 1.767 of the Commission's rules.

IV. REQUEST FOR STREAMLINED TREATMENT

Applicants hereby request streamlined processing of this application under Sections 1.767(i) and (k) of the Commission's rules.¹⁰ Pursuant to Section 1.767(k)(2) of the Commission's rules, Applicants certify that in each market where FLAG or RCOM is a foreign carrier or where Applicants have foreign carrier affiliates, each of FLAG, RCOM and such affiliated foreign carriers lack market power. Applicants also certify, pursuant to Section 1.767(k)(3) of the Commission's rules that the destination markets of the FLAG Atlantic-1 cable system in which Applicants have affiliations with foreign carriers, *i.e.*, the United Kingdom and France, are WTO member countries. In addition, Applicants agree to accept and abide by the reporting requirements set out in Section 1.767(l) of the Commission's rules, which requires licensees affiliated with a foreign carrier with market power to submit certain reports. However, as described above, the affiliated foreign carriers in the FLAG Atlantic-1 cable system destination markets do not possess market power. Accordingly, Section 1.767(l), does not apply to Applicants.

¹⁰ 47 C.F.R. § 1.767(i) and (k).

V. CONCLUSION

For the reasons set forth herein, Applicants respectfully request that the International Bureau grant this Application.

Respectfully submitted

Christopher C. Tai
Rhonda M. Bolton
Brendan Kasper
Steproe & Johnson LLP
1330 Connecticut Avenue NW
Washington, DC 20036
(202) 429-3000

Counsel for Applicants

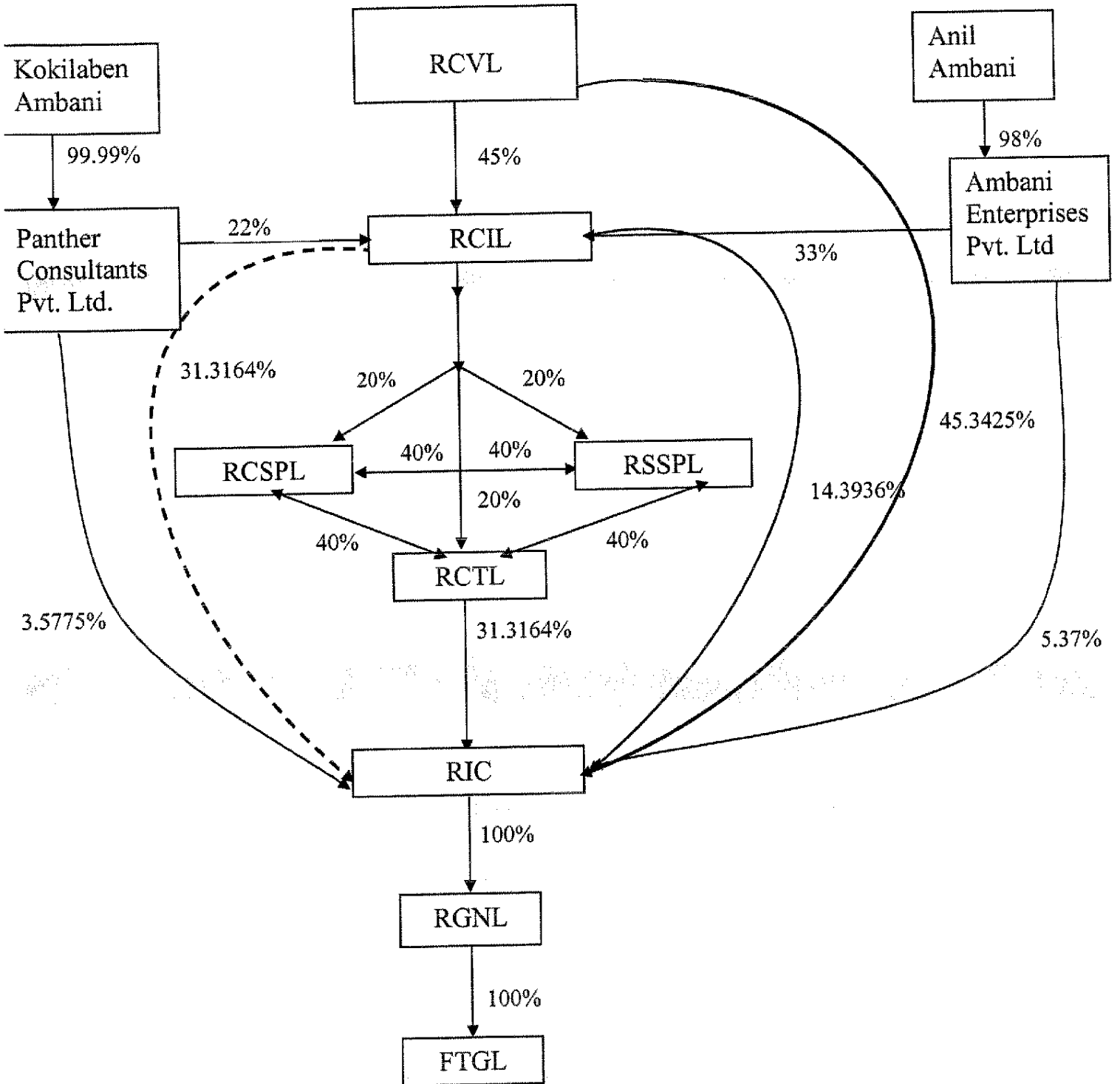
Dated: November 9th, 2006



Mr. Michael Sauer
Authorized Signatory
FLAG Telecom Group Limited
Milner House
18 Parliament Street
Hamilton HM12
Bermuda

Attachment A

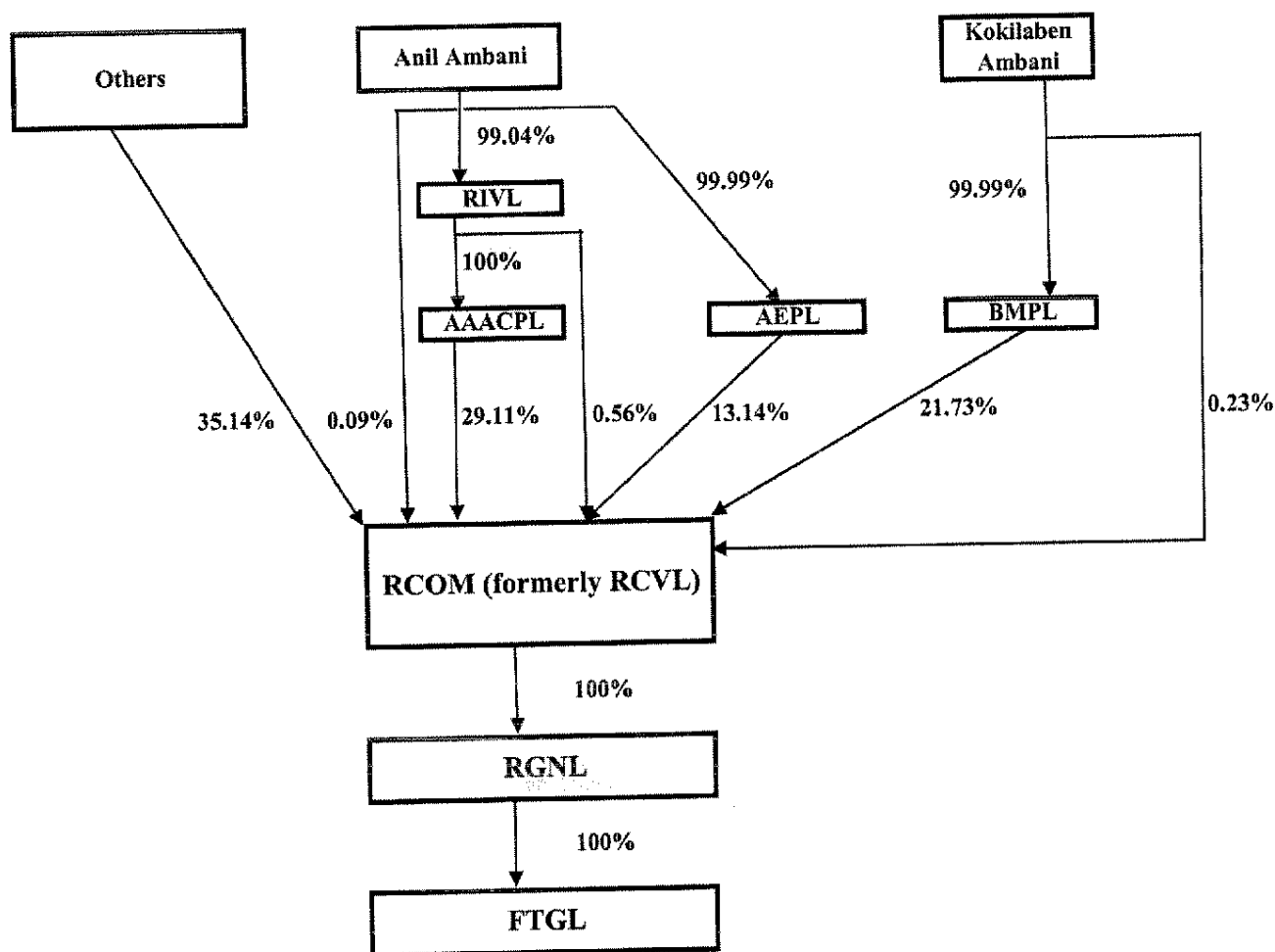
FLAG CORPORATE STRUCTURE - Prior to Sep. 14, 2006



“RCVL” is Reliance Communication Ventures Limited
“RCIL” is Reliance Communications Infrastructure Limited
“RCSPL” is Reliance Communications Solutions Private Limited
“RSSPL” is Reliance Software Solutions Private Limited
“RCTL” is Reliance Communications Technologies Limited
“RIC” is Reliance Infocomm Limited
“RGNL” is Reliance Gateway Net Limited
“FTGL” is FLAG Telecom Group Limited, the cable landing licensee

Attachment B

FLAG CORPORATE STRUCTURE - After September 14, 2006



"Others" includes a diverse array of Indian and non-Indian institutional and individual investors

"RIVL" is Reliance Innoventures Limited

"AAACPL" is AAA Communication Private Limited

"AEPL" is Anadha Enterprise Private Limited

"BMPL" is Bhavan Mercantile Private Limited

"RCOM" is Reliance Communications Limited

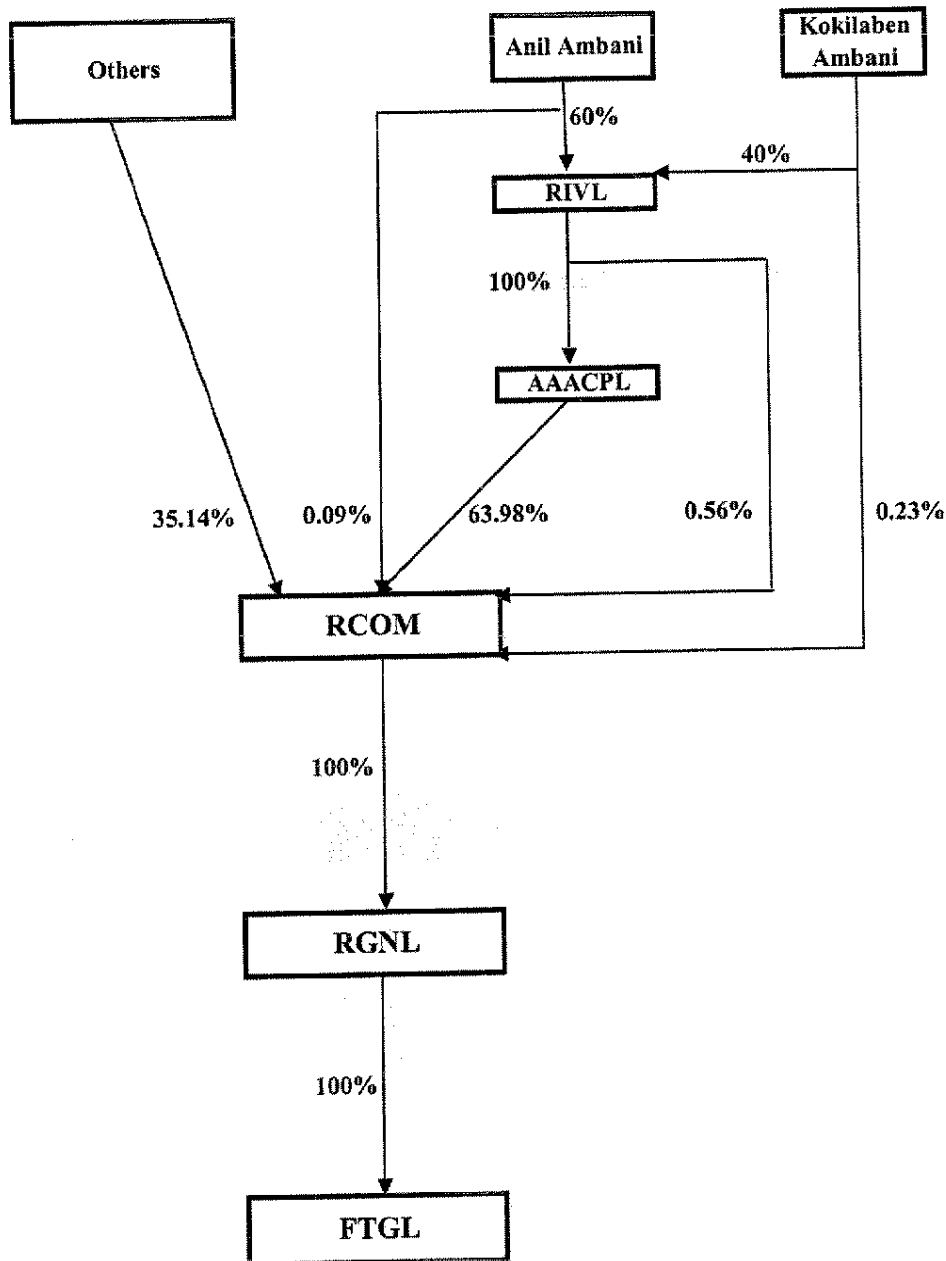
"RCVL" is Reliance Communication Ventures Limited

"RGNL" is Reliance Gateway Net Limited

"FTGL" is FLAG Telecom Group Limited, the cable landing licensee

Attachment C

FLAG PROPOSED CORPORATE STRUCTURE



"Others" includes a diverse array of Indian and non-Indian institutional and individual investors

"RIVL" is Reliance Innoventures Limited

"AAACPL" is AAA Communication Private Limited

"RCOM" is Reliance Communications Limited

"RGNL" is Reliance Gateway Net Limited

"FTGL" is FLAG Telecom Group Limited, the cable landing licensee

READ INSTRUCTIONS CAREFULLY
BEFORE PROCEEDING

FEDERAL COMMUNICATIONS COMMISSION
REMITTANCE ADVICE

Approved by OMB
3060-0589
Page 1 of 0

(1) LOCK BOX # 358115		SPECIAL USE ONLY	
		FCC USE ONLY	
SECTION A - PAYER INFORMATION			
(2) PAYER NAME (if paying by credit card enter name exactly as it appears on the card) FLAG Telecom Group Limited		(3) TOTAL AMOUNT PAID (U.S. Dollars and cents) \$965.00	
(4) STREET ADDRESS LINE NO. 1 Milner House			
(5) STREET ADDRESS LINE NO. 2 18 Parliament Street			
(6) CITY Hamilton		(7) STATE N/A	(8) ZIP CODE HM12
(9) DAYTIME TELEPHONE NUMBER (include area code) +44 207 478 9540		(10) COUNTRY CODE (if not in U.S.A.) BM	
FCC REGISTRATION NUMBER (FRN) REQUIRED			
(11) PAYER (FRN) 0010621449		(12) FCC USE ONLY	
IF MORE THAN ONE APPLICANT, USE CONTINUATION SHEETS (FORM 159-C) COMPLETE SECTION BELOW FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET			
(13) APPLICANT NAME FLAG Telecom Group Limited			
(14) STREET ADDRESS LINE NO. 1 Milner House			
(15) STREET ADDRESS LINE NO. 2 18 Parliament Street			
(16) CITY Hamilton		(17) STATE N/A	(18) ZIP CODE HM12
(19) DAYTIME TELEPHONE NUMBER (include area code) + 44 207 478 9540		(20) COUNTRY CODE (if not in U.S.A.) BM	
FCC REGISTRATION NUMBER (FRN) REQUIRED			
(21) APPLICANT (FRN) 0010621449		(22) FCC USE ONLY	
COMPLETE SECTION C FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET			
(23A) CALL SIGN/OTHER ID SCL-LIC-19990301-00005	(24A) PAYMENT TYPE CODE CUT	(25A) QUANTITY 1	
(26A) FEE DUE FOR (PTC) \$965.00	(27A) TOTAL FEE \$965.00	FCC USE ONLY	
(28A) FCC CODE 1		(29A) FCC CODE 2	
(23B) CALL SIGN/OTHER ID	(24B) PAYMENT TYPE CODE	(25B) QUANTITY	
(26B) FEE DUE FOR (PTC)	(27B) TOTAL FEE	FCC USE ONLY	
(28B) FCC CODE 1		(29B) FCC CODE 2	
SECTION D - CERTIFICATION			
CERTIFICATION STATEMENT I, <u>Brandon Kasper</u> , certify under penalty of perjury that the foregoing and supporting information is true and correct to the best of my knowledge, information and belief.			
SIGNATURE <u>Brandon Kasper</u>		DATE <u>11/9/06</u>	
SECTION E - CREDIT CARD PAYMENT INFORMATION			
MASTERCARD _____ VISA _____ AMEX _____ DISCOVER _____			
ACCOUNT NUMBER _____		EXPIRATION DATE _____	
I hereby authorize the FCC to charge my credit card for the service(s)/authorization herein described.			
SIGNATURE _____		DATE _____	

WARNING: THIS CHECK IS PROTECTED BY SPECIAL SECURITY GUARD PROGRAM™ FEATURES

CHECK NUMBER: **428057**

15-122
540

CHECK DATE: 11/09/2006

VENDOR NUMBER: 0261

STEPTOE & JOHNSON LLP

1330 CONNECTICUT AVENUE, N.W.

WASHINGTON, D.C. 20036-1795

(202) 429-3000

WACHOVIA BANK, N.A.
OF WASHINGTON, D.C.

NINE HUNDRED SIXTY-FIVE AND 00/100 Dollar

PAY TO THE ORDER OF

VOID AFTER 180 DAYS

\$965.00*****

FEDERAL COMMUNICATIONS COMMISSION

Paul F. Kruse

AUTHORIZED SIGNATURE

SECURE FEATURES INCLUDE INVISIBLE FIBERS • MICROPRINTING • VOID FEATURE PANTOGRAPH • ENDORSEMENT BACKER • BROWN STAIN-CHEMICAL REACTANT

⑈ 428057 ⑈ ⑈ 05400 ⑈ 220⑈ 2000032568987 ⑈

STEPTOE & JOHNSON ^{LLP}

ATTORNEYS AT LAW

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Washington, DC 20036-1795
Tel 202.429.3000
Fax 202.429.3902
steptoe.com

November 9, 2006

VIA HAND DELIVERY

Marlene H. Dortch
Secretary
Federal Communications Commission
International Bureau – Policy
PO Box 358115
Pittsburgh, PA 15251-5115

Re: **FLAG Telecom Group Limited Application for Authority to Transfer Control of Its Cable Landing License (SCL-LIC-19990301-00005)**

Dear Ms. Dortch:

Enclosed is the original, four copies, and one stamp and return copy of the FLAG Telecom Group Limited Application for authority to transfer control its cable landing license (SCL-LIC-19990301-00005). The application has been submitted with a facsimile copy of the signature page. We will submit the original signature page under separate cover when we receive it.

Please contact us if you have any questions about this filing.

Respectfully submitted,



Christopher C. Tai
Rhonda M. Bolton
Brendan Kasper
Petra A. Vorwig
Counsel for FLAG Telecom Group Limited