

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

In the Matter of)	
)	
Brasil Telecom of America Inc.)	
<i>Licensee,</i>)	
)	
Oi S.A)	
<i>Transferor,</i>)	
)	
and)	File No. SCL-T/C-2013 _____
)	
BTG Pactual YS Empreendimentos e Participações S.A.)	
<i>Transferee</i>)	
)	
Application for Transfer of Control of Cable Landing License)	

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

Brasil Telecom of America Inc. (“GlobeNet”), its ultimate parent company, Oi S.A. (“Oi”), and BTG Pactual YS Empreendimentos e Participações S.A. (“BTG”) (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 a cable landing license¹ from Oi to BTG.

¹ GlobeNet holds the Atlantica-1 cable license (FCC File Nos. SCL-LIC-19990602-00010 and SCL-MOD-20121003-00012).

As described below, through a quota purchase agreement, Oi agreed to sell the GlobeNet submarine cable system to BTG (the “Transaction”). As a result of the Transaction, BTG will indirectly control GlobeNet. Although indirect 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 license granted by the Commission. The Transaction, therefore, will be seamless to GlobeNet’s customers.

Applicants request streamlined processing for this Application pursuant to Section 1.767(k)(2) of the Commission Rules. A prompt and expeditious grant of this Application will significantly advance the public interest, convenience and necessity.

Applicants provide the following information in support of this Application:

I. THE APPLICANTS

A. Brasil Telecom of America, Inc. (Licensee)

GlobeNet is a Delaware corporation. GlobeNet is an indirect wholly-owned subsidiary of Oi, a corporation (*sociedade anônima*) organized under the laws of the Federative Republic of Brazil (“Brazil”), which, in turn, is controlled by Telemar Participações S.A. (“TmarPart”), 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, Brazil, Colombia and Venezuela. The GlobeNet Cable System’s U.S. cable landing stations are in Boca Raton, Florida and Tuckerton, New Jersey.

B. Oi S.A. (Transferor)

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

subsidiaries, Oi provides integrated telecommunications services for residential customers, companies, and governmental agencies in Brazil. Oi operates in three segments: (i) fixed-line and data transmission services, (ii) mobile services, and (iii) other services. The company offers fixed-line and mobile telecommunications services, data transmission services, Internet access services and other services. Oi was formerly known as Brasil Telecom S.A. and changed its name to Oi S.A. in February 2012. Oi was founded in 1963 and is headquartered in Rio de Janeiro, Brazil.

C. BTG Pactual YS Empreendimentos e Participações S.A. (Transferee)

BTG is a corporation (*sociedade anônima*) duly incorporated in accordance with the laws of Brazil and is a subsidiary of BTG Pactual Infraestrutura II Fundo de Investimento em Participações (“FIP Infraestrutura”) (holding 99.99% of its shares). FIP Infraestrutura is a Brazilian participatory investment fund that was organized by BTG Pactual Group, one of the largest investment banks in South America and one of the 20 largest listed companies on the BM&FBovespa exchange.² FIP Infraestrutura is discretionarily managed by BTG Pactual Gestora de Recursos Ltda. and administered by Citibank Distribuidora de Títulos e Valores Mobiliários S.A. BTG Pactual Gestora de Recursos Ltda. is authorized to make decisions related to the investments of FIP Infraestrutura in observance of FIP Infraestrutura’s investment policy. In that BTG Pactual Gestora de Recursos Ltda. is merely the investment manager of FIP Infraestrutura, it does not have an ownership interest in the fund.

² Additional information about BTG Pactual Group is available at: https://www.btgpactual.com/home_en/WhoWeAre.aspx/OurHistory.

II. THE PROPOSED TRANSACTION

On July 12, 2013, Oi together with its subsidiary, BRT Serviços de Internet S.A., entered into a quota purchase agreement with BTG, whereby Oi, and its subsidiary, BRT Serviços de Internet S.A. agreed to transfer all of their equity interests in Brasil Telecom Cabos Submarinos Ltda., a Brazilian company ("Cabos") and its subsidiaries, located in Venezuela, Colombia, Bermuda and the United States, including GlobeNet. The Transaction involves the transfer of the GlobeNet Cable System, a 22,500 km fiber-optic submarine cable linking the United States, Bermuda, Brazil, Colombia and Venezuela, as well as supply of capacity by GlobeNet to Oi and its direct and indirect subsidiaries (the "Oi Companies") through a fixed-price long-term contract with volume guarantees.

The Transaction is governed by Brazilian law and is subject to certain conditions, including obtaining necessary approvals from regulatory bodies and antitrust authorities in the various jurisdictions in which the GlobeNet Cable System lands, including Commission approval. The Transaction is expected to close in the fourth quarter of 2013. For the Commission's convenience, pre- and post-closing organization illustrative charts are provided as Exhibit A.

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 South America. Under BTG'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, BTG, 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: Oi S.A. FRN: 0021787312
Rua do Lavradio, 71, 2nd floor, Centro
Rio de Janeiro, RJ, Brazil – CEP: 20230-070
55-21-3131-1070

Transferee: BTG Pactual YS Empreendimentos
e Participações S.A. FRN: 0022843163
Avenida Brigadeiro Faria Lima, No. 3477, 12th floor,
São Paulo, SP, Brazil 04538-133
55-11-3383-2701
55-11-3383-2378

(2) Place of Formation:

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

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

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

For GlobeNet and Oi:

Erick W. Contag
Brasil Telecom of America Inc.
5355 Town Center Road
Suite 1102
Boca Raton, FL 33486
Tel: (561) 314-0502
Fax: (561) 314-0510
erick.contag@globenet.net

Maria Gabriela Menezes Cortes
Oi S.A.
Rua Humberto de Campos, 425, 5th floor
Rio de Janeiro – RJ, Brazil
Fax: (55 21) 3131-1166
gabriela.cortes@oi.net.br

with a copy to:

Andrew D. Lipman
Ulises R. Pin
Bingham McCutchen LLP
2020 K Street, NW
Washington, DC 20006
Tel: (202) 373-6000
Fax: (202) 373-6001
andrew.lipman@bingham.com
u.pin@bingham.com

For BTG:

Renato Mazzola
Gabriel Barretti
Avenida Brigadeiro Faria Lima, n° 3477, 14th floor
São Paulo, SP – Brazil
Tel: (55) 11 3383-2701
(55) 11 3383-2378
Fax: (55) 11 3383-2001
Renato.mazzola@btgpactual.com
Gabriel.barretti@btgpactual.com

with a copy to:

Sydney M. White
Haris Khan
DLA Piper LLP (US)
500 8th Street, NW
Washington, DC 20004
Tel: (202) 799-4452
Fax: (202) 799-5452
sydney.white@dlapiper.com
haris.khan@dlapiper.com

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

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

Brasil Telecom Cabos Submarinos Ltda.
Avenida Doutor Cardoso de Melo, 1155, 2nd floor
Sao Paulo, SP, Brazil – CEP: 04548-004
Citizenship: Brazil
Principal Business: Telecommunications

The following entity will hold a 99.99% voting and equity interest in Brasil Telecom Cabos Submarinos Ltda.:

BTG Pactual YS Empreendimentos e Participações S.A.
Av. Brigadeiro Faria Lima, 3477, 12th Floor
São Paulo, SP, Brazil 04538-133
Citizenship: Brazil
Principal Business: Investments

The following entity holds ownership interests in BTG Pactual YS Empreendimentos e Participações S.A.:

Name: BTG Pactual Infraestrutura II Fundo de Investimento em Participações

Address: Av. Brigadeiro Faria Lima, 3477, 14th Floor

São Paulo, SP, Brazil 04538-133

Citizenship: Brazil

Principal Business: Investments

Ownership Interest: 99.99%

The following entities hold ownership interests in BTG Pactual Infraestrutura II Fundo de Investimento em Participações:

Name: Saudi Arabian Monetary Agency (“SAMA”)³

Address: Al-Ma’ather Street

P.O. Box 2992, Riyadh 11169

Saudi Arabia

Citizenship: Saudi Arabia

Principal Business: Banking

Ownership Interest: 22.6%⁴

Name: BTG Investments LP⁵

Address: Av. Brigadeiro Faria Lima, 3477, 14th Floor

São Paulo, SP, Brazil 04538-133

Citizenship: Brazil

Principal Business: Investments

Ownership Interest: 18.8%⁶

³ SAMA’s ownership interest is held through a Cayman Islands limited partnership, BTG Pactual Brazil Infrastructure Fund II B LP (“Infrastructure Fund II B LP”).

⁴ SAMA is the central bank of the Kingdom of Saudi Arabia.

⁵ BTG Investments LP’s ownership interest is held through a Cayman Islands limited partnership, BTG Pactual Brazil Infrastructure Fund II LP (“Infrastructure Fund II LP”).

⁶ André Esteves, a Brazilian citizen with the address of Avenida Brigadeiro Faria Lima n° 3477, 14th floor, São Paulo, Brazil owns 21.95% of BTG Investments LP.

Name: Infra-PSP Canada Inc.⁷
Address: 1250 René Lévesque Blvd. West
Suite 900
Montreal, Quebec H3B 4WB
Citizenship: Canada
Principal Business: Investments
Ownership Interest: 18.8%⁸

Name: BTG Pactual Infraestrutura II Fundo De Investimento Em Cotas De Fundo De Investimento Em Participações (“FIQ FIP Infraestrutura”)
Address: Av. Paulista, No. 1111, 2nd Floor
São Paulo, SP, Brazil 01311-920
Citizenship: Brazil
Principal Business: Investments
Ownership Interest: 22.6%⁹

These entities have passive investments in FIP Infraestrutura, and their voting rights are considered “minority protections” only. BTG’s Investment Committee (formed by 9 Brazilian nationals) makes all major investment decisions regarding this fund.

There are no other shareholders of FIP Infraestrutura who directly or indirectly own 10% or more of BTG’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 BTG 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, BTG certifies that it is not a foreign carrier. BTG is not affiliated with any other foreign carriers in Brazil or other countries. Upon consummation of the Transaction, BTG will control Cabos, a non-

⁷ Infra-PSP Canada Inc.’s ownership interest is held through a Cayman Islands limited partnership, BTG Pactual Brazil Infrastructure Fund II A LP (“Infrastructure Fund II A LP”).

⁸ Infra-PSP Canada Inc. is a large Canadian pension fund and there are no large owners or controlling shareholders of Infra-PSP Canada Inc. who will have a 10% or greater interest in GlobeNet.

⁹ BTG Pactual Infraestrutura II Fundo De Investimento Em Cotas De Fundo De Investimento Em Participações is the vehicle for Brazilian investors in (FIP Infraestrutura). There are no large owners or controlling shareholders of BTG Pactual Infraestrutura II Fundo De Investimento Em Cotas De Fundo De Investimento Em Participações who will have a 10% or greater interest in GlobeNet.

dominant carrier in Brazil and its foreign carrier affiliates in Bermuda, Colombia and Venezuela.

Post-closing, GlobeNet will be affiliated with the following non-dominant foreign carriers:

- (a) Brasil Telecom de Venezuela S.A., in Venezuela;
- (b) Brasil Telecom Cabos Submarinos Ltda., in Brazil;
- (c) Brasil Telecom de Colombia S.A.S., in Colombia; 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, BTG certifies that through the acquisition of control of Cabos, directly, and of GlobeNet, indirectly, it seeks to provide international telecommunications services (private line) to the destination countries of Bermuda, Brazil, Colombia and Venezuela.

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

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) of this Application are based in countries that are Members of the World Trade Organization.

After closing of the Transaction, none of the carriers listed above in Section 63.18(i) 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, after closing of the Transaction, GlobeNet should be presumptively classified as a non-dominant carrier on all international routes.

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

By their signature to this Application, GlobeNet, Oi and BTG 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, BTG 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 description of the cable landing license held by GlobeNet and the file number of this license is attached hereto as Exhibit B.

V. 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.¹⁰ By their signature herein, BTG and GlobeNet certify that after the closing of the Transaction, they will continue to abide by the commitments made in the LOA.

VI. STREAMLINED PROCESSING REQUEST

The Applicants hereby request streamlined processing pursuant to Sections 1.767(k)(2) and 63.12(c)(1)(ii) of the Commission's rules, 47 C.F.R. §§ 1.767(k)(2) and 63.12(c)(1)(ii). In particular, pursuant to Section 63.10(a)(3) of the Commission's rules, 47 C.F.R. § 63.10(a)(3), post-closing, neither BTG nor GlobeNet will be affiliated with a dominant foreign carrier. As a

result of the proposed Transaction, GlobeNet will no longer be affiliated with Oi (a dominant carrier in Brazil). After the closing, GlobeNet's foreign affiliations will only be with non-dominant foreign carriers in Bermuda, Brazil, Colombia and Venezuela as set forth above. Moreover, this application raises no competition or public interest concerns that would require consideration outside of the Commission's streamlined review process.

¹⁰ See February 11, 2009 commitment letter from Brasil Telecom of America, Inc. to the U.S. Department of Homeland Security.

VII. CONCLUSION

For the foregoing reasons, Applicants respectfully submit that the public interest, convenience, and necessity would be furthered by the expeditious grant of this Application. Applicants respectfully request expedited and streamlined processing of this Application to permit the parties to consummate the Transaction as soon as possible.

Respectfully submitted,

Brasil Telecom of America, Inc.



By: _____
Erick W. Contag
Chief Operating Officer

Oi, S.A.

By: _____
Bayard De Paoli Gontijo and Tarso Rebello Dias
Attorneys-in-Fact

BTG Pactual YS Empreendimentos e Participações S.A.

By: _____
Renato Mazzola and Gabriel Barretti
Attorneys-in-Fact

Date: July 29, 2013

VII. CONCLUSION

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Chief Operating Officer

Oi S.A.

By: 
Bayard De Paoli Gontijo and Tarso Rebello Dias
Officers

BTG Pactual YS Empreendimentos e Participações S.A.

By: _____
Renato Mazzola and Gabriel Barretti
Attorneys-in-Fact

Date: July 29, 2013

VII. CONCLUSION

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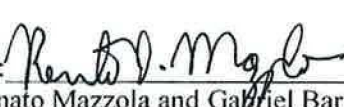

Brasil Telecom of America, Inc.

By: _____
Erick W. Contag
Chief Operating Officer

Oi, S.A.

By: _____
Bayard De Paoli Gontijo and Tarso Rebello Dias
Attorneys-in-Fact

BTG Pactual YS Empreendimentos e Participações S.A.

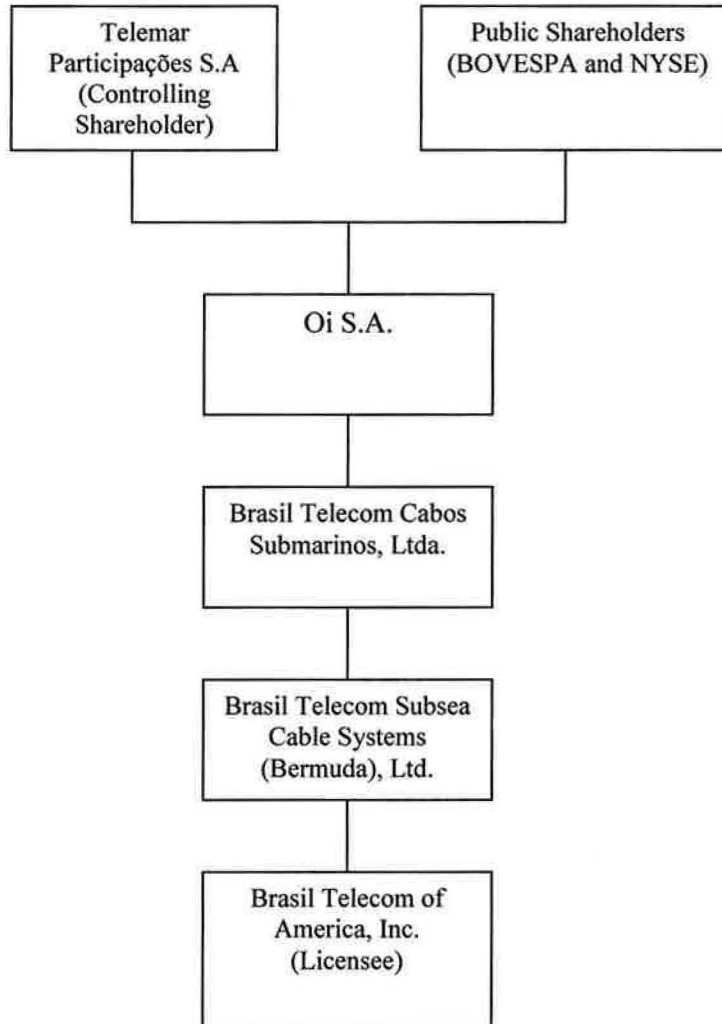
By:  
Renato Mazzola and Gabriel Barretti
Attorneys-in-Fact

Date: July 29, 2013

EXHIBIT A

ILLUSTRATIVE CHARTS OF TRANSACTION

Corporate Structure Pre Transaction



Corporate Structure Post Transaction

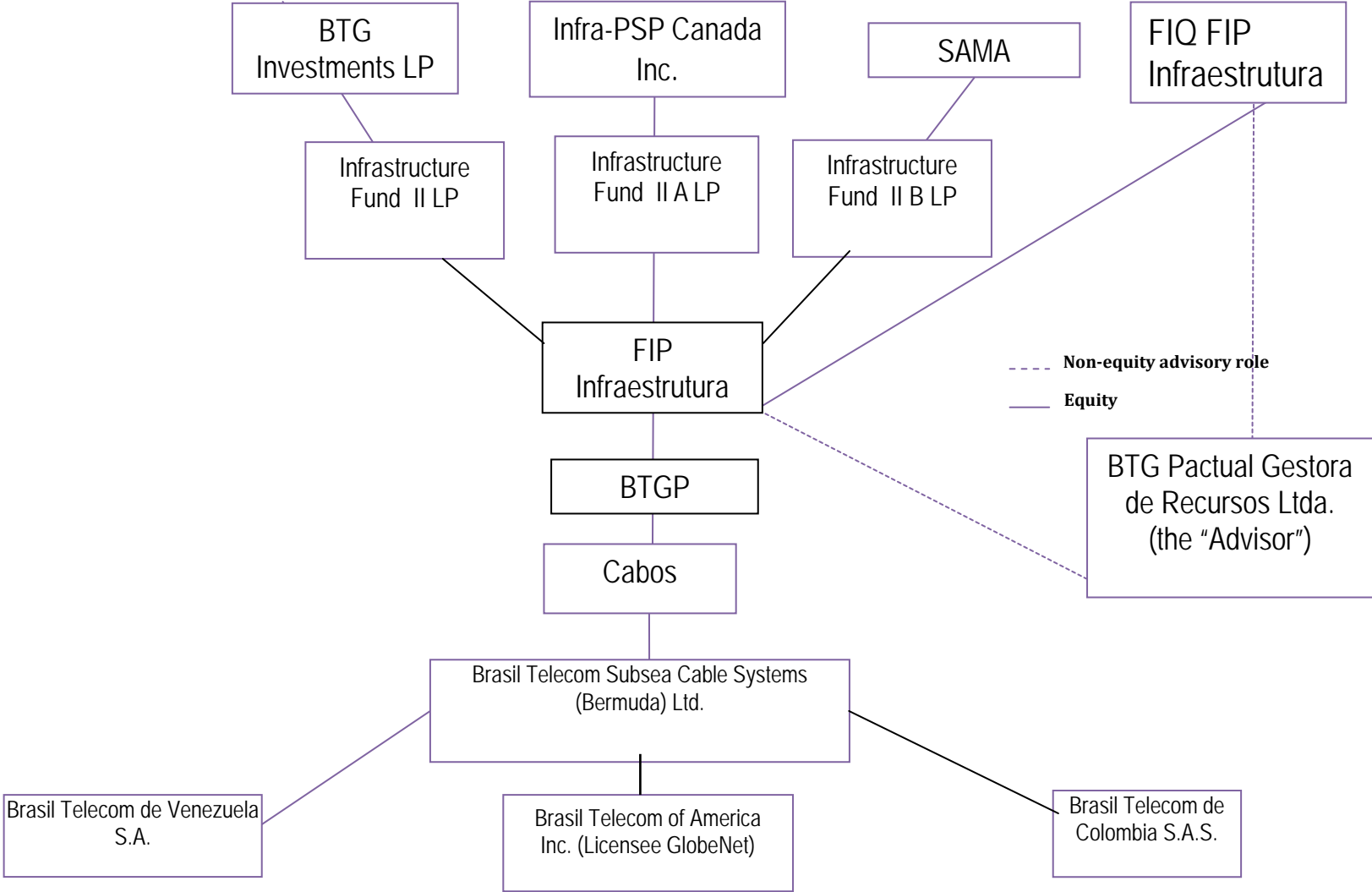


EXHIBIT B
SUBMARINE CABLE LANDING LICENSE HELD BY
BRASIL TELECOM OF AMERICA INC.

Cable System	<u>FCC File No.</u>	Regulatory Status	Landing Points
GlobeNet	SCL-LIC-19990602-00010 SCL-MOD-20121003-00012	Non-Common Carrier	Tuckerton, New Jersey, St. David's, Bermuda, Boca Raton, Florida; Punta Gorda, Venezuela; Fortaleza, Brazil; Rio de Janeiro, Brazil; and Puerto Colombia, Colombia

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)

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)

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

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

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

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

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)


Daniel P. Brooks

July 29, 2013