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MUMBAI, INDIA

April 29, 2015

By IBFS

Ms. Jodi Cooper
International Bureau
Federal Communications Commission
445 12th Street, SW
Washington, D.C. 20554

Re: Application of Pacnet International Limited, Pacnet Limited, Pacnet Services (USA) Inc., Telstra Holdings Pty Limited and Bedrock Holdings (Bermuda) Limited for a Transfer of Control of a Submarine Cable Landing License, SCL-T/C-20150202-00004 - **Supplement**

Dear Ms. Cooper:

On February 2, 2015, Pacnet International Limited (“Pacnet International.”), Pacnet Limited, Telstra Holdings Pty Limited (“Telstra Holdings”), and Bedrock Holdings (Bermuda) Limited (“Bedrock Holdings”) (collectively, the “Applicants”) filed the above-referenced application (“Application”) with the Federal Communications Commission (“Commission”) requesting consent to the transfer of control of Pacnet Services (USA) Inc., (“Pacnet Services”) that would arise as a result of a merger transaction (“Merger Transaction”) involving the Applicants and Pacnet Services. The Applicants hereby provide updated information on the status of the Merger Transaction.

In the Application, the Applicants sought approval of the transfer of control of Pacnet Services, a submarine cable licensee, from Pacnet International to Telstra Holdings and Bedrock Holdings. The Application described the post-transaction organization of Telstra Holdings and its new subsidiaries, including Pacnet Services, to be acquired from Pacnet International. That Application also notified the Commission that the transfer of control of Pacnet Services was a single component of a larger global transaction with an anticipated closing date of March 31, 2015. Specifically, the Applicants noted that the Merger Transaction included the acquisition of control of more than fifty (50) entities controlled by Pacnet International in countries from Bermuda to the Asia-Pacific region and that the Applicants anticipated obtaining

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all required non-U.S. regulatory approvals, including those from Bermuda and Singapore, by March 31, 2015.

The Applicants hereby notify the Commission that the required, non-U.S. regulatory approvals have been obtained and the closing on all entities controlled by Pacnet International, with the exception of Pacnet Services, occurred on April 15, 2015 (the “Global Closing”). Prior to the Global Closing, direct ownership and control of Pacnet Services were transferred, on a *pro forma* basis, to Pacnet International.¹ Following grant of the Application by the FCC, Pacnet International will transfer control of Pacnet Services to Telstra Holdings, as before. Moreover, while the overall transaction between Telstra Holdings and Pacnet International will now occur in two phases, as explained in more detail below, the end result is exactly the same as described in the Application.²

The Applicants submit this letter to update information in the Application resulting from the Global Closing.

Pacnet Limited and Bedrock Holdings

As a result of the Global Closing, Bedrock Holdings has, at this time, already merged with and into Pacnet Limited, as described in the Application, with Pacnet Limited being the surviving entity. Pacnet Limited has become a direct, wholly owned subsidiary of Telstra Holdings, and each of Pacnet Limited’s subsidiaries, with the exception of Pacnet Services, has become an indirect subsidiary of Telstra Holdings. Accordingly, Pacnet Limited and Bedrock Holdings are no longer Applicants to the Application. Pacnet International and Telstra Holdings remain as Applicants.

Applicants’ Ownership

There has been a *pro forma* change to the ownership of Pacnet Services. Pacnet Limited was identified in the Application as the indirect parent of Pacnet Services, and Pacnet International was identified as the ultimate parent of both Pacnet Limited and Pacnet Services. By the *pro forma* internal reorganization, which occurred prior to the Global Closing, Pacnet Services is now directly and wholly owned by Pacnet International, its former indirect parent. As a result of the Global Closing, Pacnet Limited is now a direct, wholly owned subsidiary of

¹ See Letter to Marlene H. Dortch, Secretary, from Edward A. Yorkgitis, Jr. on behalf of Pacnet International Limited, Pacnet Global Corporation (S) Pte. Ltd., and Pacnet Services (USA) Inc., Notice of *Pro Forma* Transfer of Control of Pacnet Services (USA) Inc. (filed April 15, 2015).

² Diagrams illustrating the phases of the Merger Transaction as described *infra* are attached hereto as Attachment A.

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Telstra Holdings. Complete ownership information for Pacnet International was included in the Application and that ownership information remains unchanged. The only change to the ownership information provided for Pacnet Services is that Pacnet Services is now a direct, instead of an indirect, wholly owned subsidiary of Pacnet International.

Bedrock Holdings has ceased to exist as a separate entity. Bedrock Holdings was identified in the Application as a wholly and directly owned subsidiary of Telstra Holdings and was formed for the purpose of merging with Pacnet Limited to accomplish the Merger Transaction. Bedrock Holdings has merged with Pacnet Limited, with Pacnet Limited being the surviving entity.

There have been no material changes to the Telstra Holdings' ownership information contained in the Application or to the February 13, 2015 letter Telstra Holdings and Bedrock Holdings submitted to provide additional ownership information.

The Transfer of Control Transaction

Following the transaction described in the Application, Pacnet Services would be controlled indirectly by Telstra Holdings and directly by Pacnet Global Corporation (S) Pte. Limited ("Pacnet Global"). See Application, Exhibit B-2. The transaction was to take place in a single step through the sale by Pacnet International of its controlling majority interest of Pacnet Limited to Telstra Holdings and the merger of Bedrock Holdings and Pacnet Limited with Pacnet Limited being the surviving entity.

As a result of the *pro forma* transfer of Pacnet Services and of the Global Closing, there has been a slight change to the manner by which Telstra Holdings will acquire indirect control of Pacnet Services. There is now an intermediate step, although the final outcome of the Merger Transaction is unchanged. In particular, the control of Pacnet Services was not transferred as part of the Global Closing. Rather, immediately prior to the Global Closing, direct ownership and control of Pacnet Services were transferred on a *pro forma* basis to Pacnet International. Pacnet International, consequently, continues to own and control Pacnet Services as it did at the time of the Application, albeit directly rather than indirectly as before. Upon receipt of U.S. regulatory approval, namely the Commission's grant of the pending Application, the Applicants will complete what is now the second step of the transaction to bring the companies to the same end state as described in the Application. In the second step of the modified Merger Transaction Pacnet Global, now a Telstra Holdings indirect subsidiary, will purchase 100 percent ownership of Pacnet Services from Pacnet International (the "Transfer Transaction"). As a result, following the Transfer Transaction, Pacnet Services, as a direct subsidiary of Pacnet Global, will retain the same organizational position -- namely that described in Exhibit B-2 of the initial Application, it would have occupied under the original, one-step Merger Transaction.

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Conclusion

The Global Closing, *pro forma* reorganization and the transition from a one-step to a two-step transaction, do not and will not have any substantive impact on the remainder of the Application. The final corporate organization of Telstra Holdings following the completion of the second step, the sale of Pacnet Services to Pacnet Global, remains completely unchanged. The transfer of control of Pacnet Services will still benefit the public interest in the same way as before by ensuring Pacnet Services joins the Telstra Corporation family of companies, financially sound and well-established providers of global telecommunications and other media and technology services. The security of Pacnet Services fiber pairs on the Unity Cable System will be strengthened as Pacnet Services still will become subject to the Telstra Corporation national security agreement with the Team Telecom agencies. Moreover, there will be no negative impact on competition as the Transfer Transaction will not result in any new concentration of ownership on the cable system.³

³ Additionally, the Applicants submitted a Joint Voluntary Notice regarding the Merger Transaction to the Committee on Foreign Investment in the United States on February 19, 2015 and were advised, by letter dated, March 24, 2015, that CFIUS had completed its review and had identified no unresolved national security concerns with respect to the Merger Transaction. *See* Letter from Aimen N. Mir, Acting Deputy Assistant Secretary, Investment Security, Department of the Treasury, to John J. Heitmann, Kelley Drye & Warren LLP (Mar. 24, 2015).

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Questions regarding this filing should be directed to the undersigned counsel at
(202) 342-8400.

**Pacnet International Limited and Pacnet
Services (USA), Inc.**



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Telstra Holdings Pty Limited



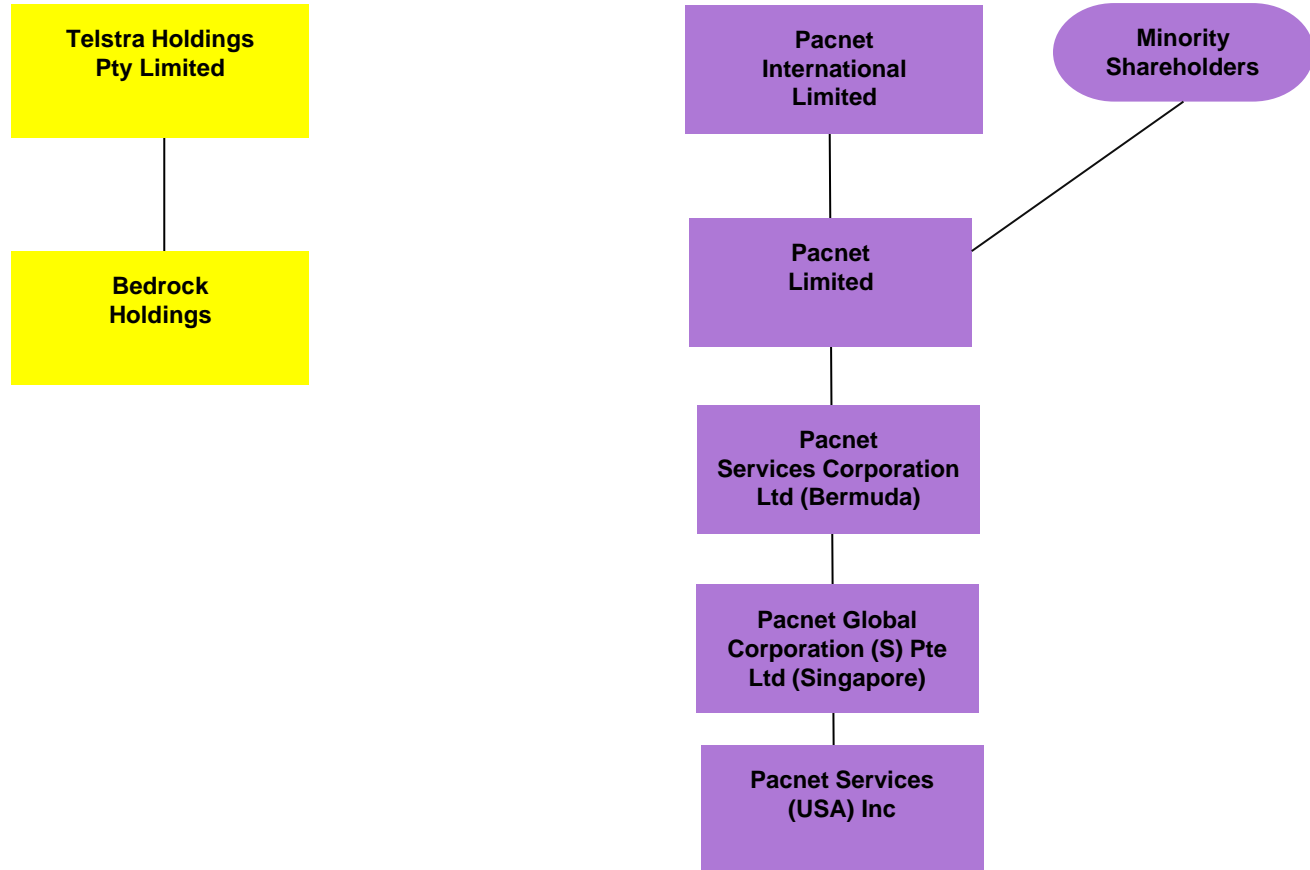
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U.S. Department of Commerce (by overnight delivery)
U.S. Department of State (by overnight delivery)

Diagrams Illustrating Steps to Effect Transfer of Control of Pacnet Services

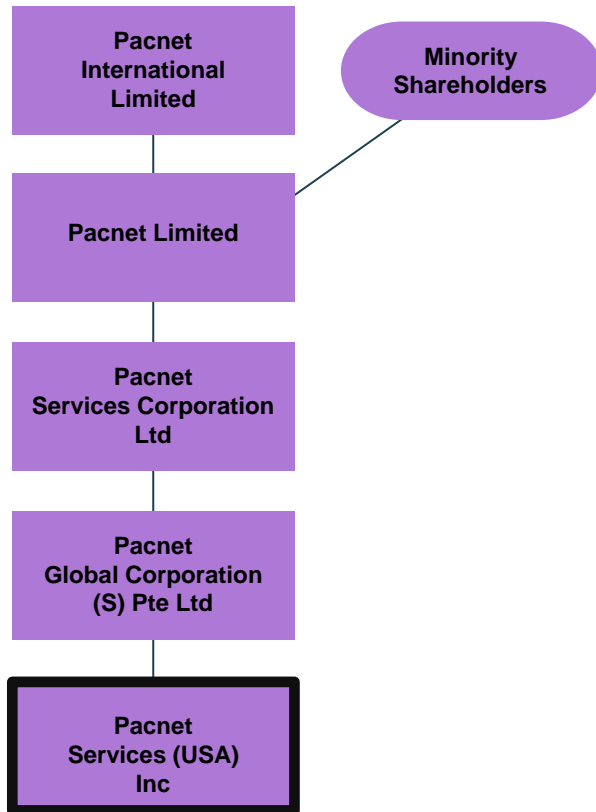
Original Corporate Structure (showing relevant companies only)



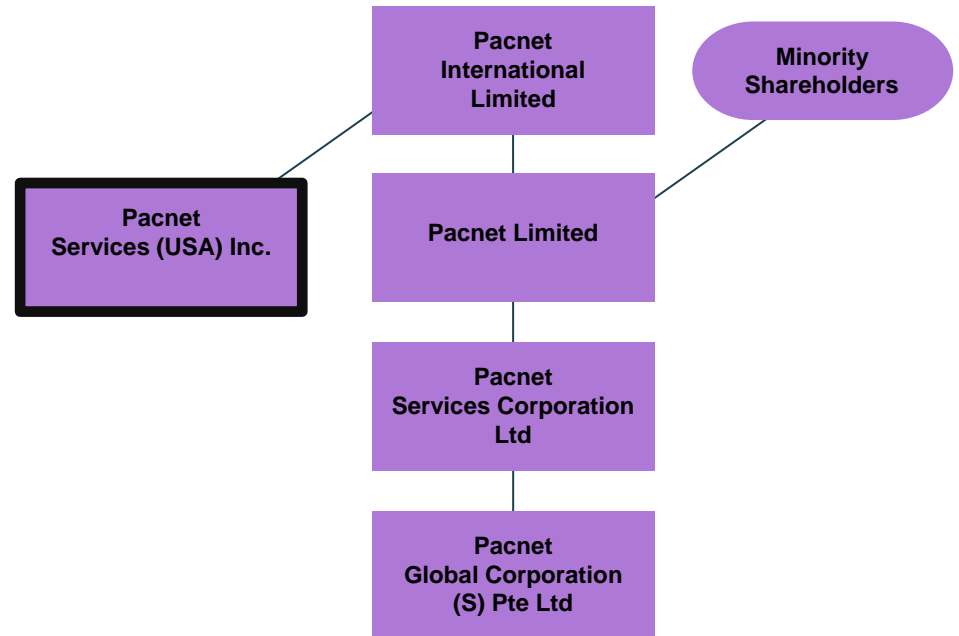
Diagrams Illustrating Steps to Effect Transfer of Control of Pacnet Services

Step 1(a): Corporate Structure Before and After *Pro Forma* Internal Reorganization of Pacnet Services to Pacnet International

Before

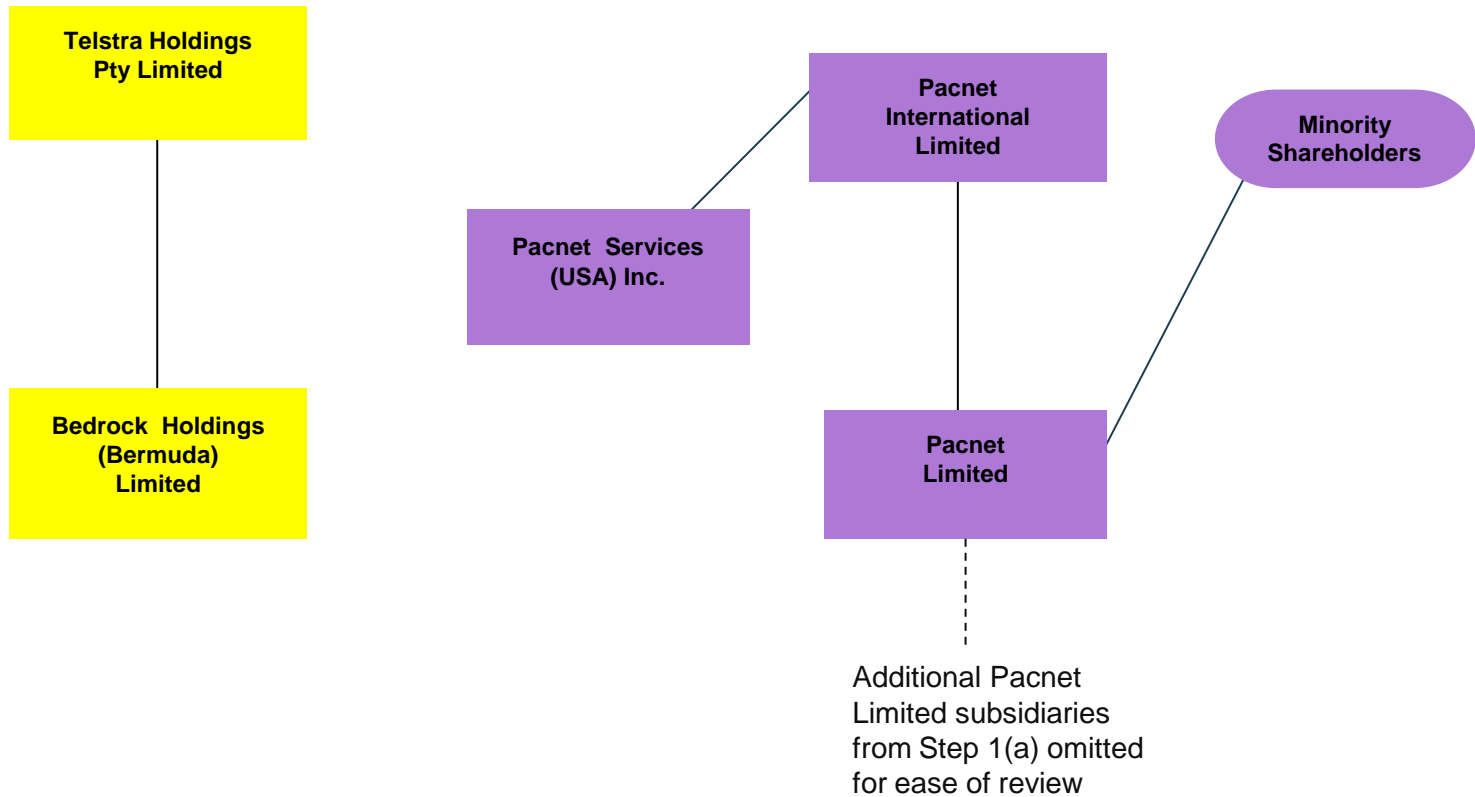


After



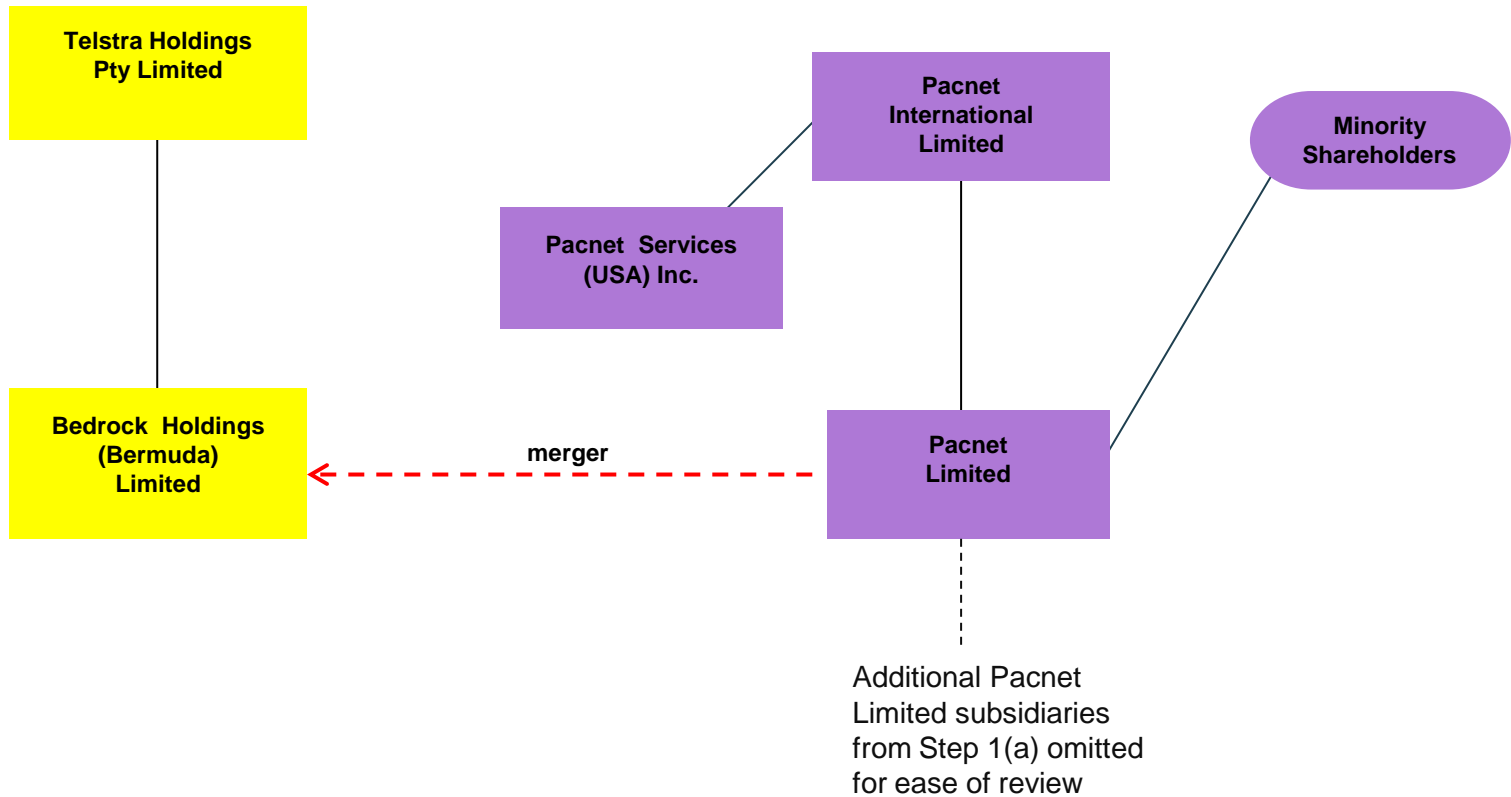
Diagrams Illustrating Steps to Effect Transfer of Control of Pacnet Services

Step 1(b): Merger of Bedrock Holdings and Pacnet Limited (“Global Closing”) – Pre-Global Closing Corporate Structure



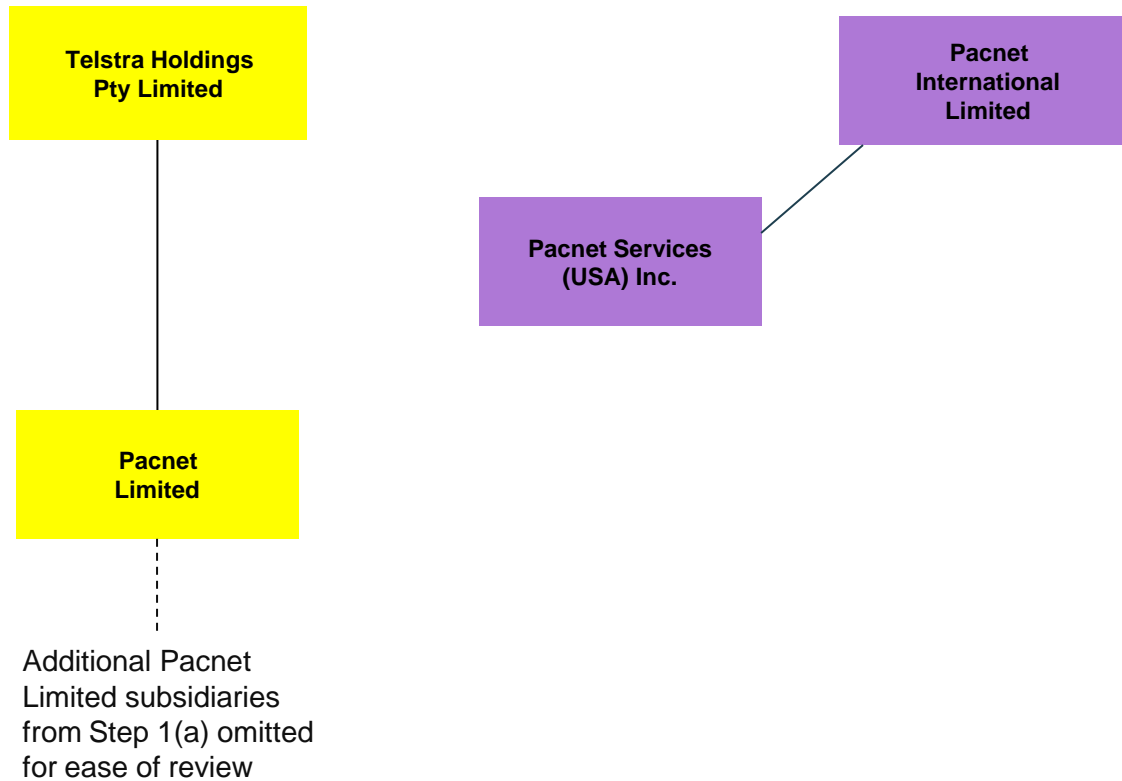
Diagrams Illustrating Steps to Effect Transfer of Control of Pacnet Services

Step 1(c): Merger of Bedrock Holdings and Pacnet Limited (“Global Closing”) – Merger of Bedrock and Pacnet Limited



Diagrams Illustrating Steps to Effect Transfer of Control of Pacnet Services

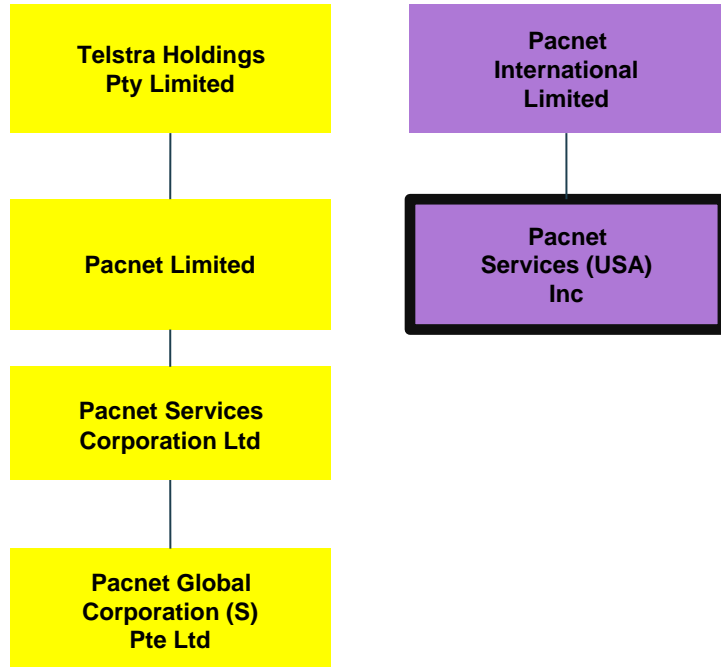
Step 1(d): Merger of Bedrock Holdings and Pacnet Limited (“Global Closing”) – Post-Global Closing Corporate Structure



Diagrams Illustrating Steps to Effect Transfer of Control of Pacnet Services

Step 2: Telstra Holdings Acquisition of Pacnet Services (“U.S. Completion”) (Following receipt of FCC approval)

Before



After

