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December 18, 2002

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FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

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

Re: ***In re Global Crossing Ltd. et al.***, IB Docket No. 02-286  
Responses to FCC Data Requests of December 4, 2002

Dear Ms. Dortch:

Global Crossing Ltd. ("GCL") and GC Acquisition Limited ("New GX" and, together with GCL, the "Applicants") provide the information below in response to the data requests received from Mr. James Ball, dated December 4, 2002, and in further support of Applicants' Application for Consent to Transfer Control and Petition for Declaratory Ruling (the "Application").<sup>1</sup>

1. **Bankruptcy Court Proceedings.** What is the status of the relevant bankruptcy proceedings in New York and Delaware? The applications and their attachments in this docket contemplate a January 31, 2003 closing unless material regulatory approvals have not been obtained by then. What is the expected timeline for the Delaware bankruptcy case involving PC Landing, a cable landing licensee? If the Delaware bankruptcy court's decision is not contemporaneous with that in the New York proceeding, how would the applicants seek to have the Commission treat the request to transfer control of Global Crossing's approximately 49.77% interest in the cable landing license held by PC Landing? Also, how does the recent

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<sup>1</sup> Information regarding Hutchison Telecommunications Limited ("Hutchison Telecom"), Singapore Technologies Telemedia Pte Ltd ("ST Telemedia"), and their respective subsidiaries and affiliates was provided to Applicants by Hutchison Telecom and ST Telemedia. Unless otherwise noted, Global Crossing does not have independent knowledge of the accuracy or completeness of that information.

**bankruptcy court filing by PC Landing's indirect parent Asia Global Crossing affect, if at all, PC Landing'?**

**RESPONSE:**

A. Description of the Bankruptcy Proceedings

There are three pending bankruptcy proceedings in which GCL and its subsidiaries are debtors.

1. *In re Global Crossing Ltd.*, Chap. 11 Case No. 02-40188 (REG) (Bankr. S.D.N.Y., Jan. 28, 2002)

GCL and various of its subsidiaries have filed voluntary petitions under Chapter 11 of the U.S. Bankruptcy Code in the Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court"). GCL and each of the FCC-Licensed Subsidiaries (except for Racal Telecommunications Inc., International Optical Networks, LLC, and PC Landing Corp.) is a debtor in that proceeding.

As discussed in the Application, the Bankruptcy Court has authorized GCL to enter into a transaction to sell substantially all of its assets and operations, including GCL's equity interests in its subsidiaries, to New GX. Hutchison Telecom and ST Telemedia will invest \$125 million each in New GX; in return, each will receive preferred and common stock representing 30.75% of the equity and voting power of New GX. Pre-petition creditors of GCL and its debtor subsidiaries (the "Creditors") will obtain a 38.5% interest in New GX.<sup>1</sup> CCL's ownership interest in New GX will then be eliminated.

On December 17, 2002 the Bankruptcy Court confirmed GCL's Chapter 11 Plan of Reorganization, including the Proposed Transaction, subject to the entry of a formal confirmation order and documentation of the resolution of the last objection. Consummation of the Plan of Reorganization is subject to receipt of required regulatory approvals, including the grant of the Application.

2. *In re Asia Global Crossing Ltd.*, Chap. 11 Case No. 02-15749 (SMB) (Bankr. S.D.N.Y., Nov. 17, 2002)

On November 17, 2002, GCL's 58.9% subsidiary, Asia Global Crossing Ltd. ("AGCL") and one of its subsidiaries filed voluntary petitions under Chapter 11 in the

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GCL and its Bermuda subsidiaries also filed coordinated proceedings in the Supreme Court of Bermuda.

The identities and shareholdings of the Creditors that will become shareholders of New GX have not been determined. The Purchase Agreement also contemplates that New GX will issue stock options to New GX's management in an aggregate amount of up to 8% of New GX's equity and voting power. The holdings of Hutchison Telecom, ST Telemedia, and the Creditors will be diluted upon the issuance and exercise of those stock options

Bankruptcy Court for the Southern District of New York. The same day, AGCL announced an agreement to sell substantially all of its operations and assets to Asia Netcom, a new company organized by China Netcom (Hong Kong), which is expected to include Newbridge Capital and Softbank Asia Infrastructure Fund as co-investors.<sup>4</sup>

Based on the Bidding Procedures Order entered by the Bankruptcy Court, Applicants understand that the assets of AGCL will be subject to an auction procedure and that AGCL will seek approval of the winner of the auction on or about January 21, 2003. Upon the completion of AGCL's reorganization, GCL's equity interest in AGCL is expected to be eliminated. In addition, because GCL's equity interest in PC Landing Corp. is held through AGCL, the expected elimination of GCL's interest in AGCL is also expected to eliminate GCL's interest in PC Landing Corp.

3. *In re PC Landing Corp.*, Chap. 11 Case No. 02-12086 (PJW) (Bankr. D. Del., July 19, 2002)

On July 19, 2002, PC Landing Corp. ("PC Landing") and certain of its affiliates commenced voluntary proceedings under Chapter 11 in the Bankruptcy Court for the District of Delaware. GCL holds an indirect interest of approximately 49.77% in PC Landing through GCL's equity stake in AGCL (GCL has a 58.9% interest in AGCL, which holds an 84.5% indirect interest in PC Landing).

PC Landing's bankruptcy proceeding is not consolidated or administered with GCL's bankruptcy cases. Applicants have been advised by PC Landing that PC Landing is undertaking an auction process for the sale of its assets. PC Landing has advised that it expects to seek approval of bidding procedures for the asset sale by the end of 2002 or in early 2003, with an anticipated closing date in early Spring 2003.<sup>5</sup> If PC Landing's Chapter 11 restructuring is successful, Applicants expect that AGCL's equity interest in PC Landing, and therefore GCL's interest, will be eliminated.

#### B. Effect of the AGCL and PC Landing Bankruptcy Proceedings

The AGCL and PC Landing bankruptcy proceedings do not affect the Commission's examination of the Proposed Transaction or its ability to grant the Application. GCL will continue to hold its ownership interests in AGCL and PC Landing until either AGCL or PC Landing completes its reorganization. In the event that either of those reorganizations is completed prior to the issuance of the Commission's order in this proceeding, GCL will modify the Application as appropriate.

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<sup>4</sup> AGCL's majority-owned subsidiary, PC Landing Corp., is involved in a separate bankruptcy proceeding. PC Landing Corp. is not a debtor in AGCL's bankruptcy and PC Landing Corp.'s assets are not part of the proposed transaction with Asia Netcom.

<sup>5</sup> Additional questions regarding PC Landing's bankruptcy cases and the proposed sale of its assets may be directed to Mr. Marlin L. Stern, counsel for PC Landing, at (202) 662-8468.

If the Commission's order in this matter is issued prior to the completion of AGCL's or PC Landing's restructuring, GCL submits that the Commission should approve the transfer of PC Landing to New GX. Should subsequent events warrant the further transfer of PC Landing's cable landing license, appropriate application would be made to the Commission.

Applicants will keep the Commission advised of the progress of the ACCL and PC Landing bankruptcy proceedings and of the effect, if any, of those proceedings upon the Commission's consideration of the Application.

2. Status of the Transferee. What is the status of the formation of GC Acquisition Limited, the transferee? The applications state that the Applicants will advise the Commission when the formation of this entity is complete. See Main Application at n. 9, Section 214 Application at n. 6, Cable Landing License Application at n. 6. If the company hasn't yet been formed, when is this expected to occur? Will the transferee be organized under the laws of Bermuda? Provide principal place of business showings for the transferee and for its subsidiary Global Crossing Holdings Ltd.

**RESPONSE :**

**.4. Status of Formation of GC Acquisition Limited**

The formation of GC Acquisition Limited, the transferee in this proceeding, was completed on August 23, 2002, under the laws of Bermuda.

**B. Principal Place of Business of New GX and Global Crossing Holdings Ltd.**

New GX is a newly-formed Bermuda company. New GX does not yet have commercial operations and will not have such operations until the Proposed Transaction is consummated and the assets and operations of GCL are transferred to it. Upon consummation of the Proposed Transaction, New GX will succeed to the assets and operations of GCL, which is also a Bermuda company. Therefore, in response to this request, Applicants describe the operations of CCL and its subsidiaries as of the date of this filing, with the expectation that the operations of New GX immediately following the consummation of the Proposed Transaction will be substantially the same. Where possible, Applicants provide information regarding New GX.

Global Crossing Holdings Ltd. ("GCHL") is a Bermuda holding company that does not engage in commercial operations other than its Bermuda holding company activities. Applicants expect that GCHL will be dissolved upon the consummation of the Proposed Transaction. Therefore, Applicants do not provide a principal place of business *showing* for GCHL.

The Commission has previously concluded that GCL carries on its global business principally in World Trade Organization ("WTO") Members.<sup>9</sup> That conclusion continues to be true. Like GCL, New CX will not have a single principal place of business, but will carry on its global business principally in countries that are WTO Members.

- (i) Place of incorporation, organization or charter: CCL and New GX are formed under the laws of Bermuda.
- (ii) Nationality of investment principals, officers, and directors:

Directors: The directors of New GX following consummation of the Proposed Transaction have not yet been determined and will not be confirmed until the Proposed Transaction is complete. As described in the Application, the Board of Directors of New GX will be comprised of ten members. Hutchison Telecom and ST Telemedia initially will nominate four directors each and the official committee of unsecured creditors initially will nominate the remaining two directors. Applicants expect that most or all of the members of the Board of Directors will be citizens of the United States or WTO Members.

Officers: Under the terms of the Purchase Agreement, the Board of Directors of New GX will approve the appointment of New GX's senior management. Because the post-consummation Board of Directors of New GX has not yet been determined, the names and nationalities of New GX's future management are not known. Hutchison Telecom and ST Telemedia have advised Applicants that they intend to confirm Mr. John Legere, the Chief Executive Officer of GCL, as Chief Executive Officer of New CX. Mr. Legere is a United States citizen. Applicants also anticipate that most or all of the senior management of New GX will be citizens of the United States or WTO Members.

Shareholders: The principal shareholders of New GX after the consummation of the Proposed Transaction will be Hutchison Telecom, a Hong Kong company with its principal place of business in Hong Kong, and ST Telemedia, a Singapore company with its principal place of

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<sup>9</sup> *In re Global Crossing Ltd. and Frontier Corporation Applications for Transfer of Control Pursuant to Sections 214 and 310(d) of the Communications Act, as amended*, Memorandum Opinion and Order, 14 FCC Rcd 15911 (WTB/AB/CCB 1999) ("Frontier Order").

At the time the *Frontier Order* was issued, the Commission had not considered whether to treat Bermuda as a WTO Member for purposes of the *Foreign Participation Order*. In *In re Cable & Wireless USA, Inc.*, Order, Authorization, and Certificate, 15 FCC Rcd 3050 (2000), the Commission concluded that Bermuda should be considered a WTO Member.

business in Singapore.' Hutchison Telecom and ST Telemedia each will hold a 30.75% equity and voting interest in New GX upon the consummation of the Proposed Transaction. Hong Kong and Singapore are both Members of the WTO.

Creditors of Global Crossing, who are believed to be overwhelmingly citizens of the United States or entities with their principal place of business in the United States, will collectively hold 38.5% of the equity and voting interest in New GX.

Finally, the Purchase Agreement contemplates that **New GX** will issue stock options to New GX's management in an aggregate amount of up to 8% of New GX's equity and voting power. **As** noted above, it is expected that most or all of the senior management of New GX will be citizens of the United States or WTO Members.

(iii) Country in which its world headquarters is located:

GCL's Bermuda office is the headquarters for GCL's holding company activities. Most of the senior executives and key employees of GCL and its subsidiaries are based in Madison, New Jersey and Rochester, New York. GCL has offices in 37 other states, including large offices in Arizona, California, Colorado, Florida, and Michigan. Of the approximately 4,300 employees of GCL and its subsidiaries (excluding Global Marine Systems Ltd. and its subsidiaries) approximately 2,900 (67%) are based in the United States. Most of the remainder are based in Europe. Only four GCL employees are located in Bermuda.

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Hutchison Telecom has advised Applicants that its investment in New **GX** will be held through two intermediate British Virgin Islands ("BVI") holding companies. BVI No. 1 will be a direct wholly-owned subsidiary of Hutchison Telecom. BVI No. 2 will be a direct wholly-owned subsidiary of BVI No. 1 and will directly hold Hutchison Telecom's interest in New **GX**. The only business activity of BVI No. 1 and BVI No. 2, which have not yet been formed, will be to hold Hutchison Telecom's investment in New **GX**. The Commission has previously treated the British Virgin Islands as a WTO Member. See *International Authorizations Granted*, Public Notice, 17 FCC Rcd 4361 (2002). **ST** Telemedia has advised Applicants that it will hold its investment in New **GX** through STT Communications Limited ("STT Communications"), a Singapore info-communications holding company. **ST** Telemedia wholly owns **STT** Communications, with the exception of 1.09% of the latter's shares that are held by its management. **STT** Communications, in turn, will hold the shares in New **GX** through a wholly-owned subsidiary to be incorporated in Mauritius, a WTO Member country. The only business activity of the Mauritius company, which has not yet been formed, will be to hold **ST** Telemedia's investment in New **GX**.

- (iv) Country in which the majority of its tangible property is located, including production, transmission, billing information and control facilities:

GCL, through its subsidiaries, owns and operates the Global Crossing Network, which consists of a subsea and terrestrial fiber optic facilities that spans 75,800 route miles and reaches more than 200 major cities in 27 countries (including the Asian portion of the network owned by AGCL and its subsidiaries). The Global Crossing Network includes cable landing stations in North and South America, Europe, and Asia, terrestrial switching and routing equipment in numerous countries, and Network Operation Centers located in the United States and the United Kingdom. In short, GCL's business is global in nature, and the tangible property of GCL and its subsidiaries is not principally located in any one country. The great majority of that property is, however, located in the United States and other WTO Members or is located in international waters and connects WTO Members. The portion of CCL's property located in non-WTO member countries is an insignificant portion of Global Crossing's total tangible property. GCL and its subsidiaries do not own telecommunications related tangible property in Bermuda.

- (v) Country from which it derives the greatest sales and revenues from its operations:

CCL derives revenue from customers located in numerous countries, virtually all of which are WTO Members. The single largest source of GCL's revenue is the United States. In 2001, GCL derived approximately 80% of its revenues from the North American market, which includes Canada and the United States. Less than 1% of GCL's North American revenues are attributable to Canada.

3. **Organizational Chart. Provide a chart with the organizational structure for the entities that are involved in the proposed transaction. Include the authorization and license holders; the transferee and any intermediate subsidiaries; the individuals or entities investing in the transferee (to the extent those individuals or entities currently are ascertainable); and each direct and indirect parent company of the investing entities including any such company that may not be named in the applications.**

**RESPONSE:**

Attached as Exhibit 1 are three organizational charts showing the proposed post-closing ownership structure for (i) the domestic and international Section 214 authorization holders; (ii) the cable landing licensees; and (iii) PC Landing Corp. Unless otherwise indicated, each entity is a wholly-owned subsidiary of the entity in the next higher tier.

4. **Ownership Information.** To the extent not already provided in the applications, provide the following information for each individual or entity shown in the organizational chart: name; address; equity and voting interests held in the entity in the next lower tier of the ownership chain; identify which, if any, of these interests constitute a controlling interest in the company in the next lower tier; and provide the citizenship of each individual investor or, in the case of a corporation, partnership or other company or association, the principal place of business.

**KESPONSE:**

Exhibit 2 provides the name, business address, and principal place of business for each of the entities identified in the organizational charts attached as Exhibit 1. Ownership interests are provided in Exhibit 1 and are 100% unless otherwise indicated.

5. **Foreign Ownership Interest.** In addition to the information requested in paragraph 4 above, provide the percentage of Hutchison Whampoa Limited's publicly traded shares that are held by or for the benefit of individuals or entities whose citizenship or principal place(s) of business are in countries other than the United States, Hong Kong or Singapore. Similarly, the principal place of business showing for Cheung Kong (Holdings) Limited (CKHL) should include, in addition to information as to CKHL's principal shareholders, an explanation as to how the remaining shares are held. If they are traded publicly, provide the name of the exchange(s); provide the percentage of CKHL's shares held by or for the benefit of individuals or entities whose citizenship or principal place(s) of business are in countries other than the United States, Hong Kong, or Singapore. Note that in the context of the principal place of business showing, we consider a company's "principal shareholders" to be its ten-percent-or-greater shareholders. However, for purposes of determining the aggregate foreign equity and voting interest in a common carrier licensee, the Commission calculates and determines the country of origin of all foreign interests held directly or indirectly, including through U.S. or foreign corporations whose shares are held publicly or otherwise.

**RESPONSE:**

**.4. Hutchison Whampoa Limited ("HWL")**

The percentage of HWL's publicly traded shares that are held by or for the benefit of individuals or entities whose citizenship or principal place of business is in countries other than the United States, Hong Kong, or Singapore is not known to Applicants, Hutchison Telecon. or HWL.

HWL has certain limited information about the entities that hold interests in its shares. The entities that hold direct interests in HWL are known to HWL because they are HWL's shareholders of record. Also, HWL knows the extent of the direct and indirect beneficial interests held by its directors. Finally, under the provisions of the Securities (Disclosure of



Interests) Ordinance of Hong Kong (the "SDI Ordinance"), any person who directly or indirectly holds a beneficial interest in 10% or more of HWL's shares must disclose the interest to HWL.

All of HWL's shares are listed and publicly trade on The Stock Exchange of Hang Kong ("SEHK") and trade on the London Stock Exchange ("LSE"). HWL has approximately 10,000 direct shareholders. Approximately 66.76% of HWL's shares are held directly by two nominees that hold those shares on behalf of beneficial interest holders or other nominees. The two nominees are HKSCC Nominees Limited and HSBC Nominees (Hang Kong) Limited, both of which are Hang Kong companies that serve as shareholders of record holding shares as nominees for others, including other nominees and beneficial owners of the shares. HWL does not know, and has no way of determining, who holds the beneficial interests underlying those shareholdings.<sup>9</sup>

Over 26% of HWL's shares are held directly by subsidiaries of CKHL.<sup>10</sup> Pursuant to the SDI Ordinance, CKHL has notified HWL that, when these interests are combined with CKHL's other interests (some of which are held through nominees), CKHL has a total combined 49.97% beneficial interest in HWL.

Aside from CKHL, and beneficial interests held through CKHL (as described below concerning the Li Ka-Shing Unity Trustee Company Limited), HWL has not been notified of any other 10% or greater beneficial interest holders in HWL.

Directors of HWL directly or indirectly hold beneficial interests in approximately 0.71% of HWL's shares.<sup>11</sup> Those directors are citizens of Canada, Hang Kong, and the United Kingdom, each of which is a WTO Member.<sup>12</sup>

#### B Cheung Kong (Holdings) Limited ("CKHL")

The percentage of CKHL's publicly traded shares that are held by or for the benefit of individuals or entities whose citizenship or principal place of business is in countries other than the United States, Hong Kong, or Singapore is not known to the Applicants, Hutchison Telecom, or HWL.

HWL has provided Hutchison Telecom limited information about the entities that hold interests in CKHL's shares. That information is derived primarily from public records and disclosures required under the SDI Ordinance.

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HWL does not know that, except as discussed herein, no person or entity holds a 10% or greater stake in HWL indirectly through a nominee. As discussed any such 10% or greater stake must be disclosed to HWL pursuant to the SDI Ordinance.

<sup>10</sup> The remainder of HWL's shares (approximately 7.24%) are held directly by entities that each hold interests that are less than 0.75%.

<sup>11</sup> 2001 Annual Report of HWL, at 66.

<sup>12</sup> A 0.03% interest in HWL is attributable to directors who are citizens of Hong Kong; the remaining 0.68% interest is attributable to directors who are citizens of Canada and the United Kingdom.

Public records indicate that all of CKHL's shares are listed and publicly traded on the SEHK, and trade on the LSE. Directors of CKHL directly or indirectly beneficially hold approximately 0.09% of CKHL's shares." Those directors are citizens of Canada, Hong Kong, and the United Kingdom, each of which is a WTO Member.<sup>13</sup>

According to CKHL's 2001 Annual Report, Li Ka-Shing Unity Trustee Company Limited ("TUT"), as trustee of The Li Ka-Shing Unity Trust (the "LKS Unity Trust"), and companies controlled by TUT as trustee of the LKS Unity Trust beneficially hold a combined 36.17% interest in CKHL." All of the issued and outstanding units of the LKS Unity Trust are held by Li Ka-Shing Unity Trustee Corporation Limited as trustee for The Li Ka-Shing Unity Discretionary Trust. The discretionary beneficiaries of such discretionary trusts are, *inter alia*, Mr. Li Ka-shing, Mr. Li Tzar Kuoi, Victor, Victor Li's wife and daughters, and Mr. Li Tzar Kai, Richard. Mr. Li Ka-shing is a citizen of Hong Kong and is Chairman of both CKHL and HWL. Mr. Li Tzar Kuoi, Victor is Deputy Chairman and Executive Director of HWL, and Deputy Chairman and Managing Director of CKHL; Victor Li, his wife, and his daughters are citizens of Canada. Mr. Li Tzar Kai, Richard also is a citizen of Canada. Canada is a WTO Member. HWL has not been notified of any other 10% or greater beneficial interest holders in CKHL, nor has CKHL publicly disclosed in its most recent annual report any other 10% or greater beneficial interest holders in CKHL.

6. Cable Landing License Application. The cable landing license application states that, except in Singapore, all foreign affiliates have substantially less than a 50% share of the international transport and local access markets in their respective markets. See Cable Landing License Application at 10. Do any of the foreign affiliates have market power in the provision of submarine cable landing stations in their respective markets? Provide the name, address and citizenship of each foreign affiliate that owns or controls a cable landing station, along with a brief statement as to why, if in fact this is true, each foreign affiliate does **not** have market power in the provision of cable landing stations. See Notes to 47 C.F.R. Sections 1.767, 1.768.

**RESPONSE:**

A. Hutchison Telecom

Applicants are advised by Hutchison Telecom that neither Hutchison Telecom nor any of its operating subsidiaries or affiliates own or control cable landing stations.

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<sup>13</sup> 2001 Annual Report of CKHL, at 25.

<sup>14</sup> Practically all of this 0.09% interest in CKHL is attributable to directors who are citizens of Canada and the United Kingdom: the remaining interest, which represents less than 0.01% of CKHL's shares, is attributable to one director who is a citizen of Hong Kong.

<sup>15</sup> 2001 Annual Report of CKHL, at 28. This represents approximately an 18.07% indirect interest in HWL.

B. ST Telemedia

ST Telemedia has advised, based on its reasonable due diligence, that it understands (hat tlicre arc at least four cable landing stations in Singapore, and that three of those cable landing stations are owned by its affiliate Singapore Telecommunications Limited (“SingTel”).“  
Applicants estimate that SingTel controls at least 75% of the cable landing station market and therefore is dominant in that market.<sup>17</sup> SingTel is a Singaporean company located at 31 Exeter Road, # 18-00 Comcentre, Singapore 230752.

ST Telemedia has further advised that, based on its reasonable due diligence, it understands that C2C (Hong Kong) Limited (“C2C Hong Kong”), a company owned 59.5% by SingTel, controls one cable landing station in Hong Kong. C2C is a Hong Kong company located at Suite 6708, 67/F, Central Plaza, 18 Harbour Road, WanChai, Hong Kong. Based on its diligence, ST Telemedia understands that there are several other providers of cable landing stations in Hong Kong, including Reach, FLAG, and Asia Global Crossing Hong Kong Limited, and that C2C Hong Kong does not have market power in the provision of cable landing stations in Hong Kong. Despite diligent efforts, however, ST Telemedia has been unable to obtain access to information that would indicate accurate market shares for C2C Hong Kong in the Hong Kong cable landing station market.

C. GCL/New GX

The fourth cable landing station in Singapore is owned and operated by GCL’s subsidiary Asia Global Crossing (Singapore) Pte Ltd (“AGC Singapore”). AGC Singapore is a new entrant in the Singapore market. AGC Singapore does not control bottleneck facilities and Applicants estimate that it controls substantially less than 25% of the cable landing station market in Singapore. Therefore, AGC Singapore does not have market power in the cable landing station market.

GCL has previously advised the Commission of its affiliations with its other subsidiaries that own cable landing stations. Those affiliations are a matter of public record. All of GCL’s cable landing station subsidiaries are competitive providers located in WTO Members. All have substantially less than a 50% market share of the cable landing station market in their respective countries and do not control bottleneck facilities. Therefore, none is dominant in the cable landing station market.

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<sup>16</sup> Because ST Telemedia has only arm’s length dealings with SingTel, ST Telemedia does not have firsthand knowledge of, or access to, certain information about SingTel’s investments and operations. The information provided in response to this question relating to SingTel and its subsidiaries and affiliates is based on ST Telemedia’s reasonable due diligence.

<sup>17</sup> As stated in the Application, Applicants agree to accept dominant treatment on the U.S.-Singapore route, including in the cable landing station market.

7. Product Markets. To what types of customers do the FCC-Licensed Subsidiaries provide service: to residential consumers and small businesses (mass market), medium-sized and large business customers (large business market), or both? Do the Domestic 214 Subsidiaries provide only interexchange services or do they also provide local exchange services? *See, e.g., MCI/Worldcom Order, 13 FCC Rcd 18025,18040, para 24 (1998).*

RESPONSE:

A. Markets Served by the FCC-Licensed Subsidiaries.

As explained in the Application, the FCC-Licensed Subsidiaries provide services in three market sectors: (1) the mass market (residential and small and medium enterprise ("SME") customers); (2) the large enterprise market (large business, institutional, and governmental users), and (3) the carrier market.

In the residential and SME market, the FCC Licensed Subsidiaries provide facilities-based and resold local exchange and intrastate and interstate long distance services in all 50 states and the District of Columbia. The FCC-Licensed Subsidiaries collectively have a very small percentage of the mass market, which is provided primarily on a resale basis, and which Applicants estimate at less than 1% nationwide.

In the large enterprise market, the FCC-Licensed Subsidiaries, together with GCL's foreign operating subsidiaries, provide integrated telecommunications and IP-based services designed to meet the communications needs of large, global enterprises in the United States and abroad. In that market, GCL provides various managed broadband services to large multinational corporations in various industries. In addition, GCL provides telecommunications services to government municipalities and agencies, including agencies of the United States and United Kingdom governments.

Among the services provided by the FCC-Licensed Subsidiaries are domestic and international data and voice services, Internet-based services, structured bandwidth services and other communications services.

Broadband Services: Point-to-point digital connections, including private line and wavelength services.

Virtual Private Network: Customized voice and data network solutions with which customers create a private network within the Global Crossing Network.

Data Services: Asynchronous Transfer Mode and Frame Relay services

Voice Services: Switched and dedicated outbound voice services for local, domestic, and international traffic for the commercial and wholesale markets, including additional features such as toll free and call centre services.

Conferencing Services: Audio, video and Internet-based conferencing services

Internet Access: Direct connections to the Internet.

- Metro Services: Intra-city SONET or SDH rings carrying on-net access circuits, with metro private lines and dedicated customer networks.

The FCC-Licensed Subsidiaries are an important competitive provider of telecommunications services to large enterprise customers. Currently, GCL estimates that it more than 300 of the Fortune 1000 companies are customers of the FCC-Licensed subsidiaries and GCL's foreign operating companies, in addition to numerous governmental agencies in the U.S. and abroad.

Finally, the FCC-Licensed Subsidiaries and GCL's foreign operating subsidiaries are important providers of services to other telecommunications carriers that have bandwidth-intensive applications and international requirements in the U.S. and abroad. GCL's principal customers in the carriers' carrier market are large telecommunication carriers and service providers. Currently, the FCC-Licensed Subsidiaries provide carrier services to over 450 carriers in the United States.

B. Services Provided by the Domestic 214 Subsidiaries.

Each of the five Domestic 214 Subsidiaries -- Budget Call Long Distance, Inc. ("Budget Call"), Global Crossing Bandwidth, Inc. ("GC Bandwidth"), Global Crossing Local Services, Inc. ("GCLS"), Global Crossing North American Networks, Inc. ("GCNAN"), and Global Crossing Telecommunications, Inc. ("GCTI") -- provides both interstate and intrastate services.

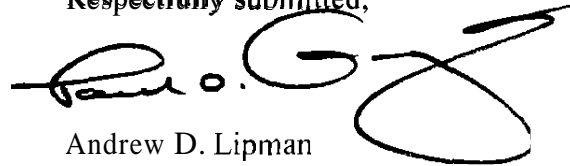
Of the Domestic 214 Subsidiaries, only GCLS provides local exchange services, which it provides as a competitive facilities-based carrier in 26 states. The remaining Domestic 214 Subsidiaries are authorized to provide intrastate interexchange services. Budget Call is authorized to provide resold intrastate long distance services in 45 states. GC Bandwidth holds authority to provide wholesale intrastate long distance services in Vermont. GCNAN is authorized to provide facilities-based intrastate long distance service and GCTI is authorized to provide resold intrastate long distance services in all 50 states.

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An original and four (4) copies of this letter are enclosed for filing. Kindly date-stamp and return the extra copy provided.

Please do not hesitate to contact the undersigned if you have any questions regarding the above responses.

**Respectfully submitted,**



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cc (via email): James Ball (IB)

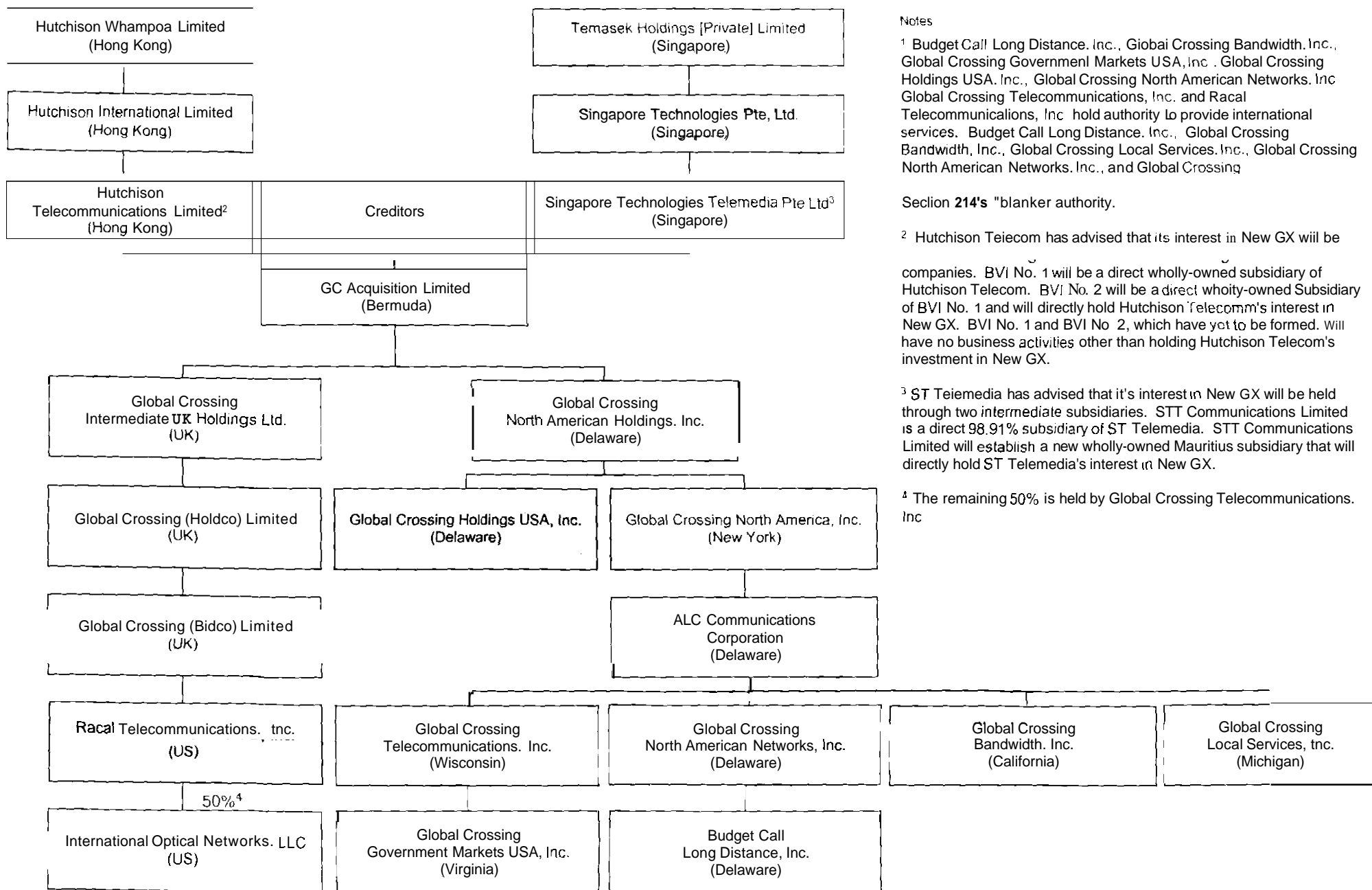
J. Breck Blalock (IB)  
Susan O'Connell (IB)  
Kathleen Collins (IB)  
Elizabeth Yockus (WCB)  
Zenji Nakazawa (WTB)  
Neil Dellar (OGC)  
Qualex International  
Paul Kouroupas (Global Crossing Ltd.)  
Phillip Spector (Paul, Weiss, Rifkind, Wharton & Garrison)  
Teresa Baer (Latham & Watkins)

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**Exhibit 1**  
**Organizational Charts**

# Post-Closing Ownership Structure of Holders of Domestic and International 214 Authorizations

= Section 214 Authorization Holders<sup>1</sup>



**Notes**

<sup>1</sup> Budget Call Long Distance, Inc., Global Crossing Bandwidth, Inc., Global Crossing Government Markets USA, Inc., Global Crossing Holdings USA, Inc., Global Crossing North American Networks, Inc., Global Crossing Telecommunications, Inc. and Racal Telecommunications, Inc. hold authority to provide international services. Budget Call Long Distance, Inc., Global Crossing Bandwidth, Inc., Global Crossing Local Services, Inc., Global Crossing North American Networks, Inc., and Global Crossing

Section 214's "blanket authority."

<sup>2</sup> Hutchison Telecom has advised that its interest in New GX will be

companies. BVI No. 1 will be a direct wholly-owned subsidiary of Hutchison Telecom. BVI No. 2 will be a direct wholly-owned subsidiary of BVI No. 1 and will directly hold Hutchison Telecom's interest in New GX. BVI No. 1 and BVI No. 2, which have yet to be formed, will have no business activities other than holding Hutchison Telecom's investment in New GX.

<sup>3</sup> ST Telemedia has advised that its interest in New GX will be held through two intermediate subsidiaries. STT Communications Limited is a direct 98.91% subsidiary of ST Telemedia. STT Communications Limited will establish a new wholly-owned Mauritius subsidiary that will directly hold ST Telemedia's interest in New GX.

<sup>4</sup> The remaining 50% is held by Global Crossing Telecommunications, Inc.



## Post-Closing Ownership Structure of Cable Landing Licensees (Except PC Landing Corp.)

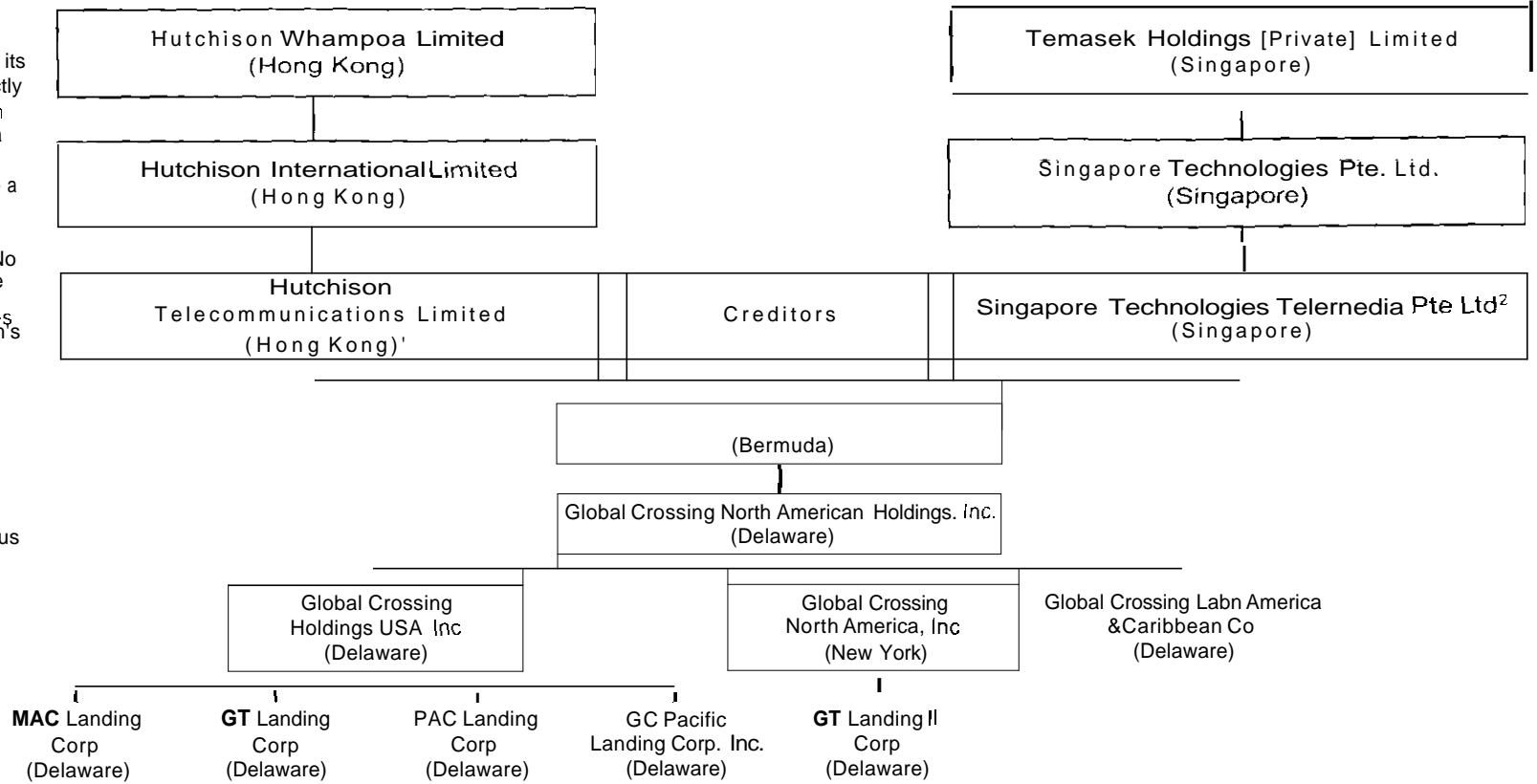
= Cable Landing Licensees

**Notes**

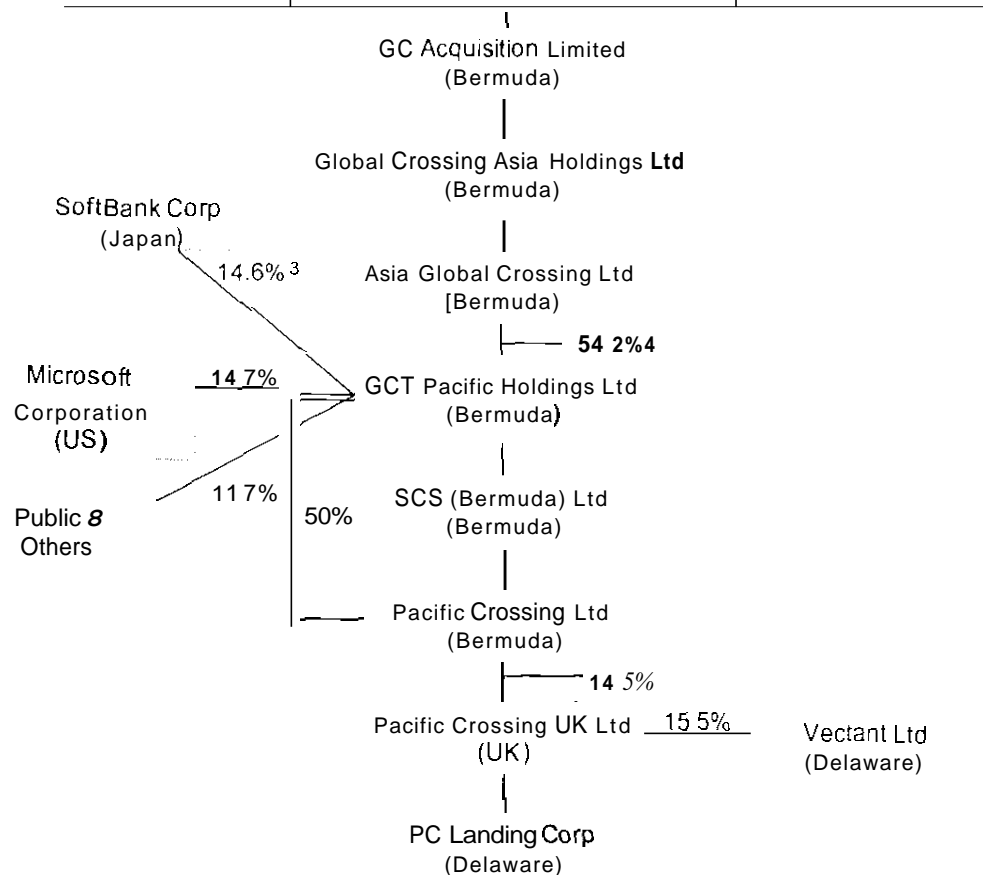
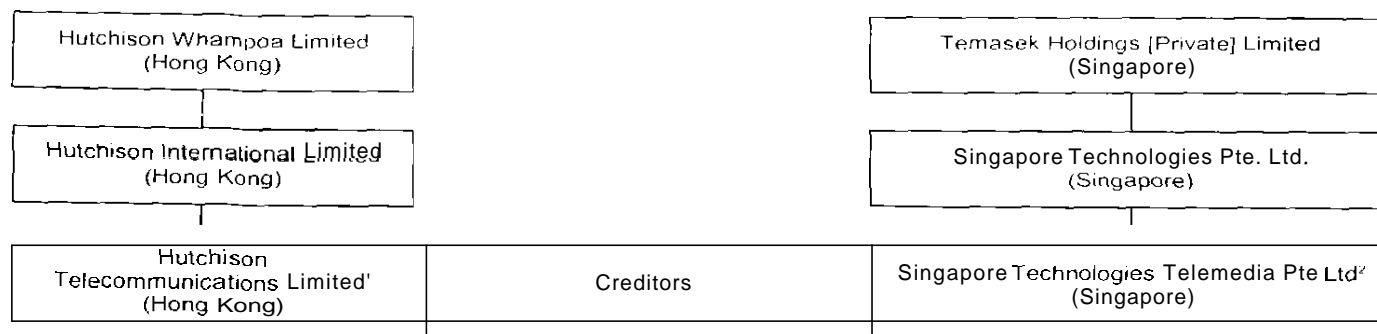
<sup>1</sup> Hutchison Telecom has advised that its interest in New GX will be held indirectly through two intermediate British Virgin Island companies. BVI No. 1 will be a direct wholly-owned subsidiary of Hutchison Telecom. BVI No. 2 will be a direct wholly-owned subsidiary of BVI

Telecom's interest in New GX. BVI No. 1 and BVI No. 2, which have yet to be formed, will have no business activities other than holding Hutchison Telecom's

two intermediate subsidiaries. STT Communications Limited is a direct 98.91% subsidiary of ST Telemedia. STT Communications Limited will establish a new wholly-owned Mauritius subsidiary that will directly hold ST Telemedia's interest in New GX.



## Post-Closing Ownership Structure of PC Landing Corp.



= Cable Landing Licensees

**Notes:**

<sup>1</sup> Hutchison Telecom has advised that its interest in New GX will be held indirectly through two intermediate British Virgin Island companies. BVI No. 1 will be a direct wholly-owned subsidiary of Hutchison Telecom. BVI No. 2 will be a direct wholly-owned subsidiary of BVI No. 1 and will directly hold Hutchison Telecom's interest in New GX. BVI No. 1 and BVI No. 2, which have yet to be formed, will have no business activities other than holding Hutchison Telecom's investment in New GX.

<sup>2</sup> ST Telemedia has advised that its interest in New GX will be held through two intermediate subsidiaries. STT Communications Limited is a direct 98.91% subsidiary of ST Telemedia. STT Communications Limited will establish a new wholly-owned Mauritius subsidiary that will directly hold ST Telemedia's interest in New GX.

<sup>3</sup> Softbank Corp.'s stake in AGCL is held through two wholly-owned intermediate holding companies.

<sup>4</sup> In addition to New GX's 54.2% interest held through Global Crossing Asia Holdings, Ltd, New GX will hold a 1.2% direct interest in Asia Global Crossing Limited and will hold indirect interests through two of its wholly-owned Delaware subsidiaries: IXNet, Inc. (0.3%) and international Exchange Networks Ltd. (3.2%).

## Exhibit 2

### Ownership Information

The charts below provide the name, business address, and principal place of business for each of the entities identified in Exhibit 1. Ownership interests are provided in Exhibit I and are 100% unless otherwise indicated.

#### A. GCI's FCC-Licensed Subsidiaries

Global Crossing Entity	Business Address	Principal Place of Business	Ownership Interest in Next Tier Company
Budget Call Long Distance, Inc. ("Budget Call")	1080 Pittsford-Victor Road Pittsford, NY 14534	United States	Not applicable
Global Crossing Bandwidth, Inc. ("GC Bandwidth")	1080 Pittsford-Victor Road Pittsford, NY 14534	United States	Not applicable
Global Crossing Government Markets USA, Inc.	1080 Pittsford-Victor Road Pittsford, NY 14534	United States	Not applicable
Global Crossing Holdings USA, Inc.	1080 Pittsford-Victor Road Pittsford, NY 14534	United States	Not applicable
Global Crossing Latin America & Caribbean Co.	Seven Giralda Farms Madison, NJ 07940	United States	Not applicable
Global Crossing Local Services, Inc. ("GCLS")	1080 Pittsford-Victor Road Pittsford, NY 14534	United States	Not applicable
Global Crossing North American Networks, Inc. ("CCNAN")	1080 Pittsford-Victor Road Pittsford, NY 14534	United States	Owns 100% controlling interest in Budget Call
Global Crossing Telecommunications, Inc. ("GCTI")			Owns 100% controlling interest in Global Crossing Government Markets
Global Crossing Pacific Landing Corp.			Not applicable
Global Crossing GI Landing Corp.			Not applicable
Global Crossing GT Landing II Corp.	Madison, NJ 07940		Not applicable
International Optical Networks, LLC ("ION")	60 Hudson Street New York, NY 10013	United States	Not applicable
MAC Landing Corp.	Seven Giralda Farms Madison, NJ 07940	United States	Not applicable

<b>Global Crossing Entity</b>	<b>Business Address</b>	<b>Principal Place of Business</b>	<b>Ownership Interest in Next Tier Company</b>
PAC Landing Corp.	Seven Giralda Farms Madison, NJ 07940	United States	Not applicable
PC Landing Corp	See Section C below	See Section C below	See Section C below
Racal Telecommunications Inc. ("Racal")	60 Hudson Street New York, NY 10013	United States	Owens 100% controlling interest in ION

**B. Direct and Indirect Parents of GCL's FCC-licensed Subsidiaries**

<b>Global Crossing Entity</b>	<b>Business Address</b>	<b>Principal Place of Business</b>	<b>Ownership Interest in Next Tier Company</b>
ALC Communications Corporation ("ACL")	PNC Bank Building Suite 300 300 Delaware Avenue Wilmington, Delaware 19801	United States	Owens 100% controlling interest in GCTI, GCNAN, GC Bandwidth, and GCLS
Global Crossing North America, Inc. ("GCNA")	1080 Pittsford-Victor Road Pittsford, NY 14534	United States	Owens 100% controlling interest in ALC
Global Crossing North American Holdings, Inc. ("GCNA Holdings")	1080 Pittsford-Victor Road Pittsford, NY 14534	United States	Owens 100% controlling interest in GCNA
Global Crossing (Bidco) Limited ("GC Bidco")	Centennium House 100 Lower Thames Street London EC3R 6DL United Kingdom	United Kingdom	Owens 100% controlling interest in Racal
Global Crossing (Holdco) Limited ("GC Holdco")	Centennium House 100 Lower Thames Street London EC3R 6DL United Kingdom	United Kingdom	Owens 100% controlling interest in GC Bidco
Global Crossing Intermediate UK Holdings Ltd. ("GC UK Holdings")	Centennium House 100 Lower Thames Street London EC3R 6DL United Kingdom	United Kingdom	Owens 100% controlling interest in GC Holdco
Global Crossing Asia Holdings Ltd. ("GC Asia Holdings")	Wessex House 1 <sup>st</sup> Floor, 45 Reid Street Hamilton HM 12, Bermuda	Bermuda	Owens 54.2% interest in Asia Global Crossing Ltd. <sup>1</sup>

<sup>1</sup> In addition to the 54.2% interest in Asia Global Crossing Ltd. ("AGCL") that is held by Global Crossing Asia Holdings Ltd., GCL has a direct 1.2% interest in AGCL and an indirect 3.5% interest that is held through two of GCL's Delaware subsidiaries: IXnet, Inc. (0.3%) and International Exchange Networks Ltd. (3.2%). GCL's total ownership interest in AGCL is 58.9%, which will be transferred to New GX pursuant to the Proposed Transaction.

<b>Global Crossing Entity</b>	<b>Business Address</b>	<b>Principal Place of Business</b>	<b>Ownership Interest in Next Tier Company</b>
Global Crossing Ltd./ GC Acquisition Limited	Wessex House 1 <sup>st</sup> Floor, 45 Reid Street Hamilton HM 12, Bermuda	United States or Bermuda	GCL currently owns and New GX will own 100% controlling interest in GCNA Holdings, GC UK Holdings, and GC Asia Holdings

### **C. Asia Global Crossing Companies**

<b>Asia Global Crossing Entity</b>	<b>Business Address</b>	<b>Principal Place of Business</b>	<b>Ownership Interest in Next Tier Company</b>
PC Landing Corp.	11150 Santa Monica Blvd. Suite 400 Los Angeles, CA 90025	United States	N/A
Pacific Crossing UK Ltd ("PCUK")	Centennium House 100 Lower Thames Street London EC3R 6DL England	United Kingdom	Owens 100% controlling interest in PC Landing Corp.
Pacific Crossing Ltd. ("PCL")	Mintflower Place 2nd Floor, 8 Par-la-Ville Rd. Hamilton HM08, Bermuda	Bermuda	Owens 100% controlling interest in PCUK
Vectant, Inc.	111 W. 57 <sup>th</sup> Street, Ste. 1000 New York, NY 10019	Japan	Owens 15.5% non- controlling interest in PCL
SCS (Bermuda) Ltd.	Mintflower Place 2nd Floor, 8 Par-la-Ville Rd. Hamilton HM08, Bermuda	Bermuda	Owens 14.5% interest in PCL
GCT Pacific Holdings Ltd ("GCT Pacific")	Mintflower Place 2nd Floor, 8 Par-la-Ville Rd. Hamilton HM08, Bermuda	Bermuda	Owens 70% interest in PCL
Asia Global Crossing Ltd. ("AGCL")			Owens 100% controlling interest in GCT Pacific
Microsoft Corporation			Owens 14.7% non- controlling interest in AGCL

GCT Pacific and SCS (Bermuda ) Ltd together own an 84.5% controlling interest in PCL

<b>Asia Global Crossing Entity</b>	<b>Business Address</b>	<b>Principal Place of Business</b>	<b>Ownership Interest in Next Tier Company</b>
Softbank Corp.	Kakigaracho Chiba Bldg., Nihonbashi-Kakigaracho 1-36-37 Chuo-ku Tokyo, Japan	Japan	Owns 14.6% non-controlling interest in AGCL (through two intermediate holding companies)

**D. Hutchison Telecommunications Limited and Its Affiliates**

<b>Entity</b>	<b>Business Address</b>	<b>Principal Place of Business</b>	<b>Ownership Interest in Next Tier Company</b>
BVI No. 2 <sup>3</sup> (to be formed)	To be determined	BVI or Hong Kong	Will own 30.75% non-controlling interest in New GX
BVI No. 1 (to be formed)	To be determined	BVI or Hong Kong	Will own 100% controlling interest in BVI No. 2
Hutchison Telecommunications Limited (“Hutchison Telecom”)	Hutchison House, 22nd Floor 10 Harcourt Road, Central Hong Kong	Hong Kong	Will own 100% controlling interest in BVI No. 1
Hutchison International Limited (“Hutchison International”)	Hutchison House, 22nd Floor 10 Harcourt Road, Central Hong Kong	Hong Kong	Owns 100% controlling interest in Hutchison Telecom
Hutchison Whampoa Limited (“Hutchison Whampoa”)	Hutchison House, 22nd Floor 10 Harcourt Road, Central Hong Kong	Hong Kong	Owns 100% controlling interest in Hutchison International

BVI No. 1 and BVI No. 2 will be formed under the law of the British Virgin Islands for the purpose of holding Hutchison Telecom’s investment in New GX. BVI No. 1 and BVI No. 2 will not carry on any business activity other than holding that investment. The legal names of these entities will be determined when they are formed.

**E. Singapore Technologies Telemedia Pte Ltd and Its Affiliates**

<b>Entity</b>	<b>Business Address</b>	<b>Principal Place of Business</b>	<b>Ownership Interest in Next Tier Company</b>
Mauritius company (to be formed) <sup>4</sup>	To be determined	Mauritius or Singapore	Will own 30.75% non-controlling interest in <b>New GX</b>
STT Communications Limited	51, Cuppage Road #10-11/17, StarHub Centre Singapore 229469	Singapore	Will own 18.91% controlling interest in <b>Mauritius No. 1</b>
Singapore Technologies Telemedia Pte Ltd (“ST Telemedia”)	51, Cuppage Road #10-11/17, StarHub Centre Singapore 229469	Singapore	Will own 30.75% non-controlling interest in <b>New GX</b>
Singapore Technologies Pte Ltd	51, Cuppage Road #09-01 StarHub Centre Singapore 229469	Singapore	Owens 100% controlling interest in ST Telemedia
Temasek Holdings [Private] Limited	8, Shenton Way #38-03 Temasek Tower Singapore 068811	Singapore	Owens 100% controlling interest in Singapore Technolitics Pte Ltd

<sup>4</sup> The Mauritius company will be formed by ST Telemedia’s subsidiary, STT Communications Limited, for the purpose of holding ST Telemedia’s investment in New GX. The Mauritius company will not carry on any business activity other than holding that investment. The legal name of the Mauritius company will be determined when it is formed.