

Dear FCC:

The following document provided by GLOBALAXXESS should in my strongest and most serious opinion be regarded by your office with the utmost concern and regard. In fact, it is just one of thousands of documents and research materials and arguments hundreds of us Global Crossing investors could present to you, but I think it supplies your office with ample justification for categorically REJECTING or otherwise STOPPING Global Crossing from completing the sham transfer of shareholders assets (the company) to buddies (ST Telemedia) of Global Crossing's founder (Winnick) because, for one, ST Telemedia is an arm of a foreign Govt.; two, it would finalize and legitimize one of the most onerous fleecing of shareholders in the history of Wall Street and capitalism; and three, it's just plain damn wrong.

We expect that you will work toward other alternatives and options, of which there are several, some reasonably favorable to at least some return of investment losses and investor trust, others merely serving to cover up for the perpetrators of the Global Crossing scam and untold numbers of officials "dirtied" by the whole ugly American deal.

Thank you, Stephen E. Tills

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

In the Matter of) IB Docket No. 02-286
) File Nos. ISP-PDR-20020822-0029;
GLOBAL CROSSING, LTD.) ITC-T/C-20020822-00406
(Debtor-in-Possession),) ITC-T/C-20020822-00443
) ITC-T/C-20020822-00444
Transferor,) ITC-T/C-20020822-00445
) ITC-T/C-20020822-00446
and) ITC-T/C-20020822-00447
) ITC-T/C-20020822-00449
) ITC-T/C-20020822-00448
GC ACQUISITION LIMITED,) SLC-T/C-20020822-00068
) SLC-T/C-20020822-00070
Transferee) SLC-T/C-20020822-00071
) SLC-T/C-20020822-00072
Application for Consent to Transfer) SLC-T/C-20020822-00077
Control and Petition for Declaratory) SLC-T/C-20020822-00073
Ruling) SLC-T/C-20020822-00074
) SLC-T/C-20020822-00075
) 0001001014
_____)

GLOBALAXXESS' RESPONSE TO ST TELEMEDIA PROPOSAL TO SUBMIT A MODIFIED
APPLICATION FOR CHANGE OF CONTROL AND DECLARATORY RULING SEPARATE
FROM HUTCHISON WHAMPOA AND NOTICE OF INTENT OF GLOBALAXXESS

The Respondent recognizes that the "timing" of this comment / response is a

little out of sequence, however there are several matters that need to be brought to the attention of the Commission now before we all get to endure Round 2 of the HW-STT change of control charade.

All references to FCC internal documents are of course available at:

<http://www.fcc.gov/transaction/globalcrossing-gx.html>

Respondent GlobalAxxess submits the following in response to the announced intent of ST Telemedia to increase its investment now that Hutchison Whampoa has withdrawn and file a separate application for change of control and declaratory ruling, pursuant to their letter to Ms. Marlene H. Dortch, Secretary, Federal Communications Commission dated April 30, 2003:

Re: In re Global Crossing Ltd, et al, IB Docket No. 02-286

Dear Ms. Dortch:

Global Crossing Ltd. ("GCL") and GC Acquisition Limited ("New GX" and, together with GCL, "Applicants") submit the attached press release, which was issued today with respect to the above-referenced transaction. As stated in the press release, Hutchison Telecommunications Limited ("Hutchison Telecom") has withdrawn from the purchase agreement for the proposed transaction and Singapore Technologies Telemedia Pte Ltd ("ST Telemedia") has agreed to assume the rights and obligations of Hutchison Telecom under the purchase agreement.

Applicants anticipate that they will make an appropriate filing with respect to the pending Application for Consent to Transfer Control and Petition for Declaratory Ruling (the "Application") in the near future. In the meantime,

THE APPLICANTS ARE STILL PLAYING PROCEDURAL GAMES WITH THE COMMISSION AND REQUESTING CONSIDERATION OF THEIR APPLICATION AS ANYTHING AND EVERYTHING BUT WHAT IT FACTUALLY IS. THE PROPOSED APPLICATION SHOULD BE DISMISSED WITH PREJUDICE AND DENIED.

Under the recently abandoned Hutchison - STT acquisition proposal and application for change of control before the FCC each was to have owned 30.75% or collectively 61.5% of the proposed Newco GX. Part of the unstated objective of that "insider deal" was to leave existing management in place and not pursue any remedies for prior conduct of Global Crossing founders, board, management, or its current management who are under instructions to keep the lid on and suppress any due diligence. In short, part of the objective is to leave the bank robbers either in charge of the bank or untouched for prior conduct.

ST Telemedia now proposes to "assume the rights and obligations of Hutchison" under that purchase agreement and now pursue an application for change of control and declaratory order where one foreign owner ("STT") would own 61.5% of a U.S. based telecom / IP network representing approximately twenty-five percent (25%) of the total fiber optic capacity into and out of the United States.

At the same time their partner Hutchison would own controlling interest in Asia Global Crossing and by virtue of engineering, peering, collocation of

assets, Asia Global Crossing operations (Hutchison) could leverage the Global Crossing network to snoop, spy and infiltrate U.S. government and businesses. STT does in fact own a significant stake in Asia Global Crossing as well but control of Asia Global Crossing is decidedly in Hutchison hands thanks to how Global Crossing has tried to engineer this scam.

Since most Asia Global Crossing assets are controlled, managed and operated by Hutchison Telecom, we do not see any way that STT can assure that it is the "watch dog" over Hutchison and use of Global Crossing assets to do what CFIUS just rejected regarding Hutchison control of Global Crossing. Nor do we believe that STT can demonstrate any "iron clad" way of assuring that immediate access from Hong Kong to Global Crossing assets for Chinese interests would not be a permanent reality under the proposed but amended change of control application and therefore a continued threat to national security.

That is an "engineering fact" rather than "regulation procedures" that the Commission needs to fundamentally come to grips with in protecting the integrity of the security of the United States. STT does not control one of the key Asia Global Crossing / Global Crossing peering points in Hong Kong and any party who does not think that the Hutchison assets are not accessible by PRC mainland China is deluding themselves.

These Applicants and their advisors have been and still are trying to dupe the staff and commission officials into making a tragic mistake by approving a change of control that has been carefully concealed as to its true intent.

We are already aware that STT has turned down a joint venture overture from IDT, which may, in and of itself, lend credence to our position that STT is now a front for a "reorganized" HW-STT bid and change of control effort.

CFIUS stayed focused on the key issue of national security in part due to information we provided through several channels via the response this Respondent filed on October 21, 2002 with the Commission. Hutchison had to withdraw and has now apparently done so. Now this Commission should do the same regarding the proposed STT takeover on a standalone basis for reasons of national security, U.S. law regarding ownership of communications by entities owned by foreign governments, and the Commission's own regulations.

The Commission should also be keenly aware that STT now merely could be fronting for their long-term partner Hutchison and co-investor in Asia Global Crossing.

Respondent GlobalAxxess has verified the following facts within the last 48 hours prior to filing this document. If we can, the Commission certainly can:

The Republic of Singapore government owns outright Temasek Holdings, Ltd, the investment arm of the Singapore government.
<http://www.temasekholdings.com.sg/>

Blackstone is closely aligned with Temasek in private equity investing, a conflict of interests in that firm being financial advisor to Global Crossing and recommending only HW-STT and now STT as standalone buyer of Global Crossing assets.

Under "Our Companies" at the foregoing link:

Our group of companies are involved in the following business areas:

- á Finance
- á Telecom & Media
- á Multi-Industry
- á Transport & Logistics
- á Property
- á Infrastructure & Engineering
- á Utilities
- á Others

We have 22 first-tier companies, of which 7 are listed on the Singapore Stock Exchange. The listed companies in our group include DBS Bank, Keppel Corporation, Neptune Orient Lines, SembCorp Industries, Singapore Airlines, SMRT Corporation and Singapore Telecoms. PSA Corporation, Singapore Technologies and Singapore Power are some examples of private companies in our group.

At "Our Major Companies" from the above URL see this company and explore its board:

Banking & Financial Services

DBS Group Holdings (DBS Bank) (<http://www.dbs.com>) DBS Group Holdings is one of the top banking groups in Southeast Asia, and is ranked among the top 100 banks in the world. DBS Bank, a subsidiary of DBS Group, is a full service bank, having diversified since its establishment in 1968 as a development financing institution. DBS provides comprehensive banking services to more than 5 million customers in the Asia-Pacific region. Its regional network has grown to 13 countries, including substantial presence in Thailand, Hongkong and Philippines. DBS aims to seize opportunities in Singapore and beyond, engage the best talent, employ leading edge technology and embrace best practices to become a world class regional bank.

Steven J. Green and Gary Winnick, Global Crossing founder, bought K1 Ventures from DBS Holdings. That is a publicly reported fact. This is yet another conflict of interests if the Commission were to fully explore who the board members are of DBS Holdings and their ties back to Temasek, Blackstone and Singapore Technologies.

The current Chairman of Temasek:

The Temasek Board of Directors comprises prominent leaders from the public and private sectors.

S Dhanabalan

Chairman, DBS Group Holdings

A board member of the DBS board is a member of the Council for Foreign Relations, members included are William J. Clinton and Peter G. Peterson of Blackstone Group.

Temasek Holdings owns 100% of Singapore Technologies, the Parent Corporation of proposed GX buyer ST Telemedia and Applicant before this Commission.

At same link see "Direct vs. Deemed Interests":

There are many subsidiaries and associates in the Temasek group. Under Section 7 of the Companies Act, Temasek Holdings is, in general, considered to have deemed interest in a listed company if any of Temasek's subsidiaries or associates (as defined in that section) have any voting shares in that listed company.

The diagram below illustrates the difference between a "direct interest" relationship and a "deemed interest" one that Temasek can have with a listed company.

Error! Not a valid filename.

Under the Companies Act of Singapore, a substantial shareholder of a listed company must notify the listed company of any change in its direct and deemed interests. Although Temasek Holdings is not involved in the investment decisions of its subsidiaries and associates, we are required by law to report their investment transactions. These are known as "deemed interest" transactions.

Members of the media and the investing community can access information on the share transactions of Singapore companies through the web site of the Singapore Exchange (www.ses.com.sg). This source of information distinguishes clearly between direct and deemed transactions. Below is a sample of a web page of the Singapore Exchange showing a deemed interest transaction. Therefore, we encourage users of the Singapore Exchange's web site to note the distinction between Temasek's direct and deemed interest transactions to avoid drawing wrong conclusions from these notices. Singapore Technologies effectively controls 100% of ST Telemedia.

By doing the math, 100% of ST is owned by the Singapore Government investment arm of Temasek Holdings and therefore if ST owns 100% of STT, the Singapore Government effectively controls 100% of STT as a direct interest in ST. Both ST and STT are 100% controlled by the Singapore Government and Temasek and STT are involved in multiple deals with Hutchison Telecom.

The provisions of 310(b) can be waived, however the provisions of 310(a) cannot be waived.

The Commission should not overlook that the Global Crossing network is or will be powering or transmitting under provisions that invoke 310(a) because convergence of technology and capabilities of IP-centric fiber optics that are now a fact and a way of life and will be more so in the future.

Bottom line is that either directly through STT ownership or through Singapore Technologies ownership, the government of Singapore controls STT and as such this proposed buyer of GX should be disqualified due to its percentage of ownership or control by a foreign government, friendly or otherwise.

The existing relationships with Hutchison and especially the minority relationship STT has in Asia Global Crossing whereby Hutchison could easily leverage Global Crossing assets to access U.S. companies, government entities and others for snooping, industrial, economic or political espionage has not gone away.

Due to its ongoing and tight relationships and partnerships with Asia Global Crossing and Hutchison, STT should be deemed as a disqualified buyer of GX assets under any formula the Commission wishes to use unless it is willing to look the other way on the realities of the peering of Asia Global Crossing and Global Crossing networks and how that still would represent a national security issue.

As long as key controlling interests of Asia Global Crossing (Hutchison and STT) are attempting to control Global Crossing as well, national security is a "front and center" issue and both 310(a) and 310(b)(4) should apply.

The engineering and peering of Asia Global Crossing and Global Crossing are such that they cannot be separated unless forcefully parted. The networks were designed as one and constructed as one. The existence of Asia Global Crossing as a "spin off" was merely to change how much debt the entities could take on separately and how much equity capital could be lured from investors. There is no "Chinese Wall" between the two networks and under total foreign ownership there is a national security issue still in front of this Commission and CFIUS and one of the most important peering points solidly under Hutchison control.

THE RESPONDENT WAS CURIOUS ABOUT WHY ST TELEMEDIA WOULD ALLOW SO MUCH NEGATIVE INFLUENCE ON THEIR NAME TO OCCUR BY STAYING INVOLVED IN THE GX TAKEOVER BID. THE COMMISSION SHOULD BE INTERESTED IN THE ANSWER TO THAT QUESTION.

The Respondent GlobalAxxess received the following information verbatim from within Singapore Technologies, the parent and controlling company of ST Telemedia. They had the same concerns we did over one year ago about the amount of defamation that STT was incurring due to the Hutchison - STT bid for US\$750,000,000 that was entered on the same day Global Crossing filed bankruptcy January 28, 2002.

We put forth a simple question; we got a shocking answer.

This basic question was posed to STT President and CEO Lee Theng Kiat by his superiors at Singapore Technologies at our request:

"Why are you persisting in staying with this bid and not considering alternatives that could get the deal done?"

We were shocked to learn that STT stated that it had a commitment with Steven J. Green to remain aligned as they did on Global Crossing with Hutchison, Global Crossing and others.

We are more than willing to share with the Commission documents and emails that have been transmitted on this matter if the Commission wishes to see them.

We saved the following link because it used to go to a URL disclosing the "private equity funds" that Temasek Holdings participated with on an ongoing basis. It included both Carlyle Group of Washington, DC and Blackstone Group. It is our position that this was revised to conceal the truth and the existence of the conflicts of interest that are replete in the Global Crossing matters.

<http://www.temasek.com.sg/>

We are requesting that the Commission or any appropriate federal authority secure the information from Temasek that was at the foregoing link as "investment funds" that disclosed the existing relationships between Temasek and Blackstone Group in "private equity investments".

The site formerly had a list of "Private Equity Funds" that Temasek was heavily involved in and Blackstone Group was listed. We saved the page information for planned legal action.

Lastly, the Respondent refers the Commission to these three matters:

First, the November 2002 filing by the Applicants where they emphasize the August 2002 bankruptcy hearing and the key witness was Blackstone partner Arthur B. Newman, assigned to the GX Chapter 11 bankruptcy case. The Debtor and its advisors did not then and are not now considering higher and better offers or offers that would resolve national security issues; and

Second, the December 3, 2002 response filed by GlobalAxxess where it was emphasized that none of the bidders were notified of the August 2002 bankruptcy hearing;

http://gullfoss2.fcc.gov/prod/ecfs/retrieve.cgi?native_or_pdf=pdf&id_document=6513390098; and

Third, this link that the media uses frequently to establish "who knows whom" in investigative reporting. Steven J. Green and Arthur Newman know each other according to a database maintained by the media.

http://www.namebase.org/cgi-bin/nb06?_NEWMAN_ARTHUR_B

We thought it was interesting that buried in this link is information tying back to Centennial Cellular, a firm that involved Blackstone as a controlling party. Centennial was purchased by Blackstone influenced Citizens Communications and then that entity purchased Frontier Communications from Global Crossing at a huge loss to Global Crossing shareholders and then a subsequent deal was done with Adelphia, now in Chapter 11 bankruptcy.

It seems that one of the strategies of "private equity players" is abuse of others, leveraging one buy out after another to "fluff up" (see Eliot Spitzer fines against Wall Street, December 2002) and at some point with many companies manipulation of the markets and putting them into Chapter 11 and blocking out any party who insists on due diligence to assess risk and prior conduct that got the company into trouble in the first place.

The point here is simply this; in the Williams Communications and Global Crossing bankruptcy cases Blackstone is financial advisor to both and recommended against an Official Equity Holders Committee. In the Adelphia bankruptcy where Blackstone has an apparent direct interest as a shareholder in Citizens / Adelphia, the bankruptcy court allowed an Official Equity Holders Committee. Both actions were on recommendation of the U.S. Trustee to the U.S. Bankruptcy Court after Blackstone either did, or did not in its own interests, recommend against an Official Equity Holders Committee.

This entire fiasco still screams of insider deal, conflicts of interest and parties who are willing to sell out the national security of the United States for money.

There are some who are in a whole new process of defining "Ugly American".

WHO IS STEVEN J. GREEN?

He lives on Fisher's Island, FL.

He raised over S\$1.0 billion for the Singapore Technopreneur Fund for direct investments into U.S. technology companies, which is unaccounted for to this date in any publicly filed records we or our investigators have found other than \$10 million with the Doll Venture Fund in California.

He was Clinton's appointee as ambassador to Singapore.

Mr. Green is a former front man for Meshulam Riklis, the founder of junk bond scams and reportedly one of Michael Milken's heroes.

http://www.forbes.com/free_forbes/2002/0930/400067.html

The Forbes 400

The Check Is Not in the Mail

Nathan Vardi, 09.30.02

More tales of the misfortunes that befall Meshulam Riklis' creditors.

At age 78 Meshulam Riklis has lost none of his agility in holding creditors at bay. Lenders and suppliers of York, Pa.-based McCrory Corp., the old five-and-dime chain that's the last remnant of the Riklis empire, are demanding blood from the former corporate raider. They might have an easier time with a turnip.

Riklis pushed McCrory, a company he first bought in 1960, into five years of bankruptcy proceedings in 1992, only to buy back its assets in 1997. The price tag looked steep: \$51 million. But only \$16 million of the purchase price was in cash. The remaining \$35 million was in paper, representing the assumption of the old McCrory's outstanding debt to K&K, a Riklis-controlled entity.

The terms of the deal doomed McCrory. It started paying K&K \$5 million a year in interest on the assumed outstanding debt, draining needed capital, say creditors. Adding to the debt was the nearly \$1 million annual salary paid to Riklis and hundreds of thousands more to his advisers. The company tried to latch onto a retailing trend, converting variety stores into dollar stores, but lost money from the get-go--\$12 million in the fiscal year ended Feb. 3, 2000.

With assets of \$66 million and liabilities of \$110 million, McCrory went back into Chapter 11 in September 2001. McCrory liquidated its inventory, but couldn't pay back its secured lender, Foothill Capital, a unit of Wells Fargo & Co., which collected on half of the \$32 million it was owed.

Where did Foothill's collateral go? Creditors say Riklis transferred art and antiques in 2000 insured for \$9 million from McCrory to Rikent, another Riklis family entity, at book value of \$4.6 million. Rikent didn't pay in cash; instead, Riklis reduced the debt McCrory owed other companies he controlled. Among other things, the transaction credited McCrory with only \$175,000 for both Piet Mondrian's "Composition with Yellow" and Fernand Lžger's "Contrastes de formes," but a Riklis entity sold the Lžger alone for \$2.5 million.

Other curious transactions: Two McCrory subsidiaries apparently shifted \$12.5 million in cash and notes to Riklis-controlled entities for further debt cancellation. Creditors sued Riklis in June for the \$50 million they

are owed, alleging fraud and claiming that the transfer of assets was a contrivance to shield them from a planned bankruptcy. Not so, says Riklis' lawyer, Duane Werb, who claims the asset shuffling was part of a legitimate reorganization that reduced McCrory's debt by \$22 million.

That would be more believable if not for Riklis' lifetime habit of stripping assets from debt-laden companies--and leaving creditors in the lurch. At right, a sample of the shenanigans by the man who married and bankrolled Pia Zadora, and who last appeared on The Forbes 400 in 1990.

Corporate Graveyard Behold the kiss of death from Meshulam Riklis, who lives on. Company: RIVIERA What Riklis got: Bragging rights for what was then one of the most lavish casinos on the strip. Result: Filed for Chapter 11 in December 1991, with reported \$240 million in debt. What creditors got: Ownership of the casino and hotel. Company: MCCRORY CORP. What Riklis got: Rapid expansion of a retail empire. Result: Filed for Chapter 11 in February 1992, with reported \$540 million in debt. What creditors got: Nothing. Company: MCCRORY PARENT CORP. What Riklis got: Transferred 90% of the assets to companies he controlled. Result: Filed for Chapter 11 in February 1992 with about \$500 million in debt. What creditors got: Next to nothing. Company: E-II HOLDINGS What Riklis got: More than \$500 million in assets transferred from holding company for Samsonite luggage to other companies he controlled, say bondholders. Result: Filed for Chapter 11 in July 1992, with \$1.5 billion due bondholders. What creditors got: 46 cents on the dollar plus ownership in reorganized company. Company: DYLEX What Riklis got: \$8 million in cash (U.S. dollar equivalent) to his companies. Result: Canadian retailer filed for bankruptcy in August 2001, with debts of \$50 million. What creditors got: 18 cents on the dollar. Company: MCCRORY CORP. What Riklis got: \$30 million of assets to companies he controls. Result: Filed for Chapter 11 in September 2001, with debts of \$110 million. What creditors got: Secured lender got about \$15 million; the rest, nada.

It was easy enough to verify that the mailing address of E-II Holdings was in fact the Steven J. and Dorothea Green residence on Fisher's Island, FL and the telephone number as well.

The Commission can easily verify that fact.

There were multiple fraud lawsuits in Canada over Dylex and the Riklis scam across the border not to mention many people who lost their jobs in that country. It is the opinion of this Respondent, a hard liner Republican conservative, that part of the reason we are considered "Ugly Americans" and many in the world think we have targets on our foreheads, chest or back is due to the conduct of people like Steven J. Green, Blackstone, Global Crossing, et al.

Mr. Green is a former McCrory's front man and people aligned with him made off with McCrory's and TG&Y real estate assets from the bankruptcy. We have the public records and they speak for themselves.

He is Gary Winnick's partner in not only the K1 Ventures acquisition from DBS Holdings (controlled by Temasek), but also in Patronis Partners and actively engaging in real estate investment while Winnick and Global Crossing are under investigation. The Commission should have its staff check out Greenstreet / Niosi, apparently a new operating name for Auburndale Properties (Steven Green) and apparently new front people.

He is the current or former head of Auburndale Properties, evidently used to

purchase real estate assets cheap from the Meshalum Riklis bankruptcy of McCrory's / TG&Y, not once but twice.

He has an OPIC (Offshore Public Investment Corporation) insured by the United States government, which seems to do nothing but line the pockets of the Green family and his personal friends.

He is the former head of Astrum International, the holding company that held Samsonite and then changed its name to E-II Holdings. See Attachment 1.

He appears to be the current head of E-II Holdings according to required SEC filings and the mailing address was until recently at least the Green residence on Fisher's Island.

Current stockholders of E-II Holdings according to SEC records that were available until recently through Edgar include Leon Black of Apollo Advisors and Blackstone Group, William S. Lerach of the purported white knight and free legal services king of shareholder class action lawsuit suits, and John Hannan also a Blackstone general partner. Both Mr. Black and Mr. Hannan are named RICO defendants in the California AG RICO action in the matter of State of California v. Executive Life Insurance, Leon Black, John Hannan, Craig Cogut, et al, a fairly infamous Milken junk bond deal. Ref: California Attorney General Bill Lockyer.

http://www.motherjones.com/web_exclusives/features/news/updates_0102.html

Of particular note, Mr. Lerach's law firm was lead counsel for the bondholders and shareholders of Samsonite who were apparently abused by Mr. Green and Astrum International's conduct. According to bondholders over \$500 million was missing. Mr. Lerach's law firm recovered a paltry \$24.5 million or so for the dwnetrodden from the D&O insurers and did not pursue the assets or the funds the bondholders alleged were missing.

With Mr. Lerach's ownership of E-II Holdings (Samsonite Newco), we believe there are legitimate questions about how aggressively Milberg Weiss Bershad Hynes & Lerach would have pursued any of the directors, officers or assets, or the missing money.

That same question applies to Williams Communications Group, Global Crossing and many others. Just in following investigative leads on Global Crossing and Williams Communications Group, our group and our investigators have uncovered some rather disturbing trends on many other companies. See Attachment 2.

We have also uncovered this same pattern in the Williams Communications Chapter 11 where the Lerach firm is co-counsel for the harmed shareholders yet his name appears in SEC filings as an owner of record for a company that fronted a \$550 million loan and was a WCG creditor in bankruptcy. Again a question of whether a true shareholder remedy is going to be pursued.

Mr. Green is also a named defendant in ERISA fraud actions brought against Global Crossing by the law firms of Keller & Rohrback and Dalton, Sampson and Gotto:

http://www.erisafraud.com/global_crossing/

We highly recommend that the Commission go to SEC and recover what is now a

dead link at this address:

<http://www.edgar-online.com/brand/yahoo/people/companypeople.asp?cik=914478>

As recently as January of this year, this link disclosed the E-II Holdings shareholders involved in the Samsonite Newco after the bondholders were ripped off for over \$500 million. Now it is a dead link after this Respondent made an issue of it behind the scenes. See Attachment 1.

They are undermining the process and attempting to bury evidence right underneath your noses and those of other federal agencies. We have made full copies of what this web link showed until recently and challenge the Commission to do its job and retrieve that information on your own. The Samsonite Newco owners include Mr. Lerach, Leon Black of Blackstone and John Hannan of Blackstone and was a deal that definitely involved Steven J. Green.

If it has been destroyed and SEC or Edgar cannot provide it, we have it safely stored at over 20 locations. If the Commission cannot come up with what was a readily available link from the Edgar and SEC archives, we will gladly provide the information to the Commission.

It took some doing to figure out what Samsonite, Pillowtex, Williams Communications, and Global Crossing (and others) have in common.

If the Commissioners will look at this link and follow leads that were formed by repeated articles in our news media, maybe the Commission can comprehend the extent of conflict of interests that are being brought by parties to attempt to influence the sham transfer of control of Global Crossing to either Hutchison Whampoa - STT or to STT as a standalone proponent bidder:

http://www.namebase.org/cgi-bin/nb06?_NEWMAN_ARTHUR_B

Mr. Newman is the head of the Blackstone financial advisor team on the Global Crossing bankruptcy and one of those "proponents" that cannot seem to find any bidders except Hutchison and STT. Refer to the December 3, 2002 response this Respondent filed regarding the motion for declaratory ruling by counsel for Global Crossing.

The links are publicly verifiable, regularly used by the media to establish "links" between certain parties and speak for themselves. We have had our investigators follow every one of them to their end.

The Hutchison - STT application for transfer of control and now the STT proposed and forthcoming transfer of control application are shams, charades and intended to bury evidence of wrongdoing. No bidder has been allowed to perform due diligence on Global Crossing for that very reason.

When the Commission fundamentally grasps that as a reality and that certain parties want this to go through regardless of national security issues, you will have done your jobs and your duty as American citizens.

It is a provable fact from public records that Winnick (Global Crossing founder), Leon Black and John Hannan are all former Milken co-defendants. Milken went to prison while the rest were merely fined and allowed to keep their securities licenses.

What is really going on out in the real world are artificial venture capital schemes to create false valuation or what is known as ladder up schemes. What is really going on with Wall Street are artificial schemes to accommodate those ladder up schemes and produce IPOs that bring large and attractive prices for the shares. Recent actions by Eliot Spitzer and regulators addressed the artificial valuations of shares and false analyst reports to gain underwriting business but it went much further than that.

Lastly, there are some who are artificially melting companies down for cheap takeovers in bankruptcy, Global Crossing just being one of many examples. Where federal agencies such as FCC are being asked to put a rubber stamp on such conduct is inexcusable when one weighs how many lives were wasted financially for the "deal doers" to get their deal done. This Commission is not a mere facilitator for such deal doers to get their deals done.

This Respondent was curious about why STT would be willing to subject itself to so much scrutiny by aligning itself as it did on the Global Crossing deal. When it became apparent to us that STT was apparently being told not to worry and that insiders would prevail whether in bankruptcy, FCC deliberations, etc it had that appearance of being advice that the law and the regulations of the United States did not matter. STT was apparently being told to stay in line with Hutchison and stay in line on this deal and the insiders would make this ill-advised deal happen.

That is why we asked the question because we wanted to know who thought they could keep this entire matter as a lock up regardless of the law. Who thought they could control, influence or dupe our regulatory processes into allowing a sham and national security risk deal to go through any way?

THERE IS NO CHANGE IN THE NATURE OF THE NATIONAL SECURITY RISK THAT RESULTED IN "CFIUS" REJECTING HUTCHISON WHAMPOA CONTROL OF GLOBAL CROSSING. STT IS A RISK DUE TO ITS RELATIONSHIP WITH HUTCHISON AND THE INTERCONNECTIONS BETWEEN GLOBAL CROSSING AND ASIA GLOBAL CROSSING CONTROLLED BY HUTCHISON.

Reference ACN letter to Commission dated March 18, 2003:

ACN files this letter to bring to the Commission's attention what appear to be significant developments in the United States Bankruptcy Court and the Committee on Foreign Investment in the United States (CFIUS) affecting the pending application. We file this letter to inform the Commission of such reported developments and to suggest that the Commission inquire of the Applicants how these actions impact the processing of their application. Alternatively, the Commission should dismiss the application for failure to meet the standards of Section 1.65 (Substantial and significant changes in information furnished by applicants to the Commission) of the Commission's rules. Under the terms of subsection (a) "each applicant is responsible for the continuing accuracy and completeness of information furnished." and is to reflect such changes "as promptly as possible.."

Of the applicant's duty to keep the Commission informed on a timely basis of changes impacting its pending application, the Commission has said:

The purpose of section 1.65 is to inform the Commission, the public, and concerned parties of material changes in the application. Moreover, section 1.65 imposes an affirmative obligation on regulated entities to inform the Commission of the facts needed to fulfill its duties. As one court has

stated, "[t]he Commission is not expected to 'play procedural games with those who come before it in order to ascertain the truth.'"

SBC Communications, Notice of Apparent Liability for Forfeiture and Order, 16 F.C.C. Red 19091, 47, 24 P&F C.R. 1225, 47 (2001).

This Commission is being asked again to assume [emphasis added] matters that are one sided and beneficial only to the Global Crossing and New GX applicant STT.

The proposed STT "standalone" application for change of control should be denied with prejudice for it is neither in the public's best interest nor in the interest of National Security. The same issues that caused CFIUS to take a position of not approving the GX deal with Hutchison at the helm are still there because Asia Global Crossing is controlled by Hutchison, STT is a partner in that spin off venture, and the peering of Global Crossing and Asia Global Crossing are so intertwined that a separate and U.S. controlled owner will have to be what controls GX assets to preserve and protect national security interests.

There is also the possibility that Hutchison is still very much involved and STT merely fronting for them now under this revised approach.

The "insider purchase agreement" and only allowing now withdrawn Hutchison and STT even a remote chance at acquiring the GX assets is a sham. Now that Hutchison has had to withdraw on national security issues that we brought to the forefront with our October 21, 2002 filing to this Commission and others kept the focus on that issue and focused upon by CFIUS, it is time to address the realities of the longer reaching STT and Hutchison relationship on Asia Global Crossing and why that deal is still an inherent risk to the national security of the United States.

This carefully managed process has only been in the best interest of parties who have plundered Global Crossing, Asia Global Crossing and wish to continue to do so. We have previously warned that the FCC should not assume a role of aiding and abetting RICO once it has been notified that actions are being taken and filed in the U.S. Courts.

We are presently preparing that RICO action as well as making arrangements to tender an offer for Global Crossing assets.

We have cited this before; to weigh "public interest" in the Global Crossing matter the FCC needs to also weigh the tens of billions of investment dollars that Main Street investors have been defrauded out of by Global Crossing and their band of compatriots.

To weigh national security issues, the Commission has but to heed the recent CFIUS actions and understand that Asia Global Crossing and Global Crossing were designed and built as one network. Putting that back together as a "re-joined" network and under total foreign ownership is not in the national security interests of the United States as Global Crossing controls approximately 25% of the total fiber optic capacity in to and out of the United States.

Reference ACN letter to Commission dated March 18, 2003:

Denial/Withdrawal at CFIUS

In the instant matter it appears that the CFIUS has either rejected the Applicant's application or that the Applicants have voluntarily withdrawn their request for approval. According to the Wall Street Journal:

Hutchison along with co-investor Singapore Technologies Telemedia Pte. Ltd., withdrew a regulatory application early last week following a contentious meeting with officials from a secretive multiagency task force called the Committee on Foreign Investment in the U.S., said people familiar with the matter. At the meeting, officials told the company executives that they were set to launch a formal investigation into the deal over concerns about Hutchison's ties to China, these people said. The companies decided to withdraw the \$250 million bid and restructure it instead of risking the possibility of a government block, these people said.

Dennis K. Berman, et al, Hutchison Faces Passive Role in Revamp of Global Crossing, WALL ST J., Mar 3, 2003 at B7, printed as Attachment 1 to this letter.

Reuters and Forbes both filed reports, which reflect the same facts:

Global Crossing withdrew its application from the Committee on Foreign Investment in the United States (CFIUS), a panel made up of top U.S. national security and economic officials.

CFIUS had concerns about a large U.S. telecommunications company being majority owned by a company with strong ties to China, sources familiar with the process previously told Reuters.

The committee raised concerns about Hutchison's ownership, not about Singapore Technologies' part of the deal, the sources said. It is now up to Hutchison, Singapore Tech and Global Crossing lawyers, advisers and bankers to restructure the deal in such a way that it meets with CFIUS approval.¹

While the deal has been approved by a U.S. bankruptcy judge and antitrust regulators, the two Asian investors last week withdrew a regulatory application at the eleventh hour because a committee governing foreign investment in the United States said the transaction raised national security concerns.

The Committee on Foreign Investment in the United States, or CFIUS, had concerns about a large U.S. telecommunications firm being majority owned by a company with strong ties to China, sources familiar with the process said.²

Because the CFIUS process is ostensibly confidential, ACN and the Commission are entitled to know at least that which the Applicants must share under Section 1.65. From a review of the on-line docket sheet in Docket No. 02-2865, it appears that no such disclosures have been made. The press reports raise the questions of whether the Commission staff is not reviewing the application of an acquisition group that no longer exists or in the alternative is in existence.

To weigh National Security, the FCC needed only to weigh that Hutchison Whampoa and Mr. Li Ka-shing are exactly what the intelligence agencies in the U.S. and Canada say they are, that is a risk. It is now abundantly obvious that CFIUS concurred with the position we have maintained all along.

At this time, the FCC should totally familiar itself with Asia Global Crossing, the spin off from Global Crossing and the inherent realities of how that network is peered with Global Crossing in such a manner that national security is in fact still an issue.

Proposed buyer ST Telemedia is a partner in Asia Global Crossing with Hutchison Whampoa and the latter has assumed more control, capacity, and direct investment into Asia Global Crossing as that network operations has faltered almost simultaneously with Debtor Global Crossing.

Reference ACN letter to Commission dated March 18, 2003:

Implications of Such a Plan on Determining Foreign Ownership

The FCC must, pursuant to section 310(b)(4) of the Act, calculate the foreign equity and voting interests attributable to the transferee and, in turn, to the transferee's ultimate parent.

Although Section 310(b) is quite frequently waived by the Commission in its deliberations, Section 310(a) cannot be waived. The Global Crossing network is either used or will be used in virtually every form of communications and media transmission over the next several years.

In fact, this Respondent would use that network capacity as a platform of data, VoIP and digital video over fiber optic IP and through WAP and wireless applications if it were the owner. Due to changes in telecom and IP-centric, anyone not thinking in this direction is akin to a dinosaur and facing the prospect of extinction.

If this Commission were to dig to the bottom of the barrel as to what Blackstone intentions are in communications, media, fiber optic, radio, it might better understand why Blackstone is so "urgently intent" on getting this sham passed through the bankruptcy courts and the FCC. Their aims need a partner who will comply with their demands.

Reference ACN letter to Commission dated March 18, 2003:

Commission must also determine the Applicants' compliance with the Anti-Drug Act of 1988 and its own rules for transfers of domestic and international certificates.⁵ In order for the Commission to make such findings, Applicants must provide the Commission with detailed and reliable information as to their owners, their nationality and Ant-Drug Act compliance.

1. Applicant Hutchison

In the instant matter, while the proposed changes in the structure of Applicants' management structure may insulate Applicant-Hutchison from CFIUS examination, it does not free them from compliance with the Commission's disclosure rules. Applicant Hutchison must still demonstrate to the Commission its compliance with specific Congressional and Commission

directives.

Under the Commission multiplier rules,⁶ Applicant Hutchison:

Must identify and certify compliance with the Anti-Drug Abuse Act of 1988;

Must identify by citizenship of all thirty-percent owners of Hutchison to demonstrate compliance under Sections 63.04(a)(4) and 63.18(h) of the Commission's rules; and

Must demonstrate that the aggregate "non-WTO foreign ownership of Hutchison does not exceed 75 or trigger 310(b)(4) of the Act and the Commission's Foreign Ownership Orders.

As to the pending application, ANC has previously shown that Applicants have failed to meet this burden⁷

Reference ACN letter to Commission dated March 18, 2003:

2. Applicant STT

While the levels of identification and certification have not changed for Applicant Hutchison, the new management structure outlined in the press will require a much more detailed examination of STT's ownership, since it will not longer be entitled to a multiplier.

The Commission, in calculating alien voting interests in a parent company, does not employ a multiplier when the link in the vertical ownership chain constitutes a controlling interest in the company positioned in the next lower tier. Therefore if the press accounts are accurate the Applicants and Commission must reexamine in greater detail the ownership of STT. The threshold for instance for compliance with the Anti-Drug Abuse Act of 1988 is at 5 percent of STT ownership, not at 15 percent. The threshold for compliance with Sections 63.04(a)(4) is at 10 percent, not 30 percent. And the trigger for Section 301(b) analysis will be at 25 percent.

The numbers entail a more granular examination. The Applicants have not yet satisfied the new burden.⁸

Bankruptcy

The proposed structure of the new acquisitions group, as outlined in the press, is a significant departure from the reorganization plan approved by the Bankruptcy Court. The Commission should not be forced to ask if they plan to re-file such a plan and or wait until such a plan would result in new applications being filed with the Commission.

As noted above, the Commission is not expected 'to play procedural games with those who come before it in order to ascertain the truth.'⁹ It is the Applicants who should report that under Section 1.65; neither interested parties such as ACN nor the Commission staff should be required to operate in the dark. The applications should be dismissed as hypothetical or inconsistent under Section 1.74710 of the Commission's rules or alternatively processing should be suspended until the dust settles at CFIUS and in the Bankruptcy Court.

9RKO General v FCC, 216 U.S. App D.C. 57, 71, 670 F.2d 215, 229 (1981)
(internal citations omitted)

10The rule reads: "When an application is pending or undecided, no inconsistent or conflicting application filed by the same applicant, his successor, or assignee, will be considered by the Commission."

The latter statement in footnote 10 of the ACN letter is exactly where STT stands right now. They are a self-admitted successor to the HW-STT insider deal. They are either an assignee of that portion of the Purchase Agreement formerly held by Hutchison or now merely a front for Hutchison pretending to be the sole Applicant.

It is a verifiable fact that STT is involved in Asia Global Crossing with Hutchison. It is also verifiable that the Asia Global Crossing and Global Crossing networks are peered in such a manner that control of Global Crossing by any foreign power or company that regularly does business with Hutchison is giving free reign to Hutchison to utilize Global Crossing assets to conduct the types of actions that caused CFIUS to say no to a Hutchison controlled Global Crossing.

STT is not independent enough from Hutchison, nor United States owned and controlled, to assure that U.S. national security interests will not be compromised under this proposed amended change of control application. To protect national security interests, STT will have to pursue a totally different avenue, which does not seem to be to their liking.

See ACN March 24, 2003 letter:

Supplementing my letter to you of March 18, 2003, additional information has become public concerning the viability of the current transfer application before the Bureau.

Global Crossing's bankruptcy attorneys have filed a motion with the bankruptcy court for the south District of New York to further extend the period in which no one but they can file a Chapter 11 plan of reorganization from March 31 to May 15 (with the termination of the exclusive period in which they may solicit acceptance following sixty days thereafter).

In support of the motion they allege in paragraph 21 that they have received all of the state and foreign regulatory approvals. "The Debtors' applications to the Federal Communications Commission are pending[,] and the Debtors anticipate receiving the requisite approvals in the near future. The Debtors are working diligently with their advisers to obtain CFIUS approval of the Purchase Agreement. The CFIUS review process is ongoing and will extend beyond the current March 31, 2003[,] extension of the Exclusive Filing Period."

Continuing, they say in paragraph 22: "In the event that any of the regulatory bodies do not approve the Purchase Agreement and/or the financial tests are not met requiring the Debtors to abandon the Plan, the Debtors seek an opportunity to propose and solicit a new plan of reorganization without competing plans."

Meanwhile, the Debtors have obtained a bridge order, dated March 20, 2003, extending ex parte the existing March 31st date to the court's action on the new motion for extension, which will not be heard until April 21st.

Copies of the motion and the order are enclosed.

NOTICE OF INTENT

But for promises that were evidently made to STT by Steven J. Green and/or others assuring them that an "insider deal" would go through, this Respondent believes that this U.S. Bankruptcy and FCC charade has gone on long enough.

Global Crossing filed for Chapter 11 January 28, 2002 and had accomplished nothing during that time except to cover up its conduct and delay with one stalling tactic after another. Global Crossing and others have brought only to the table proposed buyers that are conflicted due to direct relationships they have between Asia Global Crossing and Global Crossing or relationships between controlling parents and Global Crossing advisors such as the conflict between Temasek and Blackstone.

Many have a vested interest in seeing to it that due diligence is not performed on Global Crossing and we are intent that such due diligence is going to occur.

On that same date of January 28, 2002 Hutchison Whampoa and ST Telemedia submitted their \$750,000,000 bid to acquire all of the assets of Global Crossing.

On March 25, 2002 the U.S. Bankruptcy Court ordered the sale of Global Crossing assets under § 363 of the Code. Many bidders worked hard to assemble information on Global Crossing to prepare such a bid and most of them gave up when it became apparent that Global Crossing and Blackstone were resisting due diligence on the Debtor. Many bidders submitted "blanket bids" since information was either not provided or too sanitized and controlled to fully evaluate the risks involved.

On that same date, the United States Bankruptcy Court also directed Hutchison and STT to increase and revise their bid. Within hours, both made announcements from Hong Kong and Singapore refusing to do so.

All of those bids were due July 11, 2002 but all of them were thrown out, the asset auction cancelled, and Hutchison - STT deemed the only valid bid by none other than Global Crossing and Blackstone. Many presume that such bids are submitted to the U.S. Bankruptcy Courts. That is a mistaken perception. All bids were submitted to Debtor's counsel and none of them presented to the Court. We did provide a copy of our bid to the U.S. Trustee at the same time it was sent overnight delivery to Debtor's counsel.

The \$750,000,000 bid that was ordered to be increased and revised is suddenly a \$250,000,000 bid and deemed the "highest and best offer" by Blackstone and by persons within Blackstone (Alfred Newman) that have prior relationships to Mr. Steven J. Green. That was done without disclosing the other bids to the U.S. Bankruptcy Court.

Due to knowledge known only by this Respondent until this disclosure, Steven J. Green is who made some commitment or promise to STT regarding this "insider play" on Global Crossing assets. We suggest that the Commission use its authorities to inquire as to exactly what STT was promised and by whom.

Then these same Applicants, as the purported only bidder on GX assets or the

"highest and best offer" for the assets, commence playing their same style of word games, procedural games and posturing this proposed takeover as a great deal for FCC and a great deal for the United States. Nothing could be further from the truth.

This is all about what is the best deal for those that want to get away with plundering Global Crossing, Asia Global Crossing, tens of thousands of investors and billions of dollars lured from Main Street investors and then the rug yanked out for this "proposed takeover" and one that has been progressively "on the cheap" and insider, and replete with conflicts of interest from day one.

Because of the nature of questions asked, documents sought, etc. an oncoming RICO action is hard to keep quiet. One of the things this Respondent and its investigators have been watching for is what always precedes or shortly follows the filing of a RICO action. These actions have been occurring while the Hutchison and STT Applicants have been before this Commission:

Changes in information trails to make it appear that relationships did not or do not exist (i.e. Temasek and Blackstone as one example of many); and

Changes in the names of entities, sale of certain entities, etc. to break trails that are being followed; and

Changes in the domiciles of entities to frustrate jurisdiction and venue to procedurally plead out of RICO actions.

All have been and are occurring at this time while the Global Crossing, Hutchison and STT machinations have been before the U.S. Bankruptcy Court and FCC.

We are bringing the RICO action simultaneously in the U.S., Toronto and UK and under the provisions of the Hague Convention. To those at the FCC that are not aware of such, we recommend you contact the FBI concerning "Operation Bermuda Shorts" and the arrest of Mark Valentine and 56 other persons. That was just the tip of the iceberg in what has been and is being done to Main Street investors and is a massive transfer of wealth illegally that is not being punished.

The Respondent has considerable contacts in Singapore of its own and has no reason to believe that STT or its head Mr. Lee Theng Kiat are not honorable. We believe that they have been operating under promises that someone in the United States has not been able to deliver. In short, the Respondent has good cause to believe that STT has been seriously misled by certain parties involved in Global Crossing and those being parties that have a lot to hide and considerable conflicts of interest.

The Respondent has had multiple contacts with STT either directly or through their parent Singapore Technologies about abandoning a plan that was a threat to national security and probably doomed to fail. We made the predication the day after Global Crossing filed Chapter 11, January 29, 2002, and such events have in fact occurred.

Respondent GlobalAxxess has secured financing in an amount greater than what is offered by ST Telemedia or IDT as noticed in its April 22, 2003 letter to the Commission. The final terms and documents are being prepared at this time and will be made known to the U.S. Bankruptcy Court in the form of an

Asset Purchase Agreement and an offer to acquire the assets of Debtor Global Crossing for an amount considerably higher than offered by Hutchison - ST Telemedia or ST Telemedia separately.

The amount is also considerably larger than that offered by IDT.

This financing agreement contains two conditions that are being met by Respondent GlobalAxxess at this time.

Legal counsel for GlobalAxxess will commence within days the preparation of formal motions to be filed with the U.S. Bankruptcy Court, SDNY and appropriate filings before the FCC. That same legal counsel will be handling matters for GlobalAxxess with FCC and in the RICO actions on behalf of GlobalAxxess and a large group of GX shareholders that are not party to the class action lawsuits.

The Respondent has had tens of millions of common equity shares of Global Crossing align with it due to information uncovered regarding Global Crossing. It is not a well-known fact, but the many class action attorneys do not plead RICO because of terms and conditions within the D&O insurance policies that would negate the ability of the class action attorneys to collect from the D&O insurers. The D&O insurers are the targets. The Respondent has helped some of the class action attorneys and otherwise provided information regarding illegal market manipulation. Such information being the opposite end of what NY Attorney General Eliot Spitzer and regulators have just respectively levied against Wall Street firms \$1.44 and \$1.4 billion in fines.

We have noted to the Commission before that RICO actions are being prepared and will be filed against the Debtor and certain other parties. Those efforts continue and information is regularly obtained from key sources to document a viable RICO action against Global Crossing and others. This refusal to submit to due diligence and insistence that only one buyer be allowed a shot at Global Crossing is part of that desire and intent to cover up wrongdoing.

In certain bankruptcy cases it is not the high bidder with due diligence that wins even though the high bidder would benefit "all creditors" more than a low bidder. It is the buyer who is willing to be the low bidder, no due diligence, and relying on insiders to slip the matter through the system. See the transcript of the Arthur B. Newman August 9, 2002 testimony.

There is one way to possibly resolve this predicament for STT and our interests in acquiring Global Crossing assets and it will be a time sensitive decision for STT.

We are aware of certain strategic realities involving long term economic matters pertaining to the Republic of Singapore and that certain STT business objectives would be threatened if it does not have at least a piece of the Global Crossing deal.

We are also aware that STT has virtually no "global business plan" that would move the Global Crossing assets from "carrier of carrier's" niche to one that would be more profitable over time. The Respondent has a global business plan and objectives that would make Global Crossing assets more profitable over time.

STT proposes to invest \$250,000,000 for a 61.5% stake in Global Crossing. Under our plan and Asset Purchase Agreement STT could invest \$87,500,000 and have an 18.525% interest in the Newco proposal the Respondent is about to put on the table with the United States Bankruptcy Court.

Generally, the Asset Purchase Agreement being prepared by the Respondent for submittal to the United States Bankruptcy Court provides the following stakes in Newco interests under our approach to the GX problem:

Party / Interests Percent Held in Newco

GlobalAxxess 35.475
Participating Debt Holder 6.000
Aligned Common Shareholders 10.000
Creditors 30.000

STT or other investor group 18.525

Under the foregoing holdings of the Newco under the Respondent's approach to reorganizing Global Crossing, control of Global Crossing assets would be held by the Respondent, its lender and the common shareholders, not by STT or Hutchison and certainly not in a mass block controlled by HW-STT and the creditors to the exclusion of all other parties in interest. We anticipate and are prepared for a hostile fight with this Debtor and their insiders.

Concurrent with filing this document through the Electronic Document Filing System, we have provided a copy of it directly to parent Singapore Technologies and proposed Applicant ST Telemedia.

They will have until 5 PM, CDT May 15, 2003 to respond affirmatively or the Respondent will accept a prior commitment from another party. Our back up source agrees with us that we need an effective partner in Singapore to achieve our longer-range business objectives.

The Respondent is 100% controlled by a United States citizen whose only child and heir is in the U.S. Army by choice. The participating debt holder is a registered business in the United States, Canada and globally and was in no way involved or conflicted on Global Crossing. The common shareholders that we intend to protect are not in control of operations and do not therefore represent any national security risk.

We have reason to believe that we can effectively resolve the national security issues to the satisfaction of all parties including STT.

In closing, the Respondent is in the process of doing advance engineering and planning for the world's first deployment of photonic core routers that switch at 5 nanosecond speeds and are scalable up to 1.5 petabit per second. This is a paradigm shift in technology that we have been involved in for three years and is our business plan. The harsh economic environment for telecom mindsets that see only "billing for MOU" as a business plan is about to become even worse with the deployment of this new technology and bandwidth capacities that are 10 to the 6th power greater than gigabit per second. Pricing models and customer service sets will change with the deployment of this technology and the bandwidth to power virtually any application in bandwidth volumes and pricing levels that could not be

delivered until now.

That deployment will span from Singapore to Los Angeles, New York to London.

It is an IP-centric powerhouse that will continue to change the economics and dynamics of what we have all known as telecoms, even to the point that what we have always known as a telco has to evolve or die. This new technology lowers core costs per OC-192 in many ways and is a single router array powering 315 x 315 OC-192 circuits.

The reason that very few know of our company is that we have kept very tight controls over what our business plan is, what its objectives are and what technology would power it.

The representations made to the U.S. Bankruptcy Court by Mr. Newman were factually inaccurate. We have been and still are willing to pay more for the Global Crossing assets than Hutchison and STT. The carrying forward of those misrepresentations to the FCC change of control process was factually inaccurate as to how presented to the Commission, and as pointed out by ACN counsel reasonably required ending the consideration of the application and probably not even considering a standalone STT application for change of control.

Respectfully submitted,

Karl W. B. Schwarz
Chairman, Chief Executive
501-663-4959

Dated: May 9, 2003

CERTIFICATE OF SERVICE

I, Karl W. B. Schwarz, hereby certify that on this 9th day of May, 2003, I caused a true and correct copy of the foregoing Response to Applicant's Motion for Declaratory Ruling to be served on the following parties in the manner indicated:

Qualex International John G. Malcolm
By E-mail: qualexint@aol.com Deputy Assistant Attorney General
Criminal Division
J. Breck Blalock United States Department of Justice
By E-mail: bblalock@fcc.gov 10th Street & Constitution Ave, N.W.
Washington, DC 20530
Susan O'Connell By Email
By E-mail: soconnel@fcc.gov
Patrick W. Kelley
Kathleen Collins Deputy General Counsel
By E-mail: kcollins@fcc.gov Federal Bureau of Investigation
935 Pennsylvania Ave, N.W.
Elizabeth Yokus Washington, DC 20535
By E-mail: eyokus@fcc.gov By First Class Mail

Zenji Nakazawa Debbie Goldman
By E-mail: znakazaw@fcc.gov Louise Novotny
Communications Workers of America
Neil Dellar By E-mail: Debbie@cwa-union.org
By E-mail: ndellar@fcc.gov

David Albalah, Esq. ACN
Kurt Burgec Mr. Gerald Lederer
McDermott, Will and Emery glederer@millervaneaton.com
By email: dalbalah@mwe.com
kburgec@mwe.com

ATTACHMENT 1

The following is information that was available until recently through Edgar search for E-II Holdings.

E II HOLDINGS

The following names appear in E II Holding's SEC filings. Click on an individual's name to show a list of all documents containing a discussion of this individual. You will then be able to use EDGAR Online People to explore ****inside**** each document to find executive compensation, corporate biographies, stock options - anywhere an individual's name is mentioned!

á ADVI, APOLLO = Leon Black, Apollo Advisors, Aires Advisors, Lion Advisors, Blackstone. His reported goal in life was to create the robber barons of tomorrow.

á ALTMAN, THEODORE = Evercore Partners

á ALTMEN, THEODORE

á AMER, ARTEMIS

á AMMON, THEODORE

á AMMON, R. THEODORE

á ARMSTONG, STEVE

á ARMSTRONG, STEVE

á ARMSTRONG, STEVEN

á ARMSTRONG, STEVEN R.

á ATTAL, BARNARD

á ATTAL, BERNARD

á BACK-STOP, APOLLO

á BALDINI, STEPHEN M.

á BARBIZET, PATRICIA

á BARCH, JAMES E.

á BASS, ROBERT M. = Bass Brothers Sid and Robert. McMoran and Green recently appointed to Freeport McMoran board.

á BASSER, STEPHEN R.

á BECKMAN, ERIC

á BERRY, JOHN W.

á BETTLES, OLIVE

á BLACK, BRUCE F.

á BLACK, LEON D. = Apollo Advisors = Blackstone, RICO defendant in California AG Lockyer case, former Milken co-defendant

á BOHANNON, R. MICHAEL

á BONO, R. RICCO

á BRINKMANN, RICHARD E. See many listings involving Asia Global Crossing and Global Crossing

á BRISBOIS, LEWIS D' AMATO
á BROWN, CHARLOTTE
á BURKHOLZ, SPENCER A.
á CERTIFICATE, SUBSCRIPTION
á CHANEY, CYNTHIA Asia Global Crossing and Global Crossing listings
á CHIN, PETER Global Crossing listing
á CLAYTON, D. MICHAEL
á CLAYTON, MICHAEL
á CONNEEN, A.M.
á CONNEEN, A. M.
á COONECA, A.M.
á COUGHLIN, PATRICK J.
á COUTURE, YVES SAINT LAURENT HAUTE
á CUEFF, EMMANUEL
á DAO, MYLENE
á DE ROUX, JEAN-LOUIS
á DE VREEDE, A.M.C.
á DEALER, PARTICIPATING BROKER
á DEBT, PARI PASSU
á DI, PAOLO
á DOBRJANSKY, DAN
á DULY, ERIC D. ROITER
á DUNN, STEPHANIE E.
á DYER, ROBERT J.
á EKLUND, CARL A.
á EORI, CAROL MULVEY
á ERBERT, RICHARD A.
á ERVICK, GARY D.
á EX, BERNARD ATTAL
á FAKHOURY, ROBERT
á FALK, ROBERT H.
á FERNICOLA, GREGORY A.
á FIDELITY, ABIGAIL P. JOHNSON
á FIRM, LEWIS D' AMATO
á FLORES, JOSEPHINE T.
á FRASER, JOHN W.
á FREMDER, GIUSEPPE
á GANEY, GERARD F. See Global Crossing and Asia Global Crossing listings
á GEEL, LOUIS VAN
á GILLOOLY, MICHAEL FRANCIS BENEDICT = ties to Apollo, Leon Black
á GREEN, MICHAEL L. (have not been able to determine if this person is a
Green relative.)
á GREGORY, THOMAS R. SANDLER
á GRIFFITH, PETER D.
á HANNAN, JOHN J. = Apollo, Blackstone, RICO defendant in California AG
Lockyer case, former Milken co-defendant
á HARTIGAN, JOHN F.
á HEADRICK, WANDA
á HILL, RICHARD D.
á HOLDER, PERMITTED
á HUNT, GREGORY WM.
á HUTH, P. JEFFREY
á ICAHN, CARL C.
á ICHAN, CARL C.
á INDENTURE, SUBORDINATED
á ITALIA, SAMSONITE
á ITEM, ABIGAIL P. JOHNSON

á IVOSEVICH, ROBERT
á JANAWAY, S. E.
á JANAWAY, S.E.
á JEFFERY, CAROLE K.
á JOHNSON, EDWARD C.
á JOHNSON, ABIGAIL
á JOHNSON, ABIGAIL P.
á KANE, JOHN L.
á KATZ, DAVID A.
á KEULENEER, FERNAND
á KLING, LOU R.
á KLINGER, DOROTHY B.
á KNAPP, K. DOUGLAS
á KORROS, MARK A.
á LAIDLAW, MARTIN WILLIAM = Blackstone
á LAK, ROBERT
á LAU, JAMES
á LAU, JAMES F.
á LEE, SUSAN
á LERACH, WILLIAM S. -- Milberg Weiss Bershad Hynes & Lerach
á LITE, LARK
á LOEB, ALAN M.
á LOGAN, JAMES E.
á LORING, ARTHUR S.
á MARK, MARK H. RACHESKY
á MARKSON, PAUL A.
á MARWICK, KPMG PEAT
á MATTHEWS, A. EDWIN
á MATTHEWS, EDDIE
á MATTON, MARC
á MAUBORG, LATOUR
á MCCORMICK, HUGH T.
á MELTZER, ROGER
á MILLER, ROBERT N.
á MONTGOMERY, MATTHEW P.
á MURTAGH, JOHN P.
á NELSON, RICK
á NEVEL, VAN
á NEVEL, LUC VAN
á NICOLOSI, RICHARD R. (We have been trying to verify if this is NIOSI in
Greenstreet / Niosi. Would not be first time we have seen name change to
break a trail.)
á NICOLOSI, R. R.
á NICOLOSI, RICHARD
á NOTICE, PRELIMINARY
á O' CONNOR, GREGORY W.
á PALUS, JEAN-FRANCOIS
á PATRICK, IAN THOMAS = Blackstone investment fund and Pillowtex - a
Green/Astrum International spin off
á PERSICO, CARLO
á PERSON, EXCLUDED
á PESNER, STEVEN M.
á PILGRIM, CLO XX
á PINAULT, FRANCOIS-HENRI = Name raised as possible defendant in California
case State of California v. Executive Life, Leon Black, Hannan, Cogut, et
al. Was definitely involved in actions that harmed policyholders of
Executive Life Insurance.

á PINAULT, FRANCOIS
á PINAULT, FRANCOIS-JEAN
á PINAULT, F.H.
á POTENTIAL, EMMANUEL CUEFF
á PULITZER, BERT
á RACHESKY, MARK H.
á RATIO, MIN
á REAL, APOLLO
á REUMERT, KROMANN
á REUSCH, DEBORAH M.
á ROSEN, ROBERT L.
á ROSS, L.C.
á ROSS, LARRY
á ROSS, L. C.
á ROSSMAN, ANDREW J.
á ROWAN, MARC J.
á RUOSCH, DEBORAH J.
á RYAN, JOHN (trying to verify if same Ryan as Brown Rudnick, head of Global Crossing unsecured creditors committee)
á SAMSONITE, CHIA TAI See listings for this person on Chinese companies.
á SAMSONITE, CHAI TAI
á SANDLER, THOMAS R.
á SCADUTO, MICHAEL B.
á SCHMIDT, RANDALL
á SEGHERS, RITA
á SHUMAN, KIP B.
á SIGNATURE, ARTHUR S. LORING
á SIGNATURE, ERIC D. ROITER
á SNAUFFER, ROBERT
á SNYDER, DAVID
á SOLARZ, STEPHEN J.
á SPA, SAMSONITE
á SUNDBY, DOUGLAS W.
á SYKES, JOHN D.
á TACK, JOHAN
á TAI, CHIA ties to mainland China companies
á THOMPSON, WALTER
á THOMPSON, J. WALTER
á TOYE, ANDRE
á TRETTER, KARLHEINZ
á TROIANO, GRETCHEN
á VAN NEVEL, LUC
á VANCE, EATON
á VANDENSTEEN, JAN
á VANDERSTEEN, JAN
á WASHINGTON, GEORGE
á WEINBERGER, HILLEL
á WEINER, MICHAEL D.
á WEINER, MICHAEL
á WILEY, RICHARD H.
á YATES, ALFRED G.
á YEAR, POSITION
á YEAR, REFERENCE
á ZEZZA, CARL
á ZEZZA, CARLO

File has not been scanned

Checked by AVG anti-virus system (<http://www.grisoft.com>).

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