

SWIDLER BERLIN SHEREFF FRIEDMAN, LLP

THE WASHINGTON HARBOUR
3000 K STREET, NW, SUITE 300
WASHINGTON, DC 20007-5116
TELEPHONE (202) 424-7500
FACSIMILE (202) 295-8478
WWW.SWIDLAW.COM

NEW YORK OFFICE
THE CHRYSLER BUILDING
405 LEXINGTON AVENUE
NEW YORK, NY 10174
TEL. (212) 973-0111
FAX (212) 891-9598

May 23, 2003

FILED ELECTRONICALLY VIA ECFS

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

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 this letter to clarify the record with respect to the May 9, 2003 submission by GlobalAxxess.¹

GlobalAxxess’ filing posits a “conspiracy theory” premised on numerous fundamental misstatements of fact.² Once those erroneous statements are corrected, GlobalAxxess’ theory falls apart. The key erroneous assertions on which GlobalAxxess relies are addressed below.³

¹ *In re Global Crossing Ltd., et al.*, IB Docket 02-286, 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 (May 9, 2003) (“GlobalAxxess Resp.”). A number of informal comments also have been filed in support of the GlobalAxxess submission.

² Moreover, the filing merely repackages the complaints made by GlobalAxxess in its earlier submissions regarding GCL’s bankruptcy process by changing GlobalAxxess’ target from Hutchison Telecom to ST Telemedia. *In re Global Crossing Ltd., et al.*, IB Docket 02-286, GlobalAxxess’ Response to Applicants’ Response to Objection to Transfer of Control and Declaratory Ruling (Nov. 11, 2002); *In re Global Crossing Ltd., et al.*, IB Docket 02-286, Letter from Karl W.B. Schwarz, Chairman and Chief Executive Officer, GlobalAxxess, to Hon. Michael Powell, Chairman, FCC (Oct. 19, 2002). As Applicants have stated before, the United States Bankruptcy Court, not the Commission, is the proper forum for those complaints.

³ Applicants will not burden the Commission with a point-by-point refutation of GlobalAxxess’ many factual errors; however, Applicants’ silence does not mean that they agree with GlobalAxxess on those matters.

- As the Third Amendment made clear, Hutchison Telecommunications Limited (“Hutchison Telecom”) has terminated its proposed investment in New GX and is not a party to the Amended Transaction.⁴ Hutchison Telecom and its parents, subsidiaries, and affiliates do not currently have any interest in New GX or the FCC-Licensed Subsidiaries and will not have any interest in them upon consummation of the Amended Transaction.
- ST Telemedia’s only business venture with Hutchison Telecom was this transaction, from which Hutchison Telecom has now withdrawn. Other than arm’s length, ordinary-course contractual arrangements, such as interconnection and roaming agreements, ST Telemedia, and, to ST Telemedia’s knowledge, its parent companies, subsidiaries, and affiliates, do not have any business or strategic relationship with Hutchison Telecom or companies affiliated with Hutchison Telecom. ST Telemedia is thus not a “front” for or “partner” of Hutchison Telecom for this or any other transaction.⁵
- GlobalAxxess’s assertion that ST Telemedia “own[s] a significant stake in Asia Global Crossing” is incorrect and, in any event, irrelevant to the Commission’s review.⁶ ST Telemedia’s ownership of Asia Global Crossing Ltd. (“AGCL”) stock confers voting power of only 0.14% -- by no means a “significant stake” in AGCL. Moreover, as a result of AGCL’s Chapter 11 restructuring and the March 10, 2003 sale of substantially all of its assets to Asia Netcom Corporation (excluding the assets of PC Landing Corp. and certain related companies), ST Telemedia’s holding in AGCL is expected to be eliminated.⁷ Neither ST Telemedia nor its parents, subsidiaries, or affiliates has any interest in Asia Netcom.⁸ Thus, any residual interest that ST Telemedia has in AGCL is immaterial.
- Applicants understand that Hutchison Whampoa Limited (“HWL”), the parent company of Hutchison Telecom, owns stock of AGCL that confers voting power of 0.14%, and that, contrary to the claims of GlobalAxxess, HWL has never controlled or exercised any influence over the business activities of AGCL.⁹ Moreover, HWL’s interest in AGCL, like the interests of AGCL’s other common shareholders, is expected to be eliminated as part of AGCL’s Chapter 11 restructuring and the related sale of AGCL’s assets to Asia Netcom. It is therefore irrelevant to the Commission’s review. To Applicants’ knowledge, HWL, Hutchison Telecom, and their respective parents, subsidiaries, and affiliates do not have any interest in Asia Netcom.¹⁰

⁴ *In re Global Crossing Ltd., et al.*, IB Docket 02-286, Third Amendment to Application for Consent to Transfer Control and Petition For A Declaratory Ruling and Request for Expedited Treatment filed by Global Crossing Ltd. and GC Acquisition Limited (May 13, 2003), at 3-5.

⁵ GlobalAxxess Resp. at, *inter alia*, 3, 5, and 18.

⁶ GlobalAxxess Resp. at 2-3.

⁷ Third Amendment at 5 n. 9.

⁸ See http://www.asiaglobalcrossing.com/corporate/about_anc/index.html.

⁹ GlobalAxxess Resp. at 2-3.

¹⁰ See http://www.asiaglobalcrossing.com/corporate/about_anc/index.html. The Disclosure Statement filed by AGCL in its Chapter 11 case states that Asia Netcom “was formed and is 100% owned by a consortium of

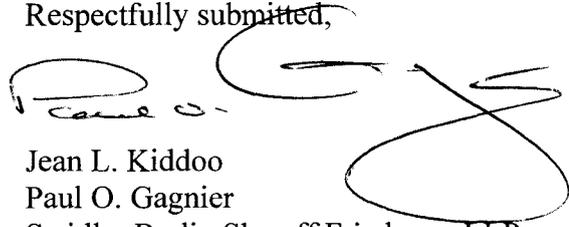
- While the Global Crossing Network was originally constructed as a single global telecommunications network, the Asian portion of the network (including the Pacific Crossing 1 undersea cable owned by Pacific Crossing Ltd. ("PCL"), the parent of PC Landing Corp.) has been legally owned and operated by AGCL since 1999. As mentioned above, the assets of AGCL have been sold to Asia Netcom. In connection with the sale, GCL is in the process of fully separating its network from that of AGCL, and AGCL does not have any ability to control or access the Global Crossing Network. GCL's interaction with AGCL, and with its successor Asia Netcom, is at arm's length and is no different from that of a typical interconnecting carrier. Similar arrangements are being discussed with PCL and PC Landing Corp. in advance of the sale of their assets.
- ST Telemedia has never had any dealings with K1 Ventures. Neither has it had any dealings with former GCL Chairman Gary Winnick and former GCL director Steve Green except in connection with this transaction when they were acting on behalf of GCL. ST Telemedia's decision to enter into this transaction was made solely on the merits of the transaction and not influenced by any extraneous considerations.

* * * * *

investors consisting of China Netcom International Limited (a wholly-owned subsidiary of China Netcom Corporation (Hong Kong) Limited), Newbridge Capital LLC, and SB Asia Infrastructure Fund L.P." *In re Asia Global Crossing Ltd., et al.*, Chap. 11 Case Nos. Case Nos. 02-15749 through 02-15750 (SMB) (Jointly Administered), Disclosure Statement with Respect to Joint Liquidating Chapter 11 Plan of Reorganization of Asia Global Crossing Ltd. and Asia Global Crossing Development Co. (May 1, 2003), at 1. Applicants do not have any personal knowledge regarding the ownership of Asia Netcom.

Please contact the undersigned if you have any questions regarding this letter or if you require additional clarification regarding the information provided by GlobalAxxess.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Paul O. Gagnier", is written over the closing text. The signature is stylized and somewhat cursive.

Jean L. Kiddoo
Paul O. Gagnier
Swidler Berlin Shereff Friedman, LLP
3000 K Street, N.W., Suite 300
Washington, D.C. 20007
Tel: 202-424-7500
Fax: 202-424-7645

Counsel for Global Crossing Ltd.
and GC Acquisition Limited

cc: All Parties on the Attached Service List
Paul Kouroupas (Global Crossing Ltd.)
Teresa Baer (Latham & Watkins LLP, Counsel to ST Telemedia)

FROM :

FAX NO. :

May. 23 2003 10:59AM P3

May-23-03 08:53am From-Swidler Berlin Sheroff Friedman, LLP 2022959470

T-347 P.001 F-280

CERTIFICATION

On behalf of Global Crossing Ltd., I hereby certify under penalty of perjury that the statements in the foregoing letter with respect to Global Crossing Ltd. are true, complete, and correct to the best of my knowledge, information and belief.

SIGNATURE: *Paul Kouroupas*

NAME: Paul Kouroupas

TITLE: Vice President and Senior Counsel

DATE: May 23 2003

FROM :

FAX NO. :

May. 23 2003 10:59AM P2

May-23-03

09:53am

From-Swidler Berlin Shereff Friedman, LLP

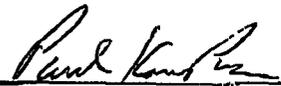
2022958478

T-347 P.002

F-280

CERTIFICATION

On behalf of GC Acquisition Limited, I hereby certify under penalty of perjury that the statements in the foregoing letter with respect to GC Acquisition Limited are true, complete, and correct to the best of my knowledge, information and belief.

SIGNATURE: 

NAME: Paul Kouroupas

TITLE: Vice President and Senior Counsel

DATE: May 23 2003

CERTIFICATION

On behalf of Singapore Technologies Telemedia Pte Ltd ("ST Telemedia"), I hereby certify under penalty of perjury of the laws of the United States that the statements in the foregoing letter with respect to ST Telemedia are true, complete, and correct to the best of my knowledge, information and belief.



SIGNATURE: _____
NAME: Pek Siok Lan
TITLE: Senior Vice President - General Counsel
DATE: May 23, 2003

CERTIFICATE OF SERVICE

I, Ivonne Diaz, hereby certify that on this 23rd day of May, 2003, I caused a true and correct copy of the foregoing letter to be served upon the following parties in the manner indicated:

Qualex International
By E-Mail: qualexint@aol.com

J. Breck Blalock
By E-Mail: bblalock@fcc.gov

Susan O'Connell
By E-Mail: soconnel@fcc.gov

Kathleen Collins
By E-Mail: kcollins@fcc.gov

Henry Thaggert
By E-Mail: hthagger@fcc.gov

Zenji Nakazawa
By E-Mail: znakazaw@fcc.gov

Neil Dellar
By E-Mail: ndellar@fcc.gov

James Ball
By E-Mail: jball@fcc.gov

William Malone, Esq.
Gerald Lavery Lederer, Esq.
James R. Hobson, Esq.
Miller & Van Eaton, P.L.L.C
By E-Mail: wmalone@millervaneaton.com

John G. Malcolm, Esq.
Deputy Assistant Attorney General
Criminal Division
United States Department of Justice
10th Street & Constitution Avenue, N.W.
Washington, D.C. 20530
By First Class Mail

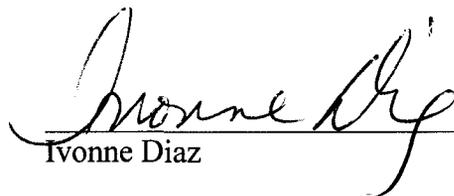
Debbie Goldman
Louise Novotny
Communications Workers of America
By E-Mail: debbie@cwa-union.org

Patrick W. Kelley, Esq.
Deputy General Counsel
Federal Bureau of Investigation
935 Pennsylvania Avenue, N.W.
Washington, D.C. 20535
By First Class Mail

Karl W. B. Schwarz
GlobalAxxess
By E-Mail: kw.schwarz@worldnet.att.net

Julian P. Gehman, Esq.
Mayer, Brown, Rowe & Maw
By Email: jgehman@mayerbrownrowe.com

Mark Tauber, Esq.
E. Ashton Johnston, Esq.
Piper Rudnick
By E-Mail: mark.tauber@piperrudnick.com


Ivonne Diaz