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' SECOND RESPONSE
TO ST TELEMEDIA'S THIRD APPLICATION FOR
CONSENT TO TRANSFER CONTROL AND
PETITION FOR DECLARATORY RULING

We will apologize at the outset for the length of this response to the Applicants and the documentation required to back it up. It will unavoidably not be a short process. The Commission and staff will have to do some cross-referencing between this document and the separately ECFS filed document **GlobalAxxess Response Attachment A Disclosure Statement**.

Attachment 1 and Attachment 2 are attached to this ECFS filed document.

This document is in response to the May 22, 2003 filing by the Applicants and the May 23, 2003 response filed in direct response to GlobalAxxess. Evidently counsel for the Applicants is either trying to "paint a picture" or operating under the same delusions that it wishes the FCC to be operating under in this transfer of control proposal. That matter is explained below in full to the Commission.

The Respondent has provided as a separate Attachment A the entire Disclosure Statement filed by Debtor Global Crossing and their counsel in bankruptcy Weil Gotshal & Manges, New York, New York with the United States Bankruptcy Court, Southern District of New York. Within that document is also a copy of the Hutchison Whampoa and ST Telemedia Purchase Agreement that Applicant STT purportedly assumed in its entirety and upon which this transaction is being based and now this Third Application for Consent filed.

The FCC Commissioners and staff are being asked to approve this transfer of control application based on the "pretty picture" that is being presented by counsel for the Applicants and this response is to elaborate on why such a request should be flatly rejected by the Commission.

This respondent also refers the Commissioners and staff to the December 3, 2002 GlobalAxxess Response filed in response to the attachment "*August 9, 2002 Bankruptcy Transcript of Arthur B. Newman*" where he clearly testified to the Bankruptcy Court that the Hutchison and STT bid was clearly preferable because "*it did not have any conditions of due diligence*".

By the end of this document and cross-referencing to the Attachment A Disclosure Statement and the Hutchison – ST Telemedia Purchase Agreement, we trust that the FCC Commissioners and the staff will better understand just what type of charade is being played out in front of the FCC by the Applicants and in front of the United States Bankruptcy Court and others collaborating with them in this concerted effort. Furthermore, we trust that the Commission will better understand why "due diligence" is something to be feared and avoided by Global Crossing at all cost. "Due Diligence" is also a matter that some of the major Global Crossing creditors are trying to avoid for reasons you are about to learn.

Hutchison and ST Telemedia have been in collusion with Global Crossing since long before the filing of the Chapter 11 bankruptcy both as partners in Asia Global Crossing and in collusion to what has been presented to the bankruptcy court and this Commission.

Hutchison and STT were proposing from day one to blow out the common and preferred shareholders of GCL just so they could "re-leverage" the books with high-yield debt and walk off with the Global Crossing assets "cheap" and basically financed by the Debtor. It is all disclosed in their Disclosure Statement and other bankruptcy filings and Transaction Documents.

If anyone were to analyze exactly what is proposed as this Respondent has and weigh that against the "balance sheet" requirements exacted upon the Debtor under the Purchase Agreement and the fact that other non-bankruptcy assets will be leveraged for working capital, this is virtually a 100% Debtor financed takeover engineered for the sole purpose of evading due diligence and close scrutiny of their assets, contracts and books.

In addition to putting high yield debt back into the formula after they have so neatly disposed of billions in bond and stockholder investments, the Disclosure Statement proposes that two non-debtor entities (GCUK and GSM) will be leveraged for up to $150,000,000 in working capital by pledging them as collateral. In short, this entire bankruptcy is just a strategy to get rid of the investors and creditors, billions of dollars of losses being inflicted upon the investing public and many of the creditors that are not "insiders" and start the entire process over again.

However, that is only part of the story and that is not even the ugly part of the story.

On page 60 of the Hutchison Whampoa / ST Telemedia Asset Purchase Agreement with Debtor Global Crossing the following is disclosed:

> ***"Hutchison Confidentiality Agreement" shall mean the Confidentiality Agreement, dated as of June 25, 2001, between the Company and Hutchison Whampoa Ltd, as amended.***

See Attachment 2 herein for this section of the Hutchison – STT Purchase Agreement and refer to separate ECFS filing **Attachment A** immediately after filing of this document.

On page 66 of the Hutchison Whampoa / ST Telemedia Asset Purchase Agreement with Debtor Global Crossing the following is disclosed:

> ***"ST Telemedia Confidentiality Agreement" shall mean the Confidentiality Agreement, dated August 23, 2001, between the Company and ST Telemedia, as amended.***

See Attachment 2 for this section of the Hutchison – STT Purchase Agreement and a separate ECFS filing **Attachment A** immediately after this document.

In their own Purchase Agreement, they admit that they started the process well before GCL filed for Chapter 11. In October 2001, John Legere came over from Asia Global Crossing as CEO of Global Crossing. In November 2001, Global Crossing was still touting its strength and viability through comments made by Legere and that bankruptcy was not on the horizon nor was there a need for outside investors.

By their own admission, Hutchison signed its Confidentiality Agreement on **June 25, 2001 [emphasis added]**, or 217 days before GCL filed Chapter 11 on January 28, 2002.

By their own admission, STT signed its Confidentiality Agreement on **August 23, 2001 [emphasis added]**, or 158 days before GCL filed Chapter 11 on January 28, 2002.

While both Hutchison and STT want the U.S. Bankruptcy Court and the FCC to believe that they came in as "eleventh hour White Knights" and Blackstone's Newman testified[1] basically to that effect, nothing could be further from the truth.

This Respondent reiterates that Mr. Steven J. Green and Mr. Newman know each other according to certain media databases linking names and companies to each other. Furthermore, the Applicants have again misrepresented the relationship and role that Mr. Green is playing in this matter and such is disclosed later in this document.

We highly recommend that FCC demand to see full and complete copies of these 2001 Confidentiality Agreements and what was disclosed pursuant to such agreements. No Confidentiality Agreement can survive appropriate notice and judicial scrutiny from a court of competent jurisdiction or regulatory authority to request a full copy of what was exchanged between HW, STT and Global Crossing. That demand for disclosure should be extended to include anything that was exchanged between Asia Global Crossing and Global Crossing without exception.

The Commission will better understand why when it gets full disclosure of these documents.

Many of the telecom bankruptcy cases that are being wrapped up with this FCC being one of the last hurdles were not freaks of nature, failures due to market competition, or accounting fraud or even failures due to their high-yield debt loads. Many of the bankruptcy cases are engineered with the specific intent of taking the assets away from investors, abusing most of the creditors and blowing out the shareholders. The articles referenced in the footnotes[2] are making reference to abusive small stock transactions however, on a larger scale there are many who have devised strategies that go between Canada[3], Caribbean and other jurisdictions that are way outside of the SEC ability to monitor and enforce in non-U.S. jurisdictions.

In short, much of what we are all witnessing are actually engineered bankruptcy cases to deprive investors of their property and money and are done with forethought, malice towards the investing public, and wanton greed.

This Respondent has conducted full due diligence on many failing telecom and IP networks. That process started in February 2001 with Viatel, Inc. This is not the appropriate forum to disclose what we found other than to say we found a form of telecom fraud that has yet to be reported in any media source we have seen. This Commission would have to dig deep to find Blackstone Group in Viatel and how they were involved in that network and tried to take it over under another name. They were

[1] See GlobalAxxess Response dated December 3, 2002.
[2] Matthew McClearn, *Predator or Prey?* Canadian Business, October 28, 2002 http://www.canadianbusiness.com/features/article.jsp?content=49390&page=1

[3] Mark Brown, *Blame it on Canada*, Canadian Business, October 28, 2002 http://www.canadianbusiness.com/features/article.jsp?content=49408

there, Viatel management confirmed it and once we knew where to look, we did find that Blackstone was indeed involved in Viatel initially as Blackstone and then later where their significant investment was hidden behind the name of another "private equity player".

Recent fines levied upon Wall Street firms by New York Attorney General Eliot Spitzer for "illegally fluffing up valuations" ($1.44 billion, December 19, 2002) and the SEC and state regulators assessment of fines for $1.4 billion (April 28, 2003) are just the other end of the spectrum of what is being done to "illegally trade bond and stock valuations" straight into bankruptcy for easy takeovers through concerted and collaborative schemes of shorting stocks and naked shorting to crater the valuations of publicly traded debt and stock shares.

"Naked short" transactions are illegal in the United States but are legal and common practice in certain unethical trading circles in Canada, the Caribbean and other jurisdictions outside of SEC control. That certain U.S. based companies and wealthy investors know to utilize such avenues to achieve certain ends and objectives should not come as a surprise to this Commission, or if it is a surprise it is time to wake up to the realities of the global trading markets and how easy abuse is to inflict and rarely be held accountable.

It is called by many different names including *vulture capitalism, PIPES, death spiral financing and death spiral trading, CDO, CLO, toxic convertibles, toxic warrants* and is being put right underneath the noses of our bankruptcy courts and the FCC, all wrapped up to conceal what it really is. What it is in its sheerest essence too often is premeditated intent to steal under color of law, hide behind "frustration of jurisdiction and venue" and behind a menagerie of alter egos.

The instruments are then placed into and transactions handled through offshore hedge funds in both legal and illegal methods. Many of those apparently "offshore" hedge funds are actually under the direct control, ownership and guidance of certain Wall Street firms, private equity firms, and wealthy "major customers" of those Wall Street and private equity firms. Some of the offshore funds are directly controlled by the wealthy investor or companies and only affiliate with Wall Street and others when needed.

How many FCC Commissioners, or SEC for that matter, are aware that many SEC registered securities are done as "senior notes" or "high yield bonds" for registration purposes and once placed are then "re-structured" into CDO [collateralized debt obligations] or CLO [collateralized loan obligations] instruments that are not registered, structured as "death spiral finance" deals, placed offshore, and then abusive trading can kick in on a telephone call or a trading system command?

FCC approval for transfer of control is required by STT and Global Crossing to put the "final touches" on just such a scam.

This Respondent can assure this Commission that what we found was not something we wished to find, nor was it a job we sought when hundreds of thousands of investors turned to us for help. These investors knew they had been harmed by some extraordinary and very sophisticated techniques and did not know what to do about it. Many of those same investors now know that certain class action law firms[4] are indeed in bed with the parties that harmed them and are only chasing the D&O insurers for a remedy that decidedly favors the class action attorneys over investor interests. In February 2001, we found a trail that led straight to WCG and Global Crossing, both recent bankruptcy cases in SDNY, both hired Blackstone as financial advisor, and both transfer of control matters came before this Commission.

What is being done in the capital markets and pushed through the bankruptcy courts is a strategy and has every appearance of being designed to undermine deregulation, possibly violate U.S. and foreign antitrust laws and take over vast blocks of capacity and assets for a select few.

This Respondent is of the position that the "select few" do not in fact have entitlement to "super rights" in our capital markets where they can inflict financial damages on the unsuspecting at will through illegal trading practices or commercially abusive practices, the end objective of which is transfer of wealth by illegal means wrapped under "color of law" and "frustration of jurisdiction and venue". No person in the United States is above the law and that is a fundamental underpinning of what makes our system work. When that fails to work properly, much fails to work at all. The absence of "enforcement" is in large part why our capital markets are depressed and few investors have faith in the regulatory processes.

Global Crossing spun off Asia Global Crossing in 1999 and did so in such a manner that Hutchison Telecom and ST Telemedia became partners in that venture with Global Crossing. That they are the only buyers / investors given any chance to acquire Global Crossing assets in 2002 is both a conflict of interest and part of an overall desire to evade due diligence.

This Respondent is well aware of the AGC Chapter 11 filed in November 2002 and the proposed China Net acquisition of that network pending transfer of control approval and final approval by the bankruptcy court and CFIUS.

The entire Global Crossing bankruptcy is replete with conflicts of interests from Blackstone / Citizens Communications acquisition of Frontier Communications ILEC to the inherent conflicts between AGC and GCL and GCL and STT.

Since this matter was filed by the Applicants Hutchison, ST Telemedia and Global Crossing, they have evaded direct responses, they have failed to provide required information on their own initiative, and have generally tried to posture this matter before the bankruptcy court and the FCC as a "pretty picture" deserving of your full blessings.

[4] See GlobalAxxess filing dated May 9, 2003.

In section 8.10 (inserted below) of the Hutchison – STT Purchase Agreement is a provision that was rarely seen in the past but is becoming more and more common in this age of fraud inside of many companies and how they are conducting business, hiding truth and assets behind veils and generally conducting commercially abusive business practices with the intent to do so.

In fact, many PIPES, toxic convertibles, CDO, CLO, death spiral financing transactions are intentionally kept out of disclosure and the public view. Many of them intentionally build in "frustration of jurisdiction and venue" and "confidentiality" provisions to keep from being stopped from conducting illegal or commercially abusive business practices or discovery. To keep the public from finding out what is being done to them.

This Respondent has many documents that are directly tied to fraudulent business dealings of certain telecoms, cable operations, securities issues, death spiral financing documents and related matters. In a nutshell, the following provision is to keep such conduct from ever being reviewed by a jury. A group of peers that might just personally take exception to such abusive practices when they hear the evidence and remember that such people bankrupted their parents, the juror themselves, blew out the retirements of their family and friends (or themselves) or caused such huge losses to unsuspecting investors that they lost all they had; many times losing even homes and marriages, nuclear families. Meanwhile, the "deal doers" party and gloat in the closing of their deals and laugh that the suckers never knew what hit them.

No FCC, greed is not good. It ruins lives, wrongfully enriches others, and is not what the United States purportedly stands for in any manner whatsoever.

What is particularly disgusting is watching our bankruptcy courts, our regulatory agencies be duped and basically condone a "no harm, no foul" position when the lives of many United States citizens are being plowed under by such preplanned conduct and by certain insider parties that know how to manipulate the process under "color of law".

This Respondent asks that you read it and think about it. Consider who you personally know that was plowed under by corporate fraud in the past several years, Wall Street greed, retired persons who have had to go back to work due to bankruptcies that were planned long in advance with the intent to take the assets for a select few, the revenues, and the value away from those that invested in good faith, to receive only in return being robbed through premeditated intent to steal from them.

> *8.10 Waiver of Jury Trial. THE COMPANY AND THE INVESTORS HEREBY WAIVE ANY RIGHT THEY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY ACTION, PROCEEDING OR LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT OR THE OTHER TRANSACTION DOCUMENTS.*

That is still just the tip of the iceberg and the Applicants before this Commission are asking you to put a rubber stamp and your blessings on a fraud that is postured in front of you as "color of law" both in the SDNY bankruptcy and by the Applicants before this Commission.

It is an easily verifiable fact that Blackstone Group is the financial advisor to Global Crossing in its Chapter 11 bankruptcy.

It is an equally verifiable fact that Citizens Communications has as a significant and controlling shareholder in Blackstone Group Private Equity by virtue of its investment in Centennial Cellular, rolling that into Citizens Communications and then rolling that into Adelphia Communications. SEC records can verify all of that for the FCC if anyone will follow a trail of facts once it is made known to the Commission.

It is reasonably apparent that a "transfer of control" in the Adelphia matters might be forthcoming and it is time for this Commission to start paying attention to who in fact the underlying parties are and what their true motives are.

With all due respect, private equity investors from around the world and their objectives of globalization do not outweigh the Constitutional and legal rights of the hard working citizens of the United States within the boundaries of our own homeland. Nor do they have superior investor rights to the citizens of this country where their investments, their futures and their retirements can be "taken under color of law" and our regulators do nothing about it but look the other way and slap wrists for multi-billion dollar robberies.

This Commission and its staff might be appalled at how many U.S. firms do not believe in that premise or respect the national security or sovereignty of the United States if those matters are weighed against dollars to be made by those persons and firms that consider profits and money in their accounts as more important than right or wrong. How some of these "select few" earn that money is immaterial and secondary to the fact that they could pull it off and laugh in the faces of the regulators that purport (or pretend) to protect the rest of us.

However, the " too big to fail" or "too big to be held accountable" reluctance of regulators, law enforcement and judicial authorities to hold people accountable for such conduct is not "coming clean in the wash" with the American public. There is not an executive, an investment banker, a broker or a trader on Wall Street or any other location that Wall Street, maintains a presence, or any bank or any corporation that is not expendable or replaceable with someone of higher morals, more exacting business ethics, or integrity.

If the Commission were to contact the U.S. Trustee Carolyn Schwartz in the SDNY bankruptcy court and demand answers to the right and the hard questions, it would learn that Blackstone played a key role in creating "financial advisor analyses of the Debtor" in the Williams Communications and Global Crossing bankruptcy cases

where an "Official Equity Holders Committee" was denied in both bankruptcies. However, where Citizens and Blackstone have a "shareholder interest" to defend in the Adelphia Chapter 11 bankruptcy, that same committee status was approved even while Adelphia had published public comments that it had "no idea" if its "assets and liabilities" numbers were correct.

The formula for calculating if a formal Official Equity Holders Committee will be appointed is based on whether or not the Debtor has equity remaining for the shareholders for distribution under any plan of reorganization. If the Debtor itself cannot even verify the veracity of the schedules filed as to accuracy, a snap decision by the U.S. Trustee in favor of Adelphia shareholders (including Blackstone) seems somewhat ludicrous when it was Blackstone advice as financial advisor that led to no committees being formed for the shareholders in the WCG or Global Crossing bankruptcy cases.

The facts speak for themselves if anyone would bother to check them out in the Adelphia, WCG and Global Crossing bankruptcy cases. In two bankruptcy cases where Blackstone was financial advisor to the Debtor (WCG and GCL) its recommendations were used to deny shareholder committees. In a current bankruptcy case (Adelphia) where Blackstone is not advisor to the debtor but is a shareholder party the committee was granted.[5]

It would not take much digging by the Commission to verify that Blackstone, Dr. Leonard Tow, Scott Schneider and Rudy J. Graf are all part of a Blackstone Private Equity investment play starting with Centennial Cellular and subsequent merger with Citizens Communications.

The purported "valuation" disclosed in the Global Crossing Disclosure Statement of $407 million based on a $250,000,000 investment, and that there is enough equity in GCUK and GSM to leverage $150,000,000 in working capital really does dispute U.S. Trustee Carolyn Schwartz and Blackstone's reasons for denying the Official Equity Holders Committee. The reason for doing so should be apparent; no due diligence by the shareholders and their learning about the Frontier – Citizens – Blackstone's dealings to the detriment of Global Crossing and its shareholders and the leaving of $600,000,000 of Frontier debt on the books of GCL being just one reason for not wanting an Official Equity Holders Committee in the Global Crossing bankruptcy. Such might derail or otherwise complicate their "deal".

If the Commission were to dig deep enough, it would find that Blackstone was acting as "advisor" to the State of California and Governor Gray Davis [specifically Blackstone partner Michael Hoffman, head of the WCG financial advisor team in that recent bankruptcy] at the same time as WCG parent Williams Companies (WMB) was under investigation by both California and the FERC.

[5] http://www.usdoj.gov/ust/r02/pdf/adelphia/AdelphiaCommitteeAppointment.pdf

Shortly thereafter, Blackstone is selected as financial advisor [Michael Hoffman again] to WCG and manages to find an investor at 315 Park Avenue NY, NY, when their address is at 345 Park Avenue, NY, NY. It was touted as yet another "eleventh hour" save by the Blackstone Group and a Bahamas based company that put the Newco in Nevada so the "abusive short trading" favor could not easily be returned. Under Nevada corporation law and as a defense against "illegal naked shorts and collaborative abusive shorts", the shares of the company can be eliminated for "any desirable reason" and start over. It is just all part of the post-bankruptcy strategy when what put the company into bankruptcy in the first place was either unethical, or commercially abusive, or just downright illegal.

Blackstone was the financial advisor of WCG and is financial advisor to GCL in bankruptcy. This is a fact that can be easily verified by the FCC or anyone else. The other matters require a little more digging to get at the facts.

If a telecom or cable company just happens to be the Debtor, the FCC is being pulled in as a key "last hurdle" in the transfer of control issues and transfer of licenses.

If the Bankruptcy Courts cannot see through the obfuscation and do their job to protect the interest of parties who are being systematically denied legal and property rights and possibly even the deprivation of Constitutional property rights, or being duped as well, this Respondent believes that it is becoming more important every day that this Commission rise to the challenge and defend the rights of those are not only affected on loss of investments and property but also on what may be a systematic undermining of deregulation when it involves a telecom transfer of control put before this Commission.

Hutchison signed the Confidentiality Agreement on June 25, 2001 and on June 29, 2001 Blackstone controlled Citizens Communications purchased Frontier Communications from Global Crossing at a price of $3.6 billion[6] and $600,000,000 in debt of Frontier was left on the books of Global Crossing, which was already planning for bankruptcy and the HW-STT deal. It is fairly easy to do the chronology, and do the math. The SEC has numerous 13-D filings by Blackstone regarding Citizens Communications and Centennial Cellular. SEC records also link the names of Blackstone, Rudy J. Graf, and Scott Schneider.

There is no conspiracy theory about it. What this Respondent is quoting is straight from the direct written words of the Applicants and the Debtor and the "terms and conditions" of the deal they have put forth and the Disclosure Statement filed by Debtor GCL. The Applicants cannot dispute facts without showing their true colors and true intentions.

One read of the separately filed Attachment A Disclosure Statement and a comparison to what this Respondent is disclosing herein and both GCL and STT are withholding from disclosure should be all that need be said as to them withholding information and the true intent of Applicants GCL and STT.

[6] http://www.globalcrossing.com/xml/news/2000/july/12.xml

Under that same list of "definitions" on page 64 is the following:

> *"Public Debt" shall mean GCL Holding's $1,000,000,000 of 8.70% Senior Notes due August 1, 2007, GCL Holding's $900,000,000 of 9.125% Senior Notes due November 15, 2006, GCL Holding's $1,100,000,000 of 9.5% Senior Notes due November 15, 2009 and* ***GCL Holding's $300,000,000 of 7.25% Unsecured Noted due May 14, 2004, Frontier Corporation's $100,000,000 of 9% Unsecured and Unsubordinated Debentures due August 15, 2021, and Frontier Corporation's $200,000,000 of 6% Dealer Remarketable Securities due October 15, 2013. [emphasis added]***

Global Crossing acquired Frontier Communications for $11.2 billion in stock[7] and the debt listed above during a time that investor confidence was high in Global Crossing and its market capitalization was apparently solid[8], notwithstanding that it was based on appearance more than substance. STT and Hutchison were involved in the overall scheme of things through AGC and what the overall strategy is and what the Applicants want FCC to blindly agree to under the current Third Application for Consent for Transfer of Control.

Less than one year later, the Frontier ILEC was sold to Blackstone controlled Citizens for $3.6 billion more or less (at a huge loss to the GCL purchase of $11.2 billion) and left on the GCL books was $600 million of Frontier debt. To further the preposterous, Citizens is now in the bankruptcy case as an adversary proceeding seeking additional monies for the ERISA controlled pensions after they cut a deal that left $600 million in Frontier debt on the books of Global Crossing and seeking money and the termination of the Pension Plan.

On Page 52 of the Debtor's Disclosure Statement:

> *(vi) the right, title and interest of the Company and its Subsidiaries in the employee pension plan that is the subject to the adversary proceeding brought by Citizens Communications in the Bankruptcy Case, Adv. Proc. No. 02-2157, including the right to terminate the plan and recover the surplus, if any;*

To push the term "preposterous" to even high levels, the Chairman of Citizens Leonard Tow and Vice Chairman Scott Schneider sit on the Adelphia Official Equity Holders Committee. Mr. Schneider has served at several companies with Rudy J. Graf, a past or present partner in Blackstone Group including Citizens Communications.

To demonstrate just how downright manipulative these "deal doers" really are in obfuscating facts, let's all "do the math" that Blackstone presented to the U.S. Trustee to establish a basis for not allowing an Official Equity Holders Committee in the Global

[7] http://boston.internet.com/news/article.php/1562621
[8] http://www.internetweek.com/story/INW19990719S0006

Crossing bankruptcy. First, take the entire assets and liabilities filed by Global Crossing at time of the Petition, which was in fact $12.4 billion in debt and about $22 billion in assets.

Then "write down" $8.0 billion in "asset impairment" so that the numbers appear to leave nothing for the preferred and common shareholders of Global Crossing and therefore no Official Equity Holder Committee allowed. But, what does that $8.0 billion in asset impairment really represent?

$7.7 billion in asset impairment alone on the Blackstone / Citizens Communications deal ($11.2 billion minus the $3.62 billion paid and probably discounted for the $600,000,000 in Frontier debt left on the GCL books) and an additional $300 million in "impairment" due to the IPC asset being removed from Global Crossing by Goldman Sachs.

Maybe it is just this Respondent, but this seems to smack of "expediency for the sake of the deal doers" and those that have plundered Global Crossing and now need to push this through the process so they can get "exculpation".

This Respondent is not making up a conspiracy. The above statement was taken straight from page 52 of the Global Crossing Disclosure Statement filed with the United States Bankruptcy Court, purportedly under penalty of perjury. We are basing our position on their own documents and information provided that this is all a carefully contrived "picture" for the bankruptcy court and this FCC review process for transfer of control. They have an end objective that the FCC approval is needed to achieve.

In fact, this Respondent believes that this entire Global Crossing matter should be subjected to due diligence to find out what it is that they do not wish for anyone to find.

There should not be anyone at the FCC that has not heard that Global Crossing plundered Frontier Communications and that many Frontier and Rochester Telephone employees have been harmed and their lives upended. By reading the entire Attachment A Disclosure Statement and the HT-STT Purchase Agreement and paying attention to the details, a reader would learn that Frontier debt was left on the books of Global Crossing knowing full well that it was planning bankruptcy and now the acquiring party Citizens (major investor Blackstone Group, financial advisor to this Debtor that wants "no due diligence") is back at the trough for more. The key here is in understanding the issue and asking a key question:

How does one acquire a company and not assume its debt without defrauding somebody?

The correct answer is that it was a strategy all along, an insider play and probably a premeditated act of fraud. Therein lies the fraud and all parties knew that they would just blow the debt out in the bankruptcy if it were handled right. Hence, the aversion to due diligence by GCL and STT and others.

We ask that this Commission do the chronology:

- Hutchison signed its Confidentiality Agreement on June 25, 2001.

- Blackstone / Citizens acquired Frontier for almost $8 billion less than GCL paid for the Frontier ILEC on June 29, 2001 and left $600 million on GCL books. ($7.58 billion to be exact and when factored for the $300 million slipped out the back door to Goldman Sachs, just miraculously equals $7.8 billion in "**Liabilities Subject to Compromise**" shown on page 39 of the Disclosure Statement).

- STT signed its Confidentiality Agreement on August 23, 2001.

- John Legere comes over from Asia Global Crossing (not AT&T, Sprint or some other telecom or "corporation held in high regard") in October 2002. This Respondent has from a very reliable source that Mr. Legere demanded a $3.5 million bonus for "service above and beyond". Federal authorities should verify if he was paid by check and signed by someone at GCL, or if our source was accurate that no one would sign that check and the funds had to be wire transferred to Mr. Legere.

- John Legere assured GCL investors in mid-November 2001 that there was no bankruptcy coming and there was no need for outside investors.

- On November 16, 2001 Goldman Sachs signed an agreement to remove an asset of GCL about 45 days before the Chapter 11 was filed. IPC = $300 million of the "**Liabilities Subject to Compromise**" shown on page 39 of the Disclosure Statement. Merry Christmas to Goldman Sachs and down with the rights of the GCL shareholders, debt holders and the creditors who have not been able to control the process.

- On January 28, 2002 GCL filed bankruptcy and the HW-STT offer of $750,000,000 was filed. The Official Equity Holders Committee appointment is denied due to a phantom $8.0 billion asset impairment that the Debtor just feels compelled to recognize.

- On March 25, 2002 the U.S. Bankruptcy Court approved the auction of the assets under § 363 of the Code and set the initial date for the auction on June 20, 2002. That date was later extended to July 11, 2002.

- July 11, 2002, none of the bids were disclosed to the Court and the Debtor's agreed to do a $250,000,000 deal with HW and STT after it had already been in planning for over a year and the $750,000,000 offer was no longer the "benchmark" for all other potential bidders that were only allowed so the "record would look good". This Respondent is not sure

about all bidders, but we do know who some of the bidders were and this Respondent and those known bidders were demanding due diligence.

- August 9, 2002 a hearing was held and none of the bidders were notified. Arthur B. Newman of Blackstone clearly stated that the HW-STT deal was "very attractive" because it did not have a condition of due diligence. This Respondent respectfully points out to the Commission that part of the Blackstone attraction to "no due diligence" is directly tied to the Citizen's – Frontier deal and that $600,000,000 of Frontier debt was left on the GCL books, and now the matter of what is left to get out of the Pension Fund (Adversary Proceeding 02-2157).

If the Commission will take the time and effort to dig deeper "to ascertain the truth", which this Respondent believes is a mandate of the FCC in matters such as this, the following facts should be looked into:

Gary Winnick is in fact a former Michael Milken co-defendant. That is a matter of public record.

UNITED STATES COURT OF APPEALS

FOR THE SECOND CIRCUIT

No. 1371 August Term, 1995

(Argued: May 3, 1996 Decided: August 26, 1996)
Docket No. 95-9072

PRESIDENTIAL LIFE INSURANCE COMPANY,
Plaintiff-Appellee,
TLC BEATRICE INTERNATIONAL HOLDINGS, INC.,
Movant-Appellant,

v.

MICHAEL R. MILKEN; et al and including: **LEON BLACK = Apollo Advisors = Blackstone; MARK ATTANASIO = Trust Company of the West DISTRESSED ASSETS, former Global Crossing board member, current Asia Global Crossing board; JEFFREY CHANIN = Chanin Capital Partners (Los Angeles); BRUCE RABEN = Argosy Partners = CIBC = GLOBAL CROSSING, over $1.3 billion in profits on Global Crossing; ANTHONY RESSLER = Tony Ressler = founding partner of Apollo = Ares = Blackstone; MILKEN FAMILY FOUNDATION = Milken Institute = AIG ORION FUND investments into Israel and more. See Winnick and AIG ORION investing into Israel including FOXCOM Wireless with Singapore (another potentially undisclosed fact to the FCC)**; **PACIFIC ASSET ADVISORS = GARY WINNICK; PACIFIC ASSET CORPORATION = GARY WINNICK; PACIFIC ASSET HOLDINGS L.P. = GARY WINNICK; PACIFIC ASSET**

MANAGEMENT INC. = GARY WINNICK; PACIFIC ASSETS PARTNERSHIP = GARY WINNICK; PACIFIC CONTINENTAL PARTNERS = GARY WINNICK; RA PARTNERSHIP = RAPID AMERICAN = MESHULAM RIKLIS = STEVEN J. GREEN as a front man for Meshulam Riklis in McCrory's, Astrum International, Samsonite, E-II Holdings.[9]

> We briefly sketch the background of this appeal. It arises from the bankruptcy of Drexel Burnham Lambert Inc. ("Drexel") and from various activities of Michael Milken and others affiliated with Drexel that have generated a considerable volume of litigation arising under federal securities law. See In re Michael Milken and Associates Securities Litigation, 150 F.R.D. 57 (S.D.N.Y. 1993). In February 1992, negotiations resulted in an agreed framework for the settlement of all such claims ("**Milken Global Settlement**") from a **$1.3 billion settlement fund**. As a condition of the Milken Global Settlement, **Milken and the other defendants insisted on their release from all liability to anyone arising from their Drexel-related activities**. The parties, with the participation of the district court, appear to have agreed that this condition could be met by bringing and settling a class action on behalf of all persons or firms who might have Drexel-related claims against the defendants and who were not then involved in the Drexel bankruptcy proceedings or in civil litigation against the defendants. The instant matter is that class action, appropriately described as "the Global Class Action."

One of the current board members of Samsonite (E-II Holdings[10]), post-Steven J. Green, is Leon Black[11] of Apollo and Blackstone.

There is no "conspiracy theory" here. The above is part of a publicly available U.S. Court of Appeals record that eventually resulted in Michael Milken being sent to prison and his co-workers being fined $1.3 billion and allowed for some inexplicable reason to keep their securities licenses and be unleashed back on an unsuspecting public.

Out of this long list of co-defendants, and the above list is extremely abbreviated, how many at SEC or FCC know how many "persons" were banned from the securities industry or had their licenses revoked?

The correct answer is one; Michael Milken.

Out of the recent fines levied by the New York Attorney General and the SEC, how many "persons" were banned from the securities industry?

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[9] See GlobalAxxess filing dated May 9, 2003
[10] See GlobalAxxess filing dated May 9, 2003.
[11] http://www.samsonite.com/global/doc/corp02.pdf;jsessionid=VAA5VVI1ADC2WZKGWPWDNBA

The correct answer is two; Blodget and Jack Grubman. Both of them analyst but the brokers, traders and investment bankers behind the worst part of the abuse and the damage still have their securities licenses, still able to do harm to the investing public. None of the offshore hedge funds doing most of the abuse and damage were fined even $1.

How many at the FCC know that Sanford "Sandy" Weill, chairman of the most heavily fined company Salomon Smith Barney, was the former Number 3 executive at Drexel, Burnham & Lambert, i.e. the Milken firm?

This Respondent used to be an affiliate of Smith Barney and severed that relationship following the acquisition of Smith Barney by Sanford Weill, Travelers Group and what almost overnight turned into a complete and total decay of the morals and ethics of that company. It was no longer the John Houseman – Smith Barney ads of "*We are Smith Barney. We make money the old fashioned way. We earn it*." It rapidly turned into being a corporate motto [cited internally by some employees to mock the new dishonesty of the corporate body] and internal policy of greed; "*We are Smith Barney. We make money the old fashioned way. We rob you*." I was there. I left because I personally refused to be a part of it. I was inside and it was not protection enough from the persons that are allowed to run amuck inside of that company and screw anybody or anyone in sight, including affiliates of the company if money was involved. It was not even safe inside for me as an affiliate when it came time to cover up a fraudulent REIT underwriting and I had something they wanted to cover up their misdeeds.

No FCC, and no SEC, it is not safe for American investors to go back into the waters. The waters are still infested with unregulated sharks all on the hunt for the next prey. These pretenses of regulatory oversights and "toughening" of the laws are not close to being enough to be deemed protection for the normal citizen. American investors are not safe under the un-watchful eyes of our regulators when those that have and can do the most damage have gone unpunished again just as they did in the Milken case and the next major calamity they created by their hands was Global Crossing.

Is that what America is all about now? Greed is good and plunder all they wish for there will only be fines for plundering and criminal conduct and they do not even have to surrender their securities licenses? Is it any wonder that they laugh at our regulators after paying $1.44 billion and $1.4 billion in fines and that was only a pittance compared to what was taken from hard-working Americans?

All we have done is trace the names and what they do now. This Commission should be astounded by how many former Milken co-defendants are no longer involved in junk bonds but are involved in creating "junk bond status" for easy takeovers in bankruptcy. Please refer back to that Milken list above for there was one sitting on the Asia Global Crossing board. If the particular company happens to be a telecom or IP network, this is all being put under the FCC noses as a deal that is all "dressed up" for your approval.

When this all comes out, this Commission will see quite clearly that many of the former Milken co-defendants have not changed their "spots" or their predatory lifestyles. As history has proven, they have little to fear from our regulators or enforcement of our laws and it is too profitable to stop plundering the American public and any other nationality foolish enough to invest in our capital markets that are regulated only under a "pretense" of regulation.

If the Commission will refer to page 59 of the separately filed Disclosure Statement and compare to the above excerpted list of Milken co-defendants it will learn an interesting and disgusting fact.

It will learn that a former Milken co-defendant, a former co-defendant affiliated with none other than Gary Winnick, also a Milken co-defendant, Chanin Capital Partners is **the financial advisor to the Creditors Committee in the Global Crossing bankruptcy**. [emphasis added]

Conflicts of Interest abound in the Global Crossing charade. Where will it stop? Will it stop at the FCC? In a massive RICO action and everyone is ordered to do their job?

When the debtor is already planning a bankruptcy and someone steps in to buy a key asset and leave debt on the books of a "to be" debtor in bankruptcy, and it is planned to blow the debt out any way or seriously impair them as an accommodation to insiders, the word "fraud" should come to mind for that is probably exactly what it is.

To further complicate the problem, the U.S. Bankruptcy Code can go back in time one (1) year to recover assets of the estate that have been transferred, fraudulently or otherwise. The U.S. Bankruptcy Court and U.S. Trustee have not made any known effort to recover the Frontier ILEC or IPC Information Systems disclosed in the Disclosure Statement approved by the Court or remedy that the $7.8 billion in asset impairment that was used to deny an Official Equity Holders Committee was a complete sham. We trust that this will be the first news the Court receives that the Creditors Committee Financial Advisor has prior conflicts with Winnick and also a former Milken co-defendant and possibly that Blackstone is now or very recently was part of Citizens Communications.

This Respondent submits that a "conflict of interest" is a conflict of interest by any definition and in the Global Crossing matter the conflicts that have been allowed to exist have reached the level of absurd.

Between Chanin Capital Partners advising the Creditor's Committee on one side and prior ties to Winnick and Blackstone advising the Debtor on the other side and both of them having "conflicts of interest", this Respondent fails to see how anything but a conflicted end result and a conflicted decision would result in **what to do about Global Crossing**.

Even though it was done as a comical farce, the Commission and staff should take a look at this website[12]. It is actually more factual than anything that has come out of Global Crossing in quite some time.

The Global Crossing Creditors Committee is advised by financial advisor CHANIN CAPITAL PARTNERS whose founder is a former Michael Milken co-defendant and prior relationships with Winnick, several Blackstone partners, and other parties involved in the bankruptcy as creditors. Blackstone's having as a partner Leon Black and prior relationships with Global Crossing's Winnick and CIBC's Ruben, et al, and all of them former Milken co-defendants. Those are indisputable facts.

The Global Crossing bankruptcy has as financial advisor Blackstone Group that apparently has profited from the actions of Citizens Communications acquisition of Frontier Communications. A former Winnick cohort is financial advisor to the Creditor's Committee of Winnick founded Global Crossing. Several accounts disclose that Leon Black was the person who introduced STEVEN J. GREEN and Gary Winnick. The conflicts do in fact exist. This matter is drowning in conflicts of interest and what appears to be the one of the biggest "CYA" jobs in history.

Later in this document, we will explain why that is so.

The Global Crossing bankruptcy brings forward as the only potential buyer of the assets a party who has been in bed with Global Crossing since 1999 in Asia Global Crossing and its ultimate parent, the Singapore government, has retained Steven J. Green as its agent in the United States. Short of firing Mr. Green, that is an indisputable fact. That link is provided later in this document.

Goldman Sachs acquired IPC Information Systems from GCL in December 2001 for $300 million but the Purchase Agreement with non-compete provisions was signed on November 16, 2001 about the same time as Mr. Legere was touting the GCL had no bankruptcy plans and needed no outside investors:

The following is an excerpt out of Our Asset Purchase Agreement that we intend to put before the Bankruptcy Court very soon:

EXHIBIT J - KNOWN DEBTOR AGREEMENTS HAVING NON-COMPETE PROVISIONS

1. Purchase Agreement dated November 16, 2001 among Global Crossing Ltd, Asia Global Crossing Ltd, Global Crossing North America Holdings Inc, Saturn Global Network Services Holdings Limited, IXNet Hong Kong Ltd. and Asia Global Crossing (Singapore) Pte Ltd and GS Capital Partners, L.P., GS Capital Partners 2000 Offshore, L.P., GS Capital Partners 2000 GmbH & Co. Beteiligungs, Kg, Bridge Street Special Opportunities Fund 2000, L.P., GS Capital Partners 2000 Employee Fund, L.P., Stone Street Fund

[12] http://www.globaldoublecrossing.com

2000, L.P., and GS IPC Acquisition Corp, relating to the sale of the Global Crossing Ltd entities' IPC Trading Systems divisions.

Respondent Note: For all "GS" entities noted above, "GS" stands for Goldman Sachs.

Again, an asset of the estate is not being pursued by the Bankruptcy Court for the benefit of all creditors and advising the Creditor's Committee is Chanin Capital Partners (conflicted) and the advising the Debtor is Blackstone Group (conflicted). There are also issues of breach of fiduciary duties by many creditor parties involved in this matter and they all apparently hope they can make it go away by getting FCC to approve transfer of control so they can get the Confirmation Order from the bankruptcy court. That matter is explained in detail below.

On or about November 14 or 15, 2001 was when the new Global Crossing CEO John Legere told the world that things were just "wonderful" at Global Crossing. The agreement with Goldman Sachs disclosed above did not materialize overnight. There were plenty of entities, attorneys, etc conducting "due diligence" on this contemplated "Purchase Agreement" transaction well before November 16, 2001.

The following documents are extracted from the Respondent's Asset Purchase Agreement, which is being prepared at this time for submission to the U.S. Bankruptcy Court, U.S. Trustee and a few other places.

There is a hearing scheduled for June 9, 2003 to consider the extension of the Debtor's Exclusivity Period for either the third or fourth extension of that period where only the Debtor can file a plan of reorganization. This Respondent intends to show that such has been nothing but a stalling and delaying tactic to get this deal through the FCC transfer of control process and prevent "due diligence" from ever occurring.

That the Debtor has to have a "financial sponsor" to do a Chapter 11 plan and the contemplated transaction is almost 100% funded directly or indirectly by the Debtor should be a clear indication to the FCC that this Debtor is absolutely not trusted in the world's financial and investor markets and having to rely on an insider to keep matters under wraps.

To keep "due diligence" from occurring is Job #1 at Global Crossing and all of its high paid advisors, many of its creditors and STT.

According to the filing made by Applicant STT to the FCC Commissioners on May 22, 2003, Global Crossing has 214 subsidiaries of which 80 have been listed under the bankruptcy. The 80 disclosed subsidiaries are disclosed in **Exhibit D of our Asset Purchase Agreement**.

The tables shown on the next four (4) pages are from the Respondent's Asset Purchase Agreement. The isolated table following the next four (4) pages disclosing new Global Crossing entities is from what Applicant STT filed with the FCC on May 22, 2003.

EXHIBIT D – INCLUDED DEBTOR ASSETS
& NON-DEBTOR ASSETS INVOLVED IN THIS TRANSACTION

1.	Global Crossing North America, Inc.
2.	Global Crossing, Ltd
3.	Atlantic Crossing, Ltd
4	Atlantic Crossing Holdings, Ltd
5	Global Crossing Cyprus Holdings Limited
6	GC Pan European Crossing Luxembourg I, S.a.r.l.
7	GC Pan European Crossing Luxembourg II, S.a.r.l.
8	GC Pan European Crossing Holdings B.V.
9	Mid-Atlantic Crossing Holdings, Ltd.
10	Global Crossing Holdings U.K. Ltd
11	Global Crossing International Ltd
12	Global Crossing Network Center, Ltd
13	Pan American Crossing U.K. Ltd
14	Mid-Atlantic Crossing Ltd
15	Pan American Crossing Holdings, Ltd
16	South American Crossing Holdings Ltd
17	Pan American Crossing Ltd
18	Atlantic Crossing Holdings U.K. Ltd
19	ALC Communications Corporation
20	Budget Call Long Distance, Inc.
21	Business Telemanagement, Inc.
22	GC Development Company, Inc.
23	GC Mart, LLC
24	GC Pacific Landing Corp
25	Global Crossing Advanced Card Services, Inc.
26	Global Crossing Bandwidth, Inc.
27	Global Crossing Billing, Inc.
28	Global Crossing Development Co.
29	Global Crossing Employee Services, Inc.
30	Global Crossing GlobalCenter Holdings, Inc.

EXHIBIT D CONT'D

31	Global Crossing Government Markets USA, Inc
32	Global Crossing Holdings USA, LLC
33	Global Crossing Internet Dial-Up, Inc.
34	Global Crossing Latin American & Caribbean Co.
35	Global Crossing Local Services, Inc.
36	Global Crossing North American Holdings, Inc.
37	Global Crossing Management Services, Inc.
38	Global Crossing North American Networks, Inc.
39	Global Crossing Telecommunications Inc.
40	Global Crossing Telemanagement VA LLC
41	Global Crossing Telemanagement, Inc.
42	Global Crossing USA, Inc.
43	Global Crossing Ventures, Inc.
44	GT Landing Corp.
45	GT Landing II Corp
46	MAC Landing Corp
47	Metaclorin Investco II, Inc.
48	PAC Landing Corp
49	Subsidiary Telco LLC
50	US Crossing Inc
51	IXNet, Inc.
52	GC St. Croix Company, Inc.
53	Equal Access Networks, LLC
54	Atlantic Crossing II, Ltd
55	Global Crossing Holdings Ltd
56	GT U.K. Ltd (filed on April 24, 2002)
57	SAC Peru S.R.L. (filed on August 4, 2002)
58	GC Pan European Crossing U.K. Limited (filed on August 30, 2002)
59	Global Crossing Network Center (UK) Ltd (filed on August 30, 2002)
60	South American Crossing Ltd (filed on August 30, 2002)

EXHIBIT D CONT'D

61	GT Netherlands. B.V.
62	GC Hungary Holdings Vagyonkezelo Korlatolt Felelossegu Tarasag (filed on August 30, 2002)
63	GC Pan European Crossing Nederland B.V. (filed on August 30, 2002)
64	GC U.K. Holding Ltd (filed on August 30, 2002)
65	Global Crossing Conferencing Limited (filed on August 30, 2002)
66	Global Crossing Europe Limited (filed on August 30, 2002)
67	Global Crossing Intellectual Property Ltd (filed on August 30, 2002)
68	Global Crossing Intermediate UK Holdings Limited (filed on August 30, 2002)
69	Global Crossing Ireland Limited (filed on August 30, 2002)
70	Global Crossing Services Europe Limited (filed on August 30, 2002)
71	Global Crossing Services Ireland Limited (filed on August 30, 2002)
72	Global Crossing Venezuela B.V. (filed on August 30, 2002)
73	IXNet UK Limited (filed on August 30, 2002)
74	Mid-Atlantic Crossing Holdings UK Ltd (filed on August 30, 2002)
75	PAC Panama Ltd (filed on August 30, 2002)
76	GC SAC Argentina S.R.L. (filed on August 30, 2002)
77	SAC Brazil Ltda (filed on August 30, 2002)
78	Global Crossing Portfolio Holdings Ltd (filed on August 30, 2002)
79	Global Crossing IXNet EMEA Holdings Limited (filed on August 30, 2002)
80	SAC Columbia Ltda (filed on August 30, 2002)
DEBTORS DOMICILED IN BERMUDA	
1	Global Crossing Ltd
2	Global Crossing Holdings Ltd
3	Atlantic Crossing Ltd
4	Atlantic Crossing Holdings Ltd
5	Mid-Atlantic Crossing Holdings Ltd
6	Global Crossing International Ltd
7	Global Crossing Network Center Ltd
8	Mid-Atlantic Crossing Ltd

EXHIBIT D CONT'D

DEBTORS DOMICILED IN BERMUDA CONT'D	
9	**Pan American Crossing Holdings Ltd**
10	**South American Crossing Holdings Ltd**
11	**Pan American Crossing Ltd**
12	**Atlantic Crossing II Ltd**
13	**Global Crossing Portfolio Holdings Ltd**
14	**PAC Panama Ltd**
15	**Global Crossing Intellectual Property Ltd**
16	**South American Crossing Ltd**
NON-DEBTOR ASSETS INCLUDED UNDER PURCHASE AGREEMENT or INTERESTS TO BE DEFENDED	
1	**Global Crossing U.K. Telecommunications Ltd**[13]
2	**Global Marine Systems Ltd ("GMS")**[14]
3	**58.8% ownership of Asia Global Crossing (now possibly worthless if transfer of control is granted to China Net.)**
4	**Pacific Crossing, Ltd (now in Chapter 11 itself as of July 19, 2002). 94.5% controlled by AGC and that controlled by Hutchison, STT, Global Crossing and others)**
ASSSETS THAT WILL SOUGHT FOR RECOVERY AS FRAUDULENT TRANSFERS	
	IPC Information Systems, Inc., purchased by Goldman Sachs December 20, 2001
	Frontier Communications ILEC, purchased by Blackstone Group controlled or influenced **Citizens Communications June 29, 2001**

Final Orders in bankruptcy have relatively uniform terms and provisions for the sale of assets under § 363 of the Code, the conveyance of assets to purchasers whether done under that section or done as part of a Chapter 11 plan of reorganization.

The following is one such provision that appears in most Final Approval Orders for the transfer of assets bought in auction or in a Final Confirmation Order and are all generally worded about the same.

[13] The HW-STT, Global Crossing proposal is to use this non-debtor subsidiary to leverage up to $150,000,000 in working capital.

[14] The HW-STT, Global Crossing proposal is to use this non-debtor subsidiary to leverage up to $150,000,000 in working capital.

J. The Purchaser proposes the Asset Purchase Agreement to complete the Sale in good faith, without collusion, and at arm's length and, as such, the Purchaser is a good faith purchaser of all of the Acquired Stock, if any, and the Acquired Assets (including the Assumed Contracts) and is entitled to the protections of Bankruptcy Code section 363(m) and other applicable provisions;

What is suggested by the foregoing is a "finding of fact". When the Court so finds based on the carefully concealed facts put before it, the finding is tantamount to a judicial approval of fraud instead of being "judicially noticed" of the fraud and taking the required action required by U.S. law.

The previous Joint Applicants Hutchison and ST Telemedia were anything but the definition suggested by the above excerpt of a Final Approval Order. The current STT Application is nothing but a re-positioning of this entire charade and asking that we all consider it as a different color. That we all look at it as a New Deal, hold our noses and approve it.

EXHIBIT D CON'TD

Respondent Note: The following subsidiaries highlighted in "bold" were disclosed by STT and GCL to the FCC in a filing dated May 22, 2003. The subsidiaries highlighted in bold have not been listed as debtors in the Chapter 11 bankruptcy of the Debtor and consolidated with the other subsidiaries.

COUNTRY	AFFILIATES
Argentina	GC SAC Argentina, S.R.L.
Belgium	**GC Pan European Crossing Belgie, b.v.b.a., s.p.r.l.**
Brazil	SAC Brazil Ltda
Canada	**Global Crossing Telecommunications Canada, Ltd**
Chile	**SAC Chile S. A.**
Denmark	**GC Pan European Crossing Denmark ApS**
France	**GC Pan European Crossing France, S.A.R.L.**
Germany	**GC Landing Co. GmbH**
Ireland	Global Crossing Ireland Limited

Italy	**GC Pan European Crossing Italia, s.r.l.**
Mexico	**Global Crossing Landing Mexicana, S. de R.L.**
Netherlands	**GC Pan European Crossing Nederlanden B. V.** **Global Crossing Europe Limited** GT Netherlands, B.V. IXNet UK Limited
Norway	**GC Pan European Crossing Norge As**
Panama	**Global Crossing Panama, Inc.**
Peru	SAC Peru S.R.L.
Spain	**GC Pan European Crossing Espana S.L.**
Sweden	**GC Pan European Crossing Sverige AB**
Switzerland	**GC Pan European Crossing Switzerland GmbH**
United Kingdom	GC Pan European Crossing U.K. Ltd Global Crossing (UK) Telecommunications Ltd. GT UK Ltd IXNet UK Limited
Uruguay	**SAC Argentina, S.R.L.**
Venezuela	Global Crossing Venezuela, B.V.
United Kingdom	**Racal Telecommunications, Inc.** **Global Crossing (Bidco) Limited ("GC Bidco")** **Global Crossing (Holdco) Limited ("GC Holdco")**
United States	**International Optical Networks**
	PC Landing Corporation
United States, Bermuda	**GC Acquisition Limited**
Bermuda	**Global Crossing Asia Holdings, Ltd**

A legitimate question arises of what is being hidden in those other 124 subsidiaries (214 minus the 80 they have disclosed) and now STT has disclosed an additional 23 subsidiary names not listed under the Chapter 11 in its FCC filing on May 22, 2003. Additionally, what is being hidden in the 23 subsidiaries disclosed by STT in its May 22, 2003 filing with the FCC?

According to the HW-STT Purchase Agreement and the Disclosure Statement, there is enough "equity" and valuation of GCUK and GSM to support a $150,000,000 working capital loan. That is a lot of assets to withhold from the creditors and shareholders of this Debtor estate who have lost billions and the new buyers are using Debtor assets as collateral to facilitate their deal. A close inspection of the entire deal will show that it is basically "debtor financed". This is explained in greater detail below as well.

This Respondent has come to the conclusion that most of the Global Crossing creditors do not fully grasp what is being done and how this deal is being structured to their detriment, not to their benefit.

<u>These STT – subsidiary relationships disclosed on May 22, 2003 were required to be disclosed the day HW and STT filed the original Application for Consent to Transfer Control before this Commission, without exception. Not disclosed now as a THIRD</u>

APPLICATION but required to be disclosed the day they made the initial and first application for transfer of control which was 149 days prior to February 14, 2003.

Respondent ACN made a good point in citing that these Applicants are not coming forth with the truth as required and the Commission is not expected to have to play procedural games in ascertaining the truth. HW-STT and now STT alone was and is required to tell the whole truth without having to be pursued to get at the truth.

Both ACN and this Respondent cautioned in the last responses:

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.*
>
> *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 1.747*[10] *of the Commission's rules or alternatively processing should be suspended until the dust settles at CFIUS and in the Bankruptcy Court.*
>
> [9]RKO General v FCC, 216 U.S. App D.C. 57, 71, 670 F.2d 215, 229 (1981) (internal citations omitted)
>
> [10]The rule reads: "When an application is pending or undecided, no inconsistent or conflicting application filed by the same Applicants, his successor, or assignee, will be considered by the Commission."

We reiterate, everything that STT has just now made known to the Commission in this **THIRD APPLICATION FOR CONSENT TO TRANSFER CONTROL & PETITION FOR DECLATORY RULING** filed on May 22, 2003 was required to be made known at all times during the pendency of the Joint Hutchison and STT applications before this Commission over the past 8 months, without exception.

Hence, this is yet another part of the reasons that "no due diligence" is so desirable to Applicant STT and the Debtor in bankruptcy.

The Commissioners and staff should view this Global Crossing matter as a bank robbery that has occurred and there is now a concerted attempt to hide matters, be evasive, steer a course of "no due diligence", diligently strive to paint a pretty picture, all in an effort to seek two things:

First, to get by with that bank robbery and leave the bank robbers in charge of the bank; and

Secondly, to not only get by with it but do so in such a manner that the bank robbers get the "blessing of the United States Bankruptcy Court" and "exculpation" for their misdeeds. As a final insult to the harmed and wiped out investors and abused creditors, FCC approval for transfer of control to people who seemingly cannot tell the truth to this Commission except when confronted or forced to do so.

This Respondent has suggested before and reminds this Commission again, when it conducts itself in such a manner after being notified that RICO actions are being prepared, this Commission does not need to move across the fine line of being regulators to the point of "aiding and abetting RICO conduct". Our next responses will be within the bankruptcy itself and the U.S. District Courts, which have exclusive jurisdiction to hear RICO cases.

This Respondent wants to clarify for the Commission exactly what is meant by that for it is not intended as a threat directed at the FCC. One of the remedies of RICO is disgorgement as an entitlement to a successful plaintiff as well as treble damages and payment of all legal costs and attorney's fees. RICO has in fact been asserted offshore including the injunctive relief provisions for a private plaintiff that is normally reserved for only the U.S. government or state attorney generals in state based RICO actions.

Even if the FCC approves this transfer of control application, the RICO actions that are being prepared on behalf of the many shareholders who have been harmed by GCL and all parties related thereto, the RICO actions will be seeking disgorgement and reversal of the bankruptcy final order as being the product of fraudulent misrepresentation, bankruptcy fraud and fraudulent inducement.

This Respondent is merely suggesting that the Commission probably does not desire or need to be affiliated or associated with what is really going on in this matter and what is about to be done about it by shareholders that already know the class actions are just a continuing part of looking the other way on what has really occurred at Global Crossing and are not effectively seeking true remedies for the shareholders but are seeking primarily monies for the class action attorneys.

They have done a masterful job of duping the bankruptcy court. They are trying to now dupe this Commission. We are trying to warn this Commission that they are trying to dupe you into this transfer of control and why that is so.

On pages 11 and 12 of the Debtor's Disclosure Statement is the following:

D. Settlement of Potential Litigation

The distribution of property described in the table above represents a negotiated settlement of a number of significant legal issues among the holders of Claims in Class C on the one hand, and Classes D, E, F, and G on the other hand, as well as the significant legal issues among Classes D, E, F, and G. Among those issues is the validity and priority of the security interests of the holders of the Lender Claims, the enforceability of guaranties provided by the Debtors, and to what extent a substantive consolidation of some or all of the Debtors should occur. The compromise reached by the parties was after extensive analysis and negotiations. The Debtors believe that the treatment provisions of the Plan constitute a good faith compromise and settlement of all those claims and is fair and reasonable to the holders of Claims in each of those classes. If the Plan does not become effective, all constituents retain their rights with respect to such legal issues. The Debtors also believe that their creditor constituencies are likely to receive a higher distribution under the Plan than they would after protracted litigation regarding such legal issues. The balance of this section is a description provided by the Creditors Committee of the negotiation process between the Lenders and the Creditors Committee and among the creditor constituencies represented by the Creditors Committee.

The treatment provided to the holders of claims in Classes D through G is the result of a negotiated resolution reached by the Creditors Committee on behalf of its constituents -- the holders of GC Holdings Notes Claims (Class D), GCNA Notes Claims (Class E), General Unsecured Claims (Class F) and Convenience Claims (Class G). The result was negotiated through a three step process. First, as part of the sale contract with the Investors, the Creditors Committee negotiated with the Lender Agent a sharing of Plan consideration between the holders of the Lender Claims (Class C) and the Creditors Committee constituents. Next, the Creditors Committee established a mechanism for allocation of resulting consideration among its constituents in Classes D, E, and F. Finally, the Creditors Committee negotiated with the Investors and other parties for the separate classification and treatment of General Unsecured Claims under $100,000 (Class G).

1. Sharing Agreement between the Lenders and the Creditors Committee

The Creditors Committee and its professionals performed an extensive analysis of possible litigation outcomes with respect to the Lenders and the Lender Claims. Among other things, the Creditors Committee examined: (i) possible claims against the Lenders, including the potential to recover prepetition payments made to the Lenders, under theories including fraudulent transfers and preferences; (ii) the extent to which the Lenders could enforce the guaranties and security interests (stock pledges and cash collateral account) purportedly held by the Lenders and the likely result of a challenge to those guaranties and security interests under preference and

fraudulent conveyance laws; (iii) the sale of the Debtors' ILEC business to Citizens Communications Company in June 2001, the use of a portion of the sale proceeds to reduce the Lenders' revolving loans under the Credit Agreement, and the history of the Debtors' draws under the Credit Agreement, both before and after the sale, which show that the Lenders later advanced back to the Debtors an amount equal to the full amount of the ILEC proceeds used to pay down the outstanding balances under the Credit Agreement; and (iv) the likelihood of succeeding on a motion to substantively consolidate (either partially or completely) the Global Crossing debtors.

On Page 12:

The Creditors Committee also concluded that, in light of the total consideration available for creditors under the Plan, equity in New Global Crossing was the form of consideration that would give Creditors Committee constituents the opportunity for the most meaningful distribution in these cases. The Creditors Committee considered that the Investors' acquisition of Global Crossing is taking place in the face of a very depressed economy for the telecommunications sector, but the Investors' strong sponsorship, including their financial wherewithal and strategic positions in the industry, were factors leading the Creditors Committee to this conclusion.

Based upon the Creditors Committee's litigation outcome analysis, the amount of creditor consideration available under this Plan, and the type of consideration (equity) that the Creditors Committee favored, the Creditors Committee negotiated the following arrangement with the Lender Agent (subject, of course, to confirmation of the Plan): (i) the cash of $300,562,307, plus interest, which is held by the Lender Agent in a cash collateral account subject to an alleged lien in favor of the Lenders arising out of the prepetition sale of a Global Crossing subsidiary, would all go to the Lenders; (ii) of the $200,000,000 of Senior Secured Notes to be issued under the Plan, $175,000,000 would go to the Lenders and $25,000,000 would go to the Creditors Committee's constituents; (iii) of the equity in New Global Crossing available to creditors (a total of 38.5%, prior to dilution for shares that subsequently will be issued to management), 32.5% would go to the Creditors Committee's constituents and 6% would go to the Lenders; and (iv) the Creditors Committee's constituents and the Lenders would share 50/50 in the Estate Representative Claims to be included in the Liquidating Trust and certain additional cash to be distributed to creditors totaling approximately $13,000,000 in the aggregate. In connection with the foregoing sharing agreement, which reflects the settlement of estate claims against the Lenders, the Creditors Committee determined that it would be appropriate for the Debtors' estates to release any claims that the estates may have against the holders of the Lender Claims, but solely in those holders' capacities as parties to the Credit Agreement with the Debtors. The Lenders would not have agreed to the sharing arrangement provided in the Plan in the absence of such release.

The $200,000,000 referenced above is at 11% and structured as a high-yield debt instrument and is exactly what put many telecoms under in the first place. There are serious legal issues as to whether the $600,000,000 in Frontier debt is a legitimate creditor in this bankruptcy and entitled to any distribution, especially 11% high-yield distribution. There is the distinction possibility that this class of debt is merely a "blunt instrument" to keep certain parties in line while this sham is attempted to be put to bed.

This Respondent trusts that the Commission and staff caught the part above about the significant legal problems and disputes between the various classes of creditors as well as the Debtor. There are some serious legal issues about Frontier ILEC, the $600,000,000 in Frontier debt left on the books of the Debtor, the transfer of the IPC Information Systems subsidiary to Goldman Sachs, and that many of the 214 subsidiaries have not reported to anyone what they are holding or possibly hiding from the rest of the creditors.

Some of the creditors have such significant legal problems that if appropriately challenged under the bankruptcy code those claims could be subject to subordination or complete disallowance of the claim; i.e. the $600,000,000 in Frontier debt that appropriately belongs on the Citizens / Frontier books and eliminated as a consideration or a "blunt instrument" in the Global Crossing bankruptcy.

At a very minimum, some of the claims could be subject to "cram down" under section 1129(b) of the Code.

Additionally, the Court could go back and recover the Frontier asset and the IPC asset for the estate but that would require holding someone accountable for questionable conduct or forcing Frontier / Citizens / Blackstone to assume the $600,000,000 debt. We can all imagine how unfashionable it would be to exact "fairness and equitable treatment" into this process for a change.

The reason we are of the opinion that this is a "debtor financed" takeover is that the classes of creditors receiving the $200,000,000 in high yield debt all have legal problems that could easily result in the subordination or the full disallowance of their claims. The $200,000,000, 11% high yield notes has every appearance of possibly being a bribe or other inducement to get certain parties to comply with this sham and all parties get to the "exculpation" stage and a Confirmation Order. When the additional $150,000,000 is to be secured by pledging the assets of GCUK and GSM (two subsidiaries that are not in the bankruptcy case), all the STT investment is doing is letting them continue on with the "no due diligence" mandate and the abusive dealings between creditors classes to get this deal put to bed on behalf of the only parties that agreed to do this deal "without due diligence".

This Commission should now better understand what they are hiding in SDNY and why the Applicants before this Commission do not seem to be hemmed in by the truth.

For the record, STT intends to purchase all of those 214 subsidiaries, as does this Respondent if the Bankruptcy Court is willing to accept a "higher and better" offer that truly is "*arm's length, without collusion*" with this Debtor.

For the record, most classes of creditors would receive 3 to 4 times the recovery under the Proposal of the Respondent and the shareholders would be included into the Newco structure. The catch is "due diligence" to rid Global Crossing of its internal fraud and business dealings that are not conducive to profitability.

On page 20 of the Debtor's Disclosure Statement is the following:
12. Securities Litigation Claims (Class L)

> *More than 70 actions currently are pending against certain of GCL's former and current officers and directors, and in some cases, GCL or Asia Global Crossing, in the California, New York, New Jersey, and District of Columbia federal courts, alleging violations of the federal securities laws and the Employee Retirement Income Security Act ("ERISA"). Specifically, plaintiffs in several shareholder actions allege that the officers and directors violated the federal securities laws by issuing materially false and misleading statements concerning the Debtors' financial condition. The actions brought under ERISA, by participants in the Global Crossing Employees' Retirement Savings Plan (the "Savings Plan"), allege that GCL's officers and directors breached their fiduciary duties under ERISA by, among other things, promoting the investment of Savings Plan assets in GCL stock without providing Savings Plan participants with complete and accurate information regarding the risks involved with such investment. On September 6, 2002, the Judicial Panel on Multidistrict Litigation (the "Panel") ordered these cases to be transferred for pre-trial proceedings to the United States District Court for the Southern District of New York.*
>
> *Class L consists of any claims asserted under those (or any similar) actions against the Debtors. Section 510(b) of the Bankruptcy Code subordinates all the claims in this Class to the claims represented by the underlying securities. The Plan does not provide any distribution for holders of claims in this Class. The Plan neither impairs nor creates a right of the holders of Securities Litigation Claims to assert claims against the Debtors' insurance policies. Class L is deemed to reject the Plan.*

The above is an oblique reference to "insured actions" such as the Director's and Officers Insurance protection for the Global Crossing board members and officers. That group does in fact include Mr. Steven J. Green as he is a named defendant in at least one ERISA fraud action and most of the class action fraud lawsuits. However, it is not a generally known fact that D&O insurance policies do in fact have provisions that can

seriously disrupt planned recoveries for shareholders based on evidence uncovered and presented in the pleadings of the class action lawsuits.

First, most D&O policies have "severability" provisions where insurance would be the last remedy after recovery from officers, directors and assets, hence the desire to push this through bankruptcy, transfer of control on the assets and protect the assets if the D&O insurers make their case in defense or through countersuits based on matters the class action attorneys do not dare plead. That would be instead of D&O insurance being the only remedy as is the case now in typical class action lawsuits. These "professionals" have worked hard to protect these assets for the "select few" and have charged millions of dollars in fees (about $40 million plus) for their services or disservices depending on the point of view.

This is also part of the motivation for wanting to put Newco GX in either Bermuda or the Cayman Islands and the holding company in Mauritius. It is called "frustration of jurisdiction and venue" and many times is a **warning sign** of a fraud in progress.

Second, most D&O insurance policies have "termination of coverage" provisions whereby no insurance is available if criminal conduct can be shown. This Respondent is aware of several major class action lawsuits involving different companies (Williams Communications, Global Crossing, etc.) where the RICO evidence is piling up as fast or faster than the evidence to prove a "plain vanilla" securities fraud lawsuit under Section 10 and 20 of the Securities Act of 1934, as amended, and collect significant sums of money from the insurers due to conduct of the officers and directors.

However, the many class action attorneys involved in these types of actions specifically do not plead and cannot plead the RICO issues that they know about for that would precipitate an immediate defense for the D&O insurer and an affirmative defense against paying out anything. 18 U.S.C. § 1961, et seq, and 18 U.S.C. § 1962, et seq, the RICO Act, are in fact criminal statutes and civil actions can be brought under 18 U.S.C. § 1964(c) for violations of § 1961 and § 1962, and as such would absolve the D&O insurers of any liability for the criminal conduct of the board and officers. This is part of what they are all hiding. The Debtor, its advisors, its creditors and the Applicants want all remedies to be upon the D&O insurers only and not upon them as parties who dreamed up this entire charade or the assets they covet.

There are many officers of the court (attorneys) not pleading what they know because that will let the D&O insurers off the hook. Once the bankruptcy is a done deal, the only remedy under the class action lawsuits is either personal liability of the directors and officers, which is hard to prove since none of them wants to tell the truth and surrender their ill-gotten gains, and the D&O insurer. That is explained in detail just below.

On page 79 of the Debtor's Disclosure Statement is the following. This is exactly what they so urgently want FCC approval of transfer of control for, because then they can

get the following from the U.S. Bankruptcy Court in the Confirmation Order and complete the bank robbery, the bankruptcy case, and be home free and all shareholders, ERISA fraud claimants, etc. have only the D&O insurer to rely on for any recovery, if even that is a possibility:

2. Exculpation

> *The Plan exculpates the Debtors, the Creditors Committee (and any subcommittee thereof), the JPLs, the Estate Representative, the Lender Agent and their respective agents for conduct relating to the prosecution of the chapter 11 cases. Specifically, except for Estate Representative Claims (as defined in the Plan), the Plan provides that neither the Debtors, the Creditors Committee, the JPLs, the Indenture Trustees, the Estate Representative, the Lender Agent, nor any of their respective members (nor any subcommittee thereof), officers, directors, employees, agents, or professionals shall have or incur any liability to any holder of any claim or equity interest for any act or omission in connection with, or arising out of, the chapter 11 cases, the confirmation of the Plan, the consummation of the Plan, or the administration of the Plan or property to be distributed under the Plan, except for willful misconduct or gross negligence. The Plan also exculpates the Investors, the Investors' directors, officers, partners, members, agents, representatives, accountants, financial advisors, investment bankers, dealer-managers, placement agents, attorneys, and employees in their capacity as representatives of the Investors for any act taken or omitted to be taken under or in connection with, or arising out of, the chapter 11 cases, the confirmation of the Plan, the consummation of the Plan, or the administration of the Plan or property to be distributed under the Plan.*

> ***E. Releases***
>
> *The Plan provides for a release of certain claims held by the Debtors, other than those based on willful misconduct, gross negligence, or breach of the duty of loyalty. The Plan and the Schemes of Arrangement provide for the release of any post-Petition Date claims the Debtors may hold against current officers, directors and employees of the Debtors, in their capacities as officers, directors and employees of the Debtors (except for Estate Representative Claims), the financial advisors, professionals, accountants, attorneys of the Debtors, the Creditors Committee (and any subcommittee thereof), the Lender Agent, the members of the steering committee representing the holders of Lender Claims, the Indenture Trustees, and the JPLs. The Plan and the Schemes of Arrangement also release (i) any claims the Debtors may hold, arising after the Petition Date, against the JPLs and the members of the Creditors Committee, and each of*

Continued on Page 80 of the Debtor's Disclosure Statement is the following:

their respective officers, directors, employees and (ii) certain claims against the holders of the Lender Claims, the GCNA Note Claims, and the GC Holdings Note Claims. In addition, the Plan releases the three independent directors who joined the board of directors of GCL in February, 2002 and March 2002, from post-Petition Date liability. The Plan also releases any claim any party may have against the Investors relating to the Debtors, or their non-Debtor Subsidiaries, the chapter 11 cases, the Plan, or any schemes of arrangement. In addition, under the Plan and the Schemes of Arrangement, the holders of the Lender Claims covenant not to assert, whether through judicial action or otherwise, claims against any of the Debtors' non-Debtor subsidiaries (other than Asia Global Crossing and its subsidiaries).

F. Injunction

The Plan constitutes an injunction preventing, among other things, any holder of any claim or equity interest or any other party in interest in the chapter 11 cases from directly or indirectly commencing or continuing in any manner any action or other proceeding of any kind against the Debtors, a reorganized Debtor designated by New Global Crossing, New Global Crossing or the Investors, enforcing judgments relating to such claims or interests, asserting rights of setoff or subrogation, or interfering in any way with the Plan or the Schemes of Arrangement. Except as otherwise set forth in the Purchase Agreement or the documents to be executed in connection with the Purchase Agreement, the Investors, New Global Crossing and the Debtors directly or indirectly acquired by New Global Crossing will not have any liability whatsoever for any claim or equity interest in the Debtors that arose prior to the Effective Date (except for those liabilities expressly assumed by New Global Crossing). Before any holder of any claim or equity interest or any party in interest in the chapter 11 cases seeks to take any action against the Debtors, the Investors or New Global Crossing, such person should review the provisions of the Plan to ensure such proposed action would not violate an order of the Bankruptcy Court.

Exculpation, releases and injunctions are all very desirable to the Debtor, many of its creditors involved in this charade and the Applicants before this Commission.

If the Commissioners and staff will take the time to read the Disclosure Statement and compare to how the Purchase Agreement is postured, it will be learned that there are some serious legal issues regarding fraudulent transfer of assets (Frontier ILEC to Blackstone controlled Citizens Communications on June 29, 2001, leaving Frontier Debt on the books of the Debtor to be blown out, transfer of IPC Information Systems to Goldman Sachs in December 2001, etc.). Some of the members of the various classes of creditors have every bit as much reason as the Debtor to get FCC approval and rush to the Confirmation Order so all parties will have "negotiated" their way to a completion and total "exculpation" for perpetration of this fraud.

That is what is going on right underneath the FCC noses and this Respondent respectfully suggests that it is about time the FCC wakes up to what is really being proposed by the Applicants.

Additionally, if the Commission digs to the bottom of this barrel it will learn that there is a very long list of "persons" and "entities" that would be protected under the "exculpation" provisions. This list probably includes Mr. Steven J. Green working in the background as a "consultant" for both Global Crossing and the Singapore government (STT's ultimate owner) as he is also currently a consultant for the Republic of Singapore government. That is a publicly available fact and later in this document is a link to the announcement.

Additionally, under FCC regulations this Commission is required to inquire and enforce the Anti-Drug Act compliance:

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

Withdrawn as a Bidder

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]

Even though Singapore is an ally of the United States in the "war on terrorism" that does not appear to be the case in the "war on drugs" and does not appear to include all persons that do business through Singapore[15].

Singapore's economic linkage with Burma is one of the most vital factors for the survival of Burma's military regime," says Professor Mya Maung, a Burmese economist based in Boston. This link, he continues, is also central to "the expansion of the heroin trade.") Singapore has achieved the distinction of being the Burmese junta's number one business partner -both largest trading partner and largest foreign investor. More than half these investments, totaling upwards of $1.3 billion, are in partnership with Burma's infamous heroin kingpin Lo Hsing Han, who now controls a substantial portion of the world's opium trade. The close political, economic, and military relationship between the two countries facilitates the weaving of millions of narco-dollars into the legitimate world economy.

*Singapore has also become a major player in Asian commerce. According to **Steven Green**, US Ambassador to Singapore, that city-states free market policies have "allowed this small country to develop one of the world's most successful trading and investment economies." Singapore also has a strong role in the powerful 132-member country World Trade Organization. Indeed, the tiny China Sea island of three and a half million people is known far and wide as the blue chip of the region-a financial trading base and a route for the vast sums of money that flow in and out of Asia.*

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[15] Singapore Government article concerning drug trade:
http://www.thirdworldtraveler.com/Global_Secrets_Lies/BurmaSingapore_Drugs.html

If the brutal Burmese dictatorship's international pariah status is of any concern to its more powerful partner, Singapore shows no sign of it. Following the March 24 visit of Singapore's Prime Minister Goh Chok Tong to Rangoon, a Singapore spokesperson proclaimed, "Singapore and Myanmar should continue to explore areas where they can complement each other." As both countries continue to celebrate their "complementary" relationship, the international community must take note of the powerful support this relationship provides both to Burma's illegitimate regime and to its booming billion-dollar drug trade.

Additionally, the Singapore government has appointed former U.S. ambassador to Singapore Steven J. Green, as its representative to the United States government[16].

This is a conflict of interest by any definition. The Applicants claim in their latest filings that they have no relationship with Steven J. Green other than his capacity at GCL. This Respondent questions why they withheld that Green is a direct and paid consultant of their ultimate owner and ultimately their telecommunications regulator?

Page 3 of Applicants' May 23, 2003 letter to the Commission:

"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."

Of course the Applicants and their counsel would love for all of us to believe every word of that fantasy, however the facts speak otherwise.

K1 Ventures was a wholly-owned subsidiary of DBS Holdings until purchased by Gary Winnick and Steven J. Green. The ultimate parent of DBS is Temasek. ST Telemedia's ultimate parent is the Singapore government in a wholly-owned succession that goes from STT to Singapore Technologies to Temasek Holdings, the investment arm of the Singapore Government and as such is wholly owned by the Republic of Singapore Government. In short, at one time both K1 Ventures and STT had the same common parent, so this Respondent finds it rather incredulous that the parent never introduced them to each other since there is considerable cross-over on the boards of each.

[16] Singapore appoints former Global Crossing board member and ERISA fraud, class action securities fraud defendant Steven J. Green as the U.S. representative for Singapore. http://starbulletin.com/2002/08/31/business/bizbriefs.html

Sitting on the DBS Holdings board are persons with multiple overlaps to other parties involved in this matter. For example, Mr. Jackson Tai, 25 years with JP Morgan and JP Morgan is one of the major creditors in the Global Crossing bankruptcy. Mr. Tai also sits on the board of Singapore Technologies, the next in line parent of Applicant STT. The DBS Chairman Mr. S. Dhanablan sits on both DBS and Temasek boards. Mr. Bernard Chen Tien Lap sits on both the DBS and Singapore Technologies boards. Mr. Yeo Ning Hong sits on the DBS board and is the Executive Chairman of Singapore Technologies. To suggest as the Applicants have that DBS and Singapore Technologies have little to do with each other is not a straight answer.

The information that came to this Respondent regarding Steven J. Green and why STT was so willing to remain embroiled in this mess did not come from STT. That information came from Singapore Technologies, the direct parent of STT and several other Singapore sources to double check the information.

That Steven J. Green is now a paid representative of the Singapore government in the U.S. suggests that the statement made by the Applicants is again factually inaccurate as his role is now beyond just representing GCL and is in fact representing the ultimate parent of the Applicant STT and indirectly STT as purchaser. One can presume that Mr. Green's role for the Singapore government might also include representing what is the regulator of STT, the Telecommunications Authority of the Singapore Government. That is a conflict of interest and an evasion of being forthright in providing factual information that should not be tolerated by this Commission. That they refuse to tell the truth is yet a bigger reason for this Commission to show them the door and deny their application for transfer of control.

The Commission should contact the SDNY U.S. Trustee Carolyn Schwartz and the FBI to determine why K1 Ventures was under investigation in Singapore as well as inquiries into the acts of Temasek Holdings and K1 Ventures at any time during twelve months leading up to the January 28, 2002 filing of the bankruptcy petition. This Respondent got that information from Singapore as well.

HUTCHISON AND STT WERE NEVER THE "HIGHEST AND BEST OFFER". THEY WERE THE OFFER THAT AGREED TO COOPERATE IN THE COVER UP BY AGREEING TO "NO DUE DILIGENCE"

That Hutchison and STT are the "highest and best" offer for Global Crossing in the past, and that STT is the "highest and best" offer today for the assets of the Debtor is a blatant misstatement of fact and just another part of the delusion they so urgently want the Bankruptcy Court and this Commission to accept as reality.

This Respondent is preparing an offer at this very time that considerably exceeds the STT $250,000,000 million and easily exceeds the $255 million offer IDT mentioned publicly. The July 2002 bid of this Respondent was subject to due diligence and was

higher than the HW-STT offer $750,000,000 offer at that time. None of the bids were presented to the Court for its consideration and review of the bids and the terms contained therein. The Commissioners and staff should now better understand why due diligence is so unfashionable with this Debtor and some of its creditors who appear to be about as guilty of misconduct as the Debtor and this STT Applicant who is more than willing to play along in the charade to get "the Deal of the Year".

The difference between our group and STT is we will insist upon due diligence and will purge fraud from within the Debtor, for the following reasons:

- This Debtor and its management have no credibility in the U.S. or global public capital markets; and

- This Debtor and their band of insiders have no credibility with the U.S. or global private investors market; and

- The GCL, HW, and STT sham is possibly designed to cover up that there are 320,000 contracts and many of them may well be nothing but mere payments of graft, bribes and corruption to GCL insiders. In short, the robbing of the "bank" may continue unabated; and

- The Debtor has 214 subsidiaries, only 80 of them have been consolidated in the bankruptcy and there may be significant assets hidden on those 124 other subsidiaries. Sufficiently so that the HW-STT Purchase Agreement, now assumed in its entirety by Applicant STT, has enough "equity" in GCUK and GSM alone that it is believed they can leverage those assets for a $150,000,000 working capital loan; and

- The Debtor's internal numbers regarding "cost of access and maintenance" are way out of proportion to industry norms suggesting one of four possible defects within the Debtor company: i.) they do not have a clue what they are doing and are more focused on the appearance of financial health and "fluff" (revenues over profitability) than sound business practices; or ii) there are "insider" contracts bleeding large amounts of cash flow out of the company to the benefit of others and this rush through bankruptcy may well be intended to conceal such graft and corruption and keep such contracts in place to drain revenues from Global Crossing for the benefit of others into the future; or iii.) the Debtor has a long history of selling $1.50 in services for a $1 or less by focusing on revenues more than profitability; or iv.) there is a willful intent and concerted effort to cover up the wrongdoing of the Debtor and possibly many other persons and entities.

The Respondent has in its possession a spreadsheet that originated from within a major investment bank regarding inside numbers that were provided by Global Crossing.

That spreadsheet discloses that the "cost of access and maintenance" numbers for Global Crossing are way above industry norms (higher than 70% of gross revenues). Unless Global Crossing is "not as advertised" and is not a network developer / constructor as much as it is a network lessor there is something fundamentally wrong in those numbers. The only other possibility is that some group or groups of persons and/or entities are milking vast sums of money off the Global Crossing revenue baseline, possibly for use in areas it should not be used for under any circumstances. Hence, another possible reason to explain the desire for no due diligence.

Those facts alone may have serious connotations of civil and criminal fraud against many parties involved in Global Crossing and are further reasons to explain the urgent desire that there be "no due diligence". The cost of access and maintenance are grossly impairing the financial performance of Global Crossing and the underlying reasons for that may be serious complications for certain parties.

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.

This Respondent knows firsthand due to its connections in Singapore that STT and Mr. Theng Kiat Lee, its president and chief executive, were very displeased that we disclosed the matters relating to Mr. Steven J. Green and to what extent STT is owned by Singapore Technologies, Temasek and the government of Singapore in that order ascending upwards.

The Applicants filed this Third Application for Consent to Change Control on May 22, 2003 and on May 23, 2003 filed a second response to this Respondent suggesting a "conspiracy theory".

The question this Respondent poses to the Commission is simply this:

Why did it take a direct frontal assault by this Respondent to get the Truth out of anyone at STT and even then not the whole truth?

The Applicants are required by law to make such disclosures to FCC on its own accord and if they do not, they are subject to dismissal of the transfer of control request and certainly not entitled to a declaratory ruling on such misrepresentations and evasiveness.

The explanations we have provided in the earlier parts of this document should give the Commission a better idea of why that is so.

Only with direct confrontation behind the scenes does STT admit that is it 100% controlled by Singapore Technologies, and that Singapore Technologies is 100%

controlled by Temasek Holdings and that Temasek is in fact 100% controlled by the government of the Republic of Singapore.

As recently as May 23, 2003, they have yet again misrepresented a material fact before this Commission by misrepresenting the role Mr. Steven J. Green plays for their ultimate parent the Singapore government. They have yet to admit that true role that Steven J. Green is playing in this matter in the past and at the present in this matter.

Also note that STT is in fact involved in wireless and digital video according to some of the statements in the Disclosure Statement and the Purchase Agreement.

We respectfully point out to the Commission that the provisions of 310(b) can be waived, however the provisions of 310(a) cannot be waived as of the last time this Respondent read them and consulted with DC counsel on the current status and application of 310(a).

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 and NOW PROPOSED TO BE CONTROLLED BY CHINA NET.

The proposed STT "standalone" application for transfer 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 Applicants are just now disclosing information that had to be disclosed by law from the outset of its joint HW and STT Application for Transfer of Control. Even then, the Applicants only made such disclosure when challenged by a Respondent and a competitor for the assets and one that is willing to pay more than STT is on the record as being willing to pay and treat all classes of creditors and the shareholders far more equitably than offered by the Debtors and STT.

It is not necessary that a foreign entity own and control Global Crossing. It is merely desirable to help in concealing facts about this telecom network that many do not want the public or our law enforcement and regulators to know. By making it a "non-US game plan" the Debtors hope that the prior conduct can be buried and placed outside of the jurisdictional control of U.S. authorities, regulators, prosecutors and being held accountable for what may well be "a telecom deal that was really a trading scam" almost from its inception.

The same issues that caused CFIUS to take a position of not approving the GCL deal with Hutchison at the helm are still there because STT is fully and completely owned and controlled by a foreign government regardless of how many arm's length and Chinese Walls they purport exist between Applicant STT and their ultimate owners. The

overlaps alone between Temasek, ST and STT at the board level remove any hope of this Applicant STT from claiming it is as independent as it claims to be.

The proposed transfer of control of AGC to China Net should not be a time for this Commission to take a breather. These Applicants still have problems in being straightforward with the Commission and that fact alone is sufficient for rejection of their application.

It is hoped that the Commission and staff now better understand why this Respondent is of the position that the "insider purchase agreement" and only allowing now withdrawn Hutchison and STT even a remote chance at acquiring the GCL assets is a sham.

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. A careful review of the Disclosure Statement and the Purchase Agreement and comparing that to known facts is self-evident to anyone who will take the time to read, think and analyze the facts.

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. We trust that the Commission better understands now why no Official Equity Holders Committee was allowed, why no other bidders insisting upon due diligence were allowed into the process, and why both Debtor and Creditors are so urgently seeking your rubber stamp approval on their fraudulent conduct so they can get exculpation from the U.S. Bankruptcy Court.

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. This matter is further complicated if transfer of control is granted to China Net.

> *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.*

The representations made to the U.S. Bankruptcy Court by Mr. Newman on August 9, 2002 were factually inaccurate. This Respondent has been and still is willing to pay more for the Global Crossing assets than Hutchison and STT and now STT as a standalone buyer. Additionally, most of the creditors and the shareholders would have much better recovery options under the Respondent's proposal than offered by either HW-STT, or STT now as a standalone purchaser. The carrying forward of those misrepresentations to the FCC transfer of control process was factually inaccurate as to

how presented to the Commission, and as pointed out by ACN counsel and this Respondent, reasonably required ending the consideration of the application and probably not even considering a standalone STT application for transfer of control.

This Respondent has now brought forward even more misrepresentations that this Applicants and their counsel are trying to mislead the Commission with and should be responded to with a total denial of their application for transfer of control.

In closing, counsel for the Applicants inserted as footnotes the following into their May 23, 2003 response, page 1:

> *1. 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, (October 19, 2002). As Applicants have stated before, the United States Bankruptcy Court, not the Commission, is the proper forum for those complaints.*
>
> *2. 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.*

We generally agree with that first footnote with one exception. The appropriate forum is the U.S. District Court under a RICO cause of action naming all parties up to and including Applicant STT for being a willful party and hopeful beneficiary to the fraud.

As for footnote 2, this Respondent has from inside of STT and ST shortly after the last document was filed that counsel for the Applicants complains of that STT does not know what to do except "stay the course" and hope that this can all be snuck through the courts and FCC. The Applicants "will not burden the Commission" because they do not know what to say other than stay the course and telling the whole truth is the death of this transfer of control request.

Once this matter is concluded as proposed by the Applicants, if and when, and the GX Newco is tucked away in either Bermuda or the Cayman Islands and the holding company is tucked away in Mauritius, this Commission will not have a clue as to what is going on between GCL, Hutchison and STT regarding these assets, national security and other matters that are concerns now and should be in the future.

This entire Global Crossing matter is covered up with people who have already demonstrated in the past that they are of questionable business ethics. A very close analytical read of the Disclosure Statement says that is still so.

For the record, the Newco proposed by the Respondent would be a U.S. corporation and taxable here with no jurisdiction and venue shell games as proposed by the Applicants. Additionally, the national security issues would be moot and compliance with the Anti-Drug Act would be moot as well.

We are the buyer they do not want to let in the door. In Viatel, Blackstone has already seen that we are methodical and uncompromising. Any fraud within the GCL company would be purged. Any insiders continuing to milk the company through "assumed contracts" that should have been rejected would be purged. Any creditors attempting to manipulate the process to mitigate their own wrongdoing and misdeeds would be dealt with accordingly.

This entire Global Crossing bankruptcy case has been a closed-door process and we trust the Commission now better understands why that has been so.

This Commission should not for a second underestimate the level of anger that exists within the American investing public and those of other nationalities that have been harmed by the persons who now want your blessing on this transfer of control.

When the Applicants have something relevant to say regarding this response to their "non-denial denial" and misstatement of facts to this Commission yet again, they will find out how truly well armed we are in our next response if they wish to push their luck. This Commission should show them the door for attempting to get a transfer of control on falsification of facts and withholding required Application for Transfer of Control information.

It is bad enough that they have managed to dupe the U.S. Bankruptcy Court that has operated in a vacuum of clear and concise information. This Commission is much more armed with factual and provable information and therefore is not in that same vacuum and therefore should not make the same mistakes.

This Respondent recognizes that CFIUS has yet to review this matter as a standalone STT proposal, or in light of what we are providing in this document to the Commission or the recent developments regarding Asia Global Crossing and China Net. Even though not on the service list, we have made certain that CFIUS has a copy of this document.

This Respondent chose to respond to the Applicants on Memorial Day for one important reason. It is a day that we Americans should take the time to reflect and remember those that gave their lives so that we could have and enjoy our freedoms. However, this Respondent is quite certain that none of those that died for the United States of America and it citizens or have ever put their lives on the line did so just so robber barons would

have the right to plunder the other citizens of the United States and any other nationality they choose. There are things about this great nation worth fighting for and dying for, but those who consider themselves elitist and above the law are not included in what we other Americans consider the Net Worth of this Nation and what is best about America and truly worth defending. The Global Crossing matters before this Commission are just such a battle. This is about right and wrong and making sure wrong has no place at the table in our American home.

Respectfully submitted,

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

Dated: May 26, 2003

CERTIFICATE OF SERVICE

I, Karl W. B. Schwarz, hereby certify that on this 26th day of May, 2003, I caused a true and correct copy of the foregoing Response to Applicants' Motion for Declaratory Ruling to be served on 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

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By E-mail: znakazaw@fcc.gov

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Criminal Division
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10th Street & Constitution Ave, N.W.
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Federal Bureau of Investigation
935 Pennsylvania Ave, N.W.
Washington, DC 20535
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Debbie Goldman
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Communications Workers of America
By E-mail: Debbie@cwa-union.org

ACN
Mr. Gerald Lederer
glederer@millervaneaton.com

ATTACHMENT 1

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THIS IS NOT A SOLICITATION OF ACCEPTANCE OR REJECTION OF THE PLAN. ACCEPTANCES OR REJECTIONS MAY NOT BE SOLICITED UNTIL A DISCLOSURE STATEMENT HAS BEEN APPROVED BY THE BANKRUPTCY COURT. THIS DISCLOSURE STATEMENT IS BEING SUBMITTED FOR APPROVAL BUT HAS NOT BEEN APPROVED BY THE COURT.

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:	**:**
	: Chapter 11 Case No.
	:
GLOBAL CROSSING LTD., et al.,	**: 02- 40188 (REG)**
	:
	:
Debtors. : (Jointly Administered)	**:**
	:

DISCLOSURE STATEMENT FOR
DEBTORS' JOINT PLAN OF REORGANIZATION

WEIL, GOTSHAL & MANGES LLP
Attorneys for Debtors
and Debtors in Possession
767 Fifth Avenue
New York, New York 10153
(212) 310-8000
Dated: October 17, 2002

GLOSSARY

Administrative Expense Claim Any expense relating to the administration of the chapter 11 cases, including (i) actual and necessary costs and expenses of preserving the Debtors' estates and operating the Debtors' businesses, (ii) any indebtedness or obligations incurred or assumed during the chapter 11 cases, except for Lender Claims and intercompany claims, (iii) allowances for compensation and reimbursement of expenses to the extent allowed by the Bankruptcy Court, (iv) certain statutory fees chargeable against the Debtors' estates, and (v) certain reimbursements of the expenses of the Investors required to be paid under the bidding procedures order entered by the Bankruptcy Court on March 25, 2002 and Post-Petition Investors' Expenses (as defined in the Purchase Agreement)

Asia Global Crossing Asia Global Crossing Ltd and its subsidiaries. GCL owns 58.8% of the stock of Asia Global Crossing.

Bankruptcy Code Title 11 of the United States Code.

Bankruptcy Court The United States Bankruptcy Court for the Southern District of New York.

Bermuda Account A bank account for GCL, under the control of the JPLs, maintained at Butterfield Asset Management Limited in Bermuda.

Business Day Any day other than a Saturday, a Sunday, or any other day on which banking institutions in New York, New York are required or authorized to close by law or executive order.

Convenience Claim Any prepetition unsecured claim against any of the Debtors that is allowed in an amount equal to $100,000 or less.

Credit Agreement The Amended and Restated Credit Agreement, dated as of August 10, 2000, among GCL, GC Holdings, GCNA, JPMorgan Chase Bank (f/k/a Chase Manhattan Bank), as administrative agent, certain co-agents named therein, and the lender parties thereto, and all documents and instruments relating thereto, as amended, supplemented, modified, or restated.

Creditors Committee The statutory committee of unsecured creditors appointed in the Debtors' chapter 11 cases, as constituted from time to time.

Debtors GCL and the entities listed on Exhibit A to the Plan, as amended from time to time.

Disclosure Statement This document, together with the annexed exhibits and schedules.

Effective Date A Business Day mutually agreed by the Debtors, STT, and Hutchison on which the "Closing" referred to in the Purchase Agreement occurs.

ERISA Claim A claim against the Debtors, whether or not the subject of an existing lawsuit, arising under the Employee Retirement Income Security Act of 1974, as amended, other than any such claim that constitutes a Securities Litigation Claim.

Estate Representative Five individuals appointed by the Creditors Committee and representatives of the holders of the Lender Claims to prosecute avoidance and other causes of action held by the Debtors and resolve disputed claims. The Estate Representative will be the trustee of the Liquidating Trust.

GCL Global Crossing Ltd. (issuer of the Debtors' public common stock). GCL and the other Debtors that are Bermuda companies are also the subject of provisional liquidation proceedings before the Supreme Court of Bermuda.

GC Holdings Global Crossing Holdings, Ltd. (intermediate holding company owned by GCL and obligor on the GC Holdings Notes Claims, a large portion of the Debtors' public debt). GC Holdings is also the subject of provisional liquidation proceedings before the Supreme Court of Bermuda.

GC Holdings Notes Claims The publicly held debt issued by GC Holdings. See section II.E.4.

GCNA Global Crossing North America, Inc. (f/k/a Frontier Corporation) (issuer of the

public debt on which the GCNA Notes Claims are based).

GCNA Notes Claims The publicly held debt issued by GCNA. See section II.E.5.

***GCUK* Global Crossing (UK) Telecommunications, Limited, a non-Debtor subsidiary.**

General Unsecured Claims Any general unsecured prepetition claim against the Debtors, other than a Lender Claim, GC Holdings Notes Claim, GCNA Notes Claim, Convenience Claim, Securities Litigation Claim, or intercompany claim.

Global Crossing GCL and the other Debtors in these chapter 11 cases.

***GMS* Global Marine Systems Limited a non-debtor subsidiary.**

Hutchison Hutchison Telecommunications Limited, a subsidiary of HWL, organized under the laws of Hong Kong.

HWL Hutchison Whampoa Limited.

Investors STT and Hutchison.

***IPC* IPC Information Systems, Inc.**

IRU Indefeasible Right of Use, an agreement with a telecommunications carrier that grants a customer the unconditional right to use a portion of fiber cable owned by the telecommunications carrier for the customer's own network use for a specified term and at a given bandwidth. In some cases, an IRU may include the right to use ducts, collocation space, and other telecommunications assets that are not portions of fiber cable.

JPLs Persons from time to time serving as joint provisional liquidators appointed in the provisional liquidations of GCL, GC Holdings, and the Debtors listed on Exhibit B to the Plan, as amended from time to time, who are currently Philip Wallace and Jane Moriarty, both of KPMG in England and Malcolm Butterfield, KPMG in Bermuda.

Lender Agent JPMorgan Chase Bank, in its capacity as administrative agent under the Credit Agreement

Lender Claims Claims (i) against GC Holdings or GCNA arising under the Credit Agreement and related documents, (ii) against any of the other Debtors arising under their guaranties of the obligations under the Credit Agreement or any related documents, and (iii) arising under or in connection with the adequate protection stipulation described in section VI.F.

Liquidating Trust The trust established to hold causes of action against third parties and certain other property for the benefit of the holders of the Lender Claims, GC Holdings Notes Claims, GCNA Notes Claims, and General Unsecured Claims.

Management Incentive Plan A new management incentive plan adopted by New Global Crossing. See section IX.G.

New Common Stock New common stock of New Global Crossing. See section II.F.3.

New Global Crossing Newly formed company organized under the laws of Bermuda – assignee of most of the assets and businesses of the Debtors.

New Preferred Stock New preferred stock of New Global Crossing. See section II.F.2.

New Senior Secured Notes New senior secured notes to be issued by New Global Crossing or a reorganized debtor subsidiary designated by New Global Crossing. See section II.F.1.

Other Secured Claims Any claim secured by collateral that is not a Lender Claim.

Petition Date The date the Debtors' chapter 11 cases were commenced (January 28, 2002, August 4, 2002, April 24, 2002 or August 30, 2002).

Plan The Debtors' Joint Plan of Reorganization Under Chapter 11 of the Bankruptcy Code annexed as Exhibit A to this Disclosure Statement.

Plan Securities The New Senior Secured Notes, the New Preferred Stock, and the New Common Stock.

Priority Non-Tax Claim Any claim entitled to priority under the Bankruptcy Code other than Administrative Expense Claims and Priority Tax Claims.

Priority Tax Claim A claim of a governmental entity for taxes that are entitled to priority in payment under the Bankruptcy Code.

Purchase Agreement **Purchase Agreement dated as of August 9, 2002 among GCL, GC Holdings, the JPLs, STT and Hutchison, as may be amended from time to time, under which STT and Hutchison agree to invest in New Global Crossing. See sections II.B and VI.O.4.**

Schemes of Arrangement Any schemes of arrangement under section 99 of the Bermuda Companies Act 1981 implemented in connection with the proceedings in the Supreme Court of Bermuda for the Debtors that are Bermuda companies.

Securities Litigation Claim Any claim against the Debtors, whether or not the subject of an existing lawsuit, arising in connection with the purchase or sale of a security of any of the Debtors, for damages from the purchase or sale of any such security, or for reimbursement or contribution on account of any such claim. Securities Litigation Claims include claims based on allegations that the Debtors made false and misleading statements and engaged in other deceptive acts in connection with the sale of securities.

STT Singapore Technologies Telemedia Pte Ltd, one of the investors in New Global Crossing

Subsidiaries Direct or indirect, majority owned subsidiaries of GCL (as such term is more specifically defined in the Purchase Agreement).

Tax Code Title 26 of U.S. Code

Voting Agent See section I of this Disclosure Statement for contact information.

Voting Deadline November 22, 2002, is the last date for the actual *receipt* of ballots to accept or reject the Plan by the Voting Agent.

ATTACHMENT 2

Execution Copy [W2000]

PURCHASE AGREEMENT
dated as of
August 9, 2002
among
GLOBAL CROSSING LTD.,
and GLOBAL CROSSING HOLDINGS LTD.,
debtors and debtors in possession
JOINT PROVISIONAL LIQUIDATORS,
of Global Crossing Ltd.
and Global Crossing Holdings Ltd.
SINGAPORE TECHNOLOGIES TELEMEDIA PTE LTD
and
HUTCHISON TELECOMMUNICATIONS LIMITED

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Respondent Note: The Joint Provisional Liquidators of Bermuda signed the Hutchison and STT Purchase Agreement and no other parties have been afforded that courtesy. It has the possible appearance that the JPLs endorse this deal and no others.

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PURCHASE AGREEMENT

This PURCHASE AGREEMENT (this "Agreement"), dated as of August 9, 2002, is entered into by and among Global Crossing Ltd., a company organized under the Laws of Bermuda (the "Company"), Global Crossing Holdings Ltd., a company organized under the Laws of Bermuda ("GCL Holdings"), **the Joint Provisional Liquidators of the Company** and GCL Holdings, Singapore Technologies Telemedia Pte Ltd, a company organized under the Laws of Singapore ("ST Telemedia"), and Hutchison Telecommunications Limited, a company organized under the Laws of Hong Kong ("Hutchison"). ST Telemedia and Hutchison are sometimes collectively referred to as the "Investors" and are sometimes referred to individually as an "Investor". Capitalized terms used herein (and in the Exhibits hereto) without definition shall have the meaning ascribed to such terms in Section 8.1 hereof.

The following can be found on page 50 of the Hutchison – STT Purchase Agreement.

ARTICLE VIII
MISCELLANEOUS

8.1 Defined Terms; Interpretations.

(a) The following capitalized terms, as used in this Agreement, shall have the following meanings:

"Accounts Receivable" shall mean all net accounts receivable of the Company and the Designated Subsidiaries (which amount shall be net of reserves established therefor).

"Affiliate" shall have the meaning ascribed to such term in Rule 12b-2 of the General Rules and Regulations under the Exchange Act.

"AGC" shall mean Asia Global Crossing Ltd., a company organized under the Laws of Bermuda and a Subsidiary.

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"AGC Restructuring" shall mean the restructuring of the debt, obligations and Liabilities of AGC and its subsidiaries, as appropriate.

"Agent" shall mean JPMorgan Chase Bank, in its capacity as administrative agent for the Banks.

"Agreement" shall have the meaning ascribed thereto in the preamble.

"Approval Motions" shall have the meaning ascribed thereto in Section 4.2(a).

"Assets" shall mean the buildings, plants, Network Facilities, structures, improvements and equipment of the Company and the Subsidiaries, and all other assets (whether real, personal or mixed and whether tangible or intangible and wherever located) of the Company and the Subsidiaries; but shall not include, (i) the funds not to exceed $13,000,000 (plus any accrued interest thereon) standing to the credit of the bank account in the name of the Company with account number 20 006 840 591 269 100 maintained with the Bank of NT Butterfield & Sons in Bermuda; (ii) the funds required to satisfy any and all costs and expenses of the provisional liquidations of the Bermudian Debtors (subject to the approval of the same by the Bermudian Court), and to implement and to administer to their conclusion the Schemes of Arrangement (such funds being referred to as, the "Bermuda Fund") . For the avoidance of doubt, all of the costs and expenses of the Joint Provisional Liquidators and their advisors and the costs and expenses of the administrator(s) of the Schemes of Arrangement will fall within this exclusion; (iii) the funds required to satisfy (a) the obligations set forth in Item 6 of Exhibit A, (b) the Big Eight Exit Costs and the Other Exit Costs, except to the extent such costs are assumed and paid by New GCL and/or its Subsidiaries and (c) and all administrative and priority claims and expenses in connection with the Bankruptcy Case and required to administer the winding down of the Bankruptcy Case, except to the extent such claims and expenses are assumed and paid by New GCL and/or its Subsidiaries; (iv) any and all rights, claims, credits, allowances, rebates, causes of action, and rights of set-off which may be brought or exercised by any liquidator of any Bermudian Debtor appointed by the Bermuda Court (whether in his own name or in the name of the applicable Bermudian Debtor) under powers which are vested in him by the Bermuda Court and/or under Bermudian Law; (v) any and all rights, claims, credits, allowances, rebates, causes of action, known or unknown, pending or threatened (including all causes of action arising under Sections 510, 544 through 551 and 553 of the Bankruptcy Code or under similar state Laws, including preferences and

fraudulent conveyance claims, and all other causes of action of a trustee and debtor-in-possession under the Bankruptcy Code) or rights of set-off (collectively, "Claims"), of the Company and the Subsidiaries, including Claims arising out of or relating to in any way to the Bankruptcy Case, or any of the transactions contemplated thereby or entered into

as a consequence thereof, including any claims (as defined in Section 101(5) of the Bankruptcy Code) filed, scheduled or otherwise ending in the Bankruptcy Case, and proceeds thereof whether by settlement or judgment, and whether obtained prior to, on or after the Closing Date and which shall include, with respect to officers, directors and their Affiliates of the Company and its Subsidiaries, accounts receivable, notes receivable, contract rights, rights to payment, and claims and causes of action of any kind or nature; and (vi) **the right, title and interest of the Company and its Subsidiaries in the employee pension plan that is the subject to the adversary proceeding brought by Citizens Communications in the Bankruptcy Case, Adv. Proc. No. 02-2157, including the right to terminate the plan and recover the surplus, if any**; provided, that the aggregate amount of funds excluded from the definition of Assets with respect to clauses (ii) and (iii) (c) above required to satisfy costs, expenses and claims incurred after the Closing Date will not exceed $7,000,000; and, provided, further, that any funds in excess of the amounts necessary to satisfy the obligations, costs and expenses described therein shall constitute an Asset and shall be transferred to New GCL immediately upon the satisfaction in full of the obligations, costs and expenses described in those clauses, except that there shall be deducted from the excess funds so remitted to New GCL the amount of any such claims, costs and expenses paid from the funds described in clause (i); provided, that clauses (iv) and (v) above shall exclude any and all Claims relating to or involving (A) any Current or Future (as determined below) supplier, vendor or customer of New GCL or its subsidiaries, (B) any Current or Future officer, director or employee of New GCL or any of its subsidiaries so long as they are employed by such entity or would otherwise be entitled to indemnification or reimbursement from any such entity for such Claim, (C) any other Person with whom, if any Claim is made or asserted against it, would be reasonably likely to have a material adverse effect on New GCL and/or its Subsidiaries or would materially interfere with the conduct of the business of New GCL and/or its Subsidiaries or would be reasonably likely to create any Liability of New GCL or its Subsidiaries and (D) the Investors and all of their respective Affiliates and advisors; provided, further, however, that the Company and GCL Holdings (or such successor entities as may be designated under the Bankruptcy Plan) shall retain all rights of the Debtors to assert any and all Claims as a defense or counterclaim to any proof of claim filed in the Bankruptcy Case. For purposes of the foregoing proviso, "Current or Future" suppliers, vendors, customers, officers, directors and employees shall be determined as follows. On or prior to the Closing Date, the Creditors' Committee and the Banks shall provide to the Investors a list of Persons against whom Claims may exist. The Investors shall have 60 days from the Closing Date to advise the Creditors' Committee and the Banks in writing of the identity of those Persons on the list that (x) are either current suppliers, vendors, customers, officers, directors and/or employees of New GCL and/or its subsidiaries or (y) the Investors reasonably expect to become suppliers, vendors, customers, officers, directors and/or employees of New GCL and/or its Subsidiaries within 180 days of the Closing Date. Any Persons identified pursuant to the preceding sentence shall constitute Current or Future suppliers, vendors, customers, officers, directors and/or employees, as the case may be, for purposes of clauses (A) and (B) in the foregoing proviso. Claims against any other Persons on the list not so identified shall be deemed

"Assumed Contracts" shall have the meaning ascribed thereto in Section 4.2(d).

"Bank Claims" shall mean all claims arising under or in connection with the Credit Agreement, whether secured or unsecured.

"Banks" shall mean the lenders under the Credit Agreement.

"Bankruptcy Case" shall have the meaning ascribed thereto in the recitals.

"Bankruptcy Code" shall have the meaning ascribed thereto in the recitals.

"Bankruptcy Plan" shall have the meaning ascribed thereto in the recitals.

"Benefits Plans" shall mean all collective bargaining agreements, employee benefit plans, as defined in Section 3(3) of ERISA, and all bonus or other incentive compensation, pension, retirement, post-retirement benefit coverage, profit sharing, deferred compensation, stock ownership, stock purchase, stock option, phantom stock, vacation, severance, disability, death benefit, hospitalization, medical, dental, service award, relocation, scholarship, educational assistance, or employee loan plans, policies, arrangements and agreements which are, or within the past six years were, entered into, sponsored, maintained, contributed to or required to be contributed to by the Company or any of its ERISA Affiliates or under which the Company or any of its ERISA Affiliates may incur any liability.

"Bermuda Approvals" shall mean the approval of the Bermuda Monetary Authority for the issuance by New GCL of the New Company Shares and any other approvals required to be obtained in Bermuda to give effect to the transactions contemplated herein or in the Transaction Documents.

"Bermuda Case" shall have the meaning ascribed thereto in the recitals.

"Bermuda Court" shall have the meaning ascribed thereto in the recitals.

"Bermuda Orders" shall have the meaning ascribed thereto in the recitals.

"Bermudian Debtors" shall have the meaning ascribed thereto in the recitals.

"Big Eight Exit Costs" shall mean all amounts required to be paid or amounts payable by the Company or the Designated Subsidiaries since June 30, 2002 to the Big Eight Vendors in respect of the settlement or the compromise of all amounts owed to them by the Company and the Designated Subsidiaries for claims arising prior to the Petition Date.

"Big Eight Vendors" shall mean Alcatel SA, Cisco Systems Inc., Juniper Networks (US), Inc., Level 3 Communications, LLC, Lucent Technologies Inc., Nortel Networks Inc., Sonus Networks, Inc. and Tyco Telecommunications (US) Inc.

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"Board Committees" shall have the meaning ascribed thereto in Section 4.4.

"Board of Directors" shall, unless the context requires otherwise, mean the Board of Directors of the Company.

"Business Day" shall mean a day that is not a Saturday, Sunday or other day on which banking institutions in each of New York, Hong Kong and Singapore are not required to be open.

"Capital Lease" shall mean a lease with respect to which the lessee is required concurrently to recognize the acquisition of an asset and the incurrence of a GAAP Liability in accordance with GAAP.

"Cash Management Order" shall mean the order of the U.S. Bankruptcy Court entitled, "Final Order Pursuant to Sections 105(a) and 364 of the Bankruptcy Code Authorizing Debtors to (i) Continue Centralized Cash Management Systems, and (ii) Maintain Existing Bank Accounts and Business Forms," entered on May 20, 2002.

"Cash Shortfall Amount" shall mean, in the event that the December 31, 2002 Cash Balance is less than the Minimum Cash Balance, an amount equal to (i) the Minimum Cash Balance less (ii) the December 31, 2002 Cash Balance.

"CERCLA" shall mean the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. § 9601 et seq.).

"Certificate of Designations" shall mean that certificate of designations setting forth the rights and preferences of the New Preferred Shares, in form and substance (x) reasonably satisfactory to each of the Investors, the Creditors' Committee and the Banks and (y) not inconsistent with Exhibit A-1 and Exhibit A-2 hereof.

"Closing" shall have the meaning ascribed thereto in Section 1.2(a).

"Closing Date" shall have the meaning ascribed thereto in Section 1.2(a).

"Code" shall mean the Internal Revenue Code of 1986, as amended.

"Commitments" shall mean any contract, agreement, understanding, arrangement and commitment of any nature whatsoever, whether written or oral, including all amendments thereof and supplements thereto.

"Common Shares" shall mean the common shares, par value $.01 per share, of the Company and shall include, as the context may require, all common shares now or hereafter authorized to be issued, and any and all securities of any kind whatsoever of the Company which may be exchanged for or converted into Common Shares, and any and all securities of any kind whatsoever of the Company which may be issued on or after the date hereof in respect of, in exchange for, or upon conversion of shares of Common Shares pursuant to a merger, consolidation, stock split, stock dividend, recapitalization of the Company or otherwise.
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Execution Copy W2000]

"Communications Act" shall mean the Communications Act of 1934, as amended, and the rules and regulations (including those issued by the FCC) promulgated thereunder.

"Communications License" or "Communications Licenses" shall have the meaning ascribed thereto in Section 2.9(a).

"Companies" shall have the meaning ascribed thereto in Section 2.15.

"Companies Law" shall have the meaning ascribed thereto in the recitals.

"Company" shall have the meaning ascribed thereto in the preamble.

"Company Asset Transfer" shall mean the transfer by the Company and GCL Holdings to New GCL of all of the Assets of the Company and GCL Holdings (except for the shares of capital stock of GCL Holdings held by the Company, which shall continue to be held by the Company after giving effect to the Company Asset Transfer) pursuant to the Schemes of Arrangement and the Bankruptcy Plan, including the shares of capital stock or other voting securities, or securities convertible into or exchangeable for, or rights to

subscribe for or require the issuance of, capital stock or voting securities in each Subsidiary (other than GCL Holdings), the Intellectual Property and the Commitments (other than any Executory Contracts included on the Rejection List).

"Company Intellectual Property" shall mean all Intellectual Property owned or used by the Company or any Subsidiary.

"Competition Approvals" shall mean all approvals, consents (including consents to assignments or permits and rights of way), certificates, waivers and other authorizations required to be obtained from, or filings or other notices required to be made with or to, any Governmental Entities relating to antitrust or competition Laws having jurisdiction over the Company's or any Subsidiary's business in order to consummate the transactions contemplated by this Agreement and the other Transaction Documents, including the expiration or termination of any waiting period (or any extension thereof) under the HSR Act.

"Confidential Information" shall have the meaning ascribed thereto in the ST Telemedia Confidentiality Agreement or the Hutchison Confidentiality Agreement.

"Confirmation Hearing" shall mean the hearing held by the U.S. Bankruptcy Court to consider confirmation of the Bankruptcy Plan pursuant to section 1128 of the Bankruptcy Code, as such hearing may be adjourned or continued from time to time.

"Confirmation Order" shall mean the final, nonappealable order entered by the U.S. Bankruptcy Court in the Bankruptcy Case confirming the Bankruptcy Plan pursuant to Section 1129 of the Bankruptcy Code. The Confirmation Order shall provide, among other things, that (a) the issuance of New Company Shares pursuant to the Bankruptcy Plan shall be free and clear of all liens, claims, interests, rights of others or Encumbrances of any kind, (b) except to the extent of the Big Eight Exit Costs, the Other Exit Costs and, to the extent not part of the Big Eight Exit Costs and the Other Exit Costs, cure payments required with respect to Commitments being assumed consistent with the provisions of Section 4.2(d), all Pre-Petition

Liabilities of the Debtors shall be discharged in full, other than GAAP Liabilities for Capital Leases in an amount not to exceed $150,000,000, (c) the Company Asset Transfer shall be free and clear of all liens, claims, interests, rights of others or Encumbrances of any kind, (d) an express finding that the Bankruptcy Plan has been proposed in good faith and not by any means forbidden by Law, (e) **the Investors and their Affiliates, members, shareholders, partners, representatives, employees, attorneys, and agents are released from any claims related to the Company, its business or the Bankruptcy Case,** and (f) the issuance of Common Shares under the Bankruptcy Plan is exempt from registration under the Securities Act.

"Consents" shall have the meaning ascribed thereto in Section 4.9(b).

"Credit Agreement" shall mean the Amended and Restated Credit Agreement dated August 10, 2000 among Global Crossing Ltd., Global Crossing Holdings Ltd., Global Crossing North America, Inc., certain financial institutions, certain other parties and JPMorgan Chase Bank (formerly known as Chase Manhattan Bank) as administrative agent.

"Creditors' Committee" shall mean the official committee of unsecured creditors of the Company.

"Customer Access Rights" shall have the meaning ascribed thereto in Section 2.18(c).

"Customer Base" shall mean those Persons to which the Company or any Subsidiary provides any telecommunications, including services based on Frame Relay networks, ATM networks, private lines, IP transit, dedicated internet access, IP networks and voice.

"Deadline Failure" shall have the meaning ascribed thereto in Section 6.4(a).

"Debtors" shall have the meaning ascribed thereto in the recitals.

"December 31, 2002 Balance Sheet" shall have the meaning ascribed thereto in Section 8.14(a).

"December 31, 2002 Cash Balance" shall mean all Unrestricted Cash (excluding all cash proceeds from the sale, if any, of GCUK and Global Marine) held in accounts in the name of the Company and/or the Designated Subsidiaries on December 31, 2002.

"December 31, 2002 Net Working Capital" shall mean, as of December 31, 2002, the sum (without duplication) of (i) all Accounts Receivable and Unrestricted Cash (excluding all cash proceeds from the sale, if any, of GCUK and Global Marine) reflected on the December 31, 2002 Balance Sheet of the Company and the Designated Subsidiaries, less (ii) all GAAP Liabilities reflected on the December 31, 2002 Balance Sheet other than the following:

(A) GAAP Liabilities in relation to operational restructuring costs of the Company and the Designated Subsidiaries but only to the extent they do not exceed $200,000,000; (B) GAAP Liabilities for Capital Leases but only to the extent they do not exceed $150,000,000; (C) GAAP Liabilities for deferred revenues; (D) GAAP Liabilities for deferred Taxes and (E) GAAP Liabilities Subject to Compromise (excluding Liabilities for income Taxes, net of any Tax assets

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other than deferred Tax assets), it being understood that all Liabilities for income Taxes, whether incurred prior to, on or after the Petition Date, shall be accrued in accordance with GAAP on the December 31, 2002 Balance Sheet and, subject to the exclusion for deferred Taxes as provided in (D) above, shall be taken into account in the calculation of December 31, 2002 Net Working Capital) all as calculated in accordance with GAAP and on a basis consistent with the June 30 Balance Sheet.

"Designated Subsidiaries" shall mean all Subsidiaries of the Company other than AGC, Global Marine and their respective subsidiaries.

"Disclosure Statement" shall have the meaning ascribed thereto in Section 4.2(a).

"Disposition" shall have the meaning ascribed thereto in Section 4.3(a).

"DOL Investigation" shall mean any investigations, inquiries or requests by the United States Department of Labor in connection with the Benefits Plans of the Company or any Subsidiary or the transactions contemplated by this Agreement or the other Transaction Documents.

"Employee Agreements" shall mean all employment, consulting or individual compensation agreements or offer letters pursuant to which the Company or any of the Subsidiaries has any obligation or liability (actual or contingent) with respect to the employment or consultancy or termination of employment or consultancy of any current or former employee, officer, director, individual consultant or other person other than such agreements which are terminable at will upon not more than 30 days prior notice without any further liability.

"Encumbrance" shall mean, with respect to any Person, any mortgage, lien, pledge, charge, claim, option, proxy, voting trust, right of first refusal, security interest or other encumbrance, or any interest or title of

any vendor, lessor, lender or other secured party to or of such Person under any conditional sale or other title retention agreement or Capital Lease, upon or with respect to any property or asset of such Person (including in the case of stock, shareholder agreements, voting trust agreements and all similar arrangements).

"Environmental Law" shall mean any and all applicable international, federal, state, or local laws, statutes, ordinances, regulations, policies, guidance, rules, judgments, orders, court decisions or rule of common law, permits, restrictions and licenses, which: (i) regulate or relate to the protection or clean up of the environment; the use, treatment, storage, transportation, handling, disposal or release of Hazardous Materials, the preservation or protection of waterways, groundwater, drinking water, air, wildlife, plants or other natural resources; or the health and safety of persons or property, including protection of the health and safety of employees; or (ii) impose liability or responsibility with respect to any of the foregoing, including CERCLA, or any other Law of similar effect.

"Environmental Permits" shall mean any material permit, license, authorization or approval required under applicable Environmental Laws.

"ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended.

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"ERISA Affiliate" with respect to any Person, shall mean any entity which is (or at any relevant time was) a member of a "controlled group of corporations" with, under "common control" with, or a member of an "affiliated service group" with, such Person as defined in Section 414(b), (c), (m) or (o) of the Code.

"Exchange Act" shall mean the Securities Exchange Act of 1934, as amended, or any successor federal statute, and the rules and regulations of the SEC thereunder, all as the same shall be in effect at the time. Reference to a particular section of the Securities Exchange Act of 1934, as amended, shall include reference to the comparable section, if any, of any such successor federal statute.

"Exclusivity Period" shall have the meaning ascribed thereto in Section 4.2(c)(ii).

"Executory Contract" shall mean any Commitment or license.

"Exon-Florio Amendment" shall mean Section 721 of the Defense Production Act of 1950, as amended and the regulations and rules thereunder.

"Expert" shall have the meaning ascribed thereto in Section 8.14(c).

"FBI Investigation" shall mean any investigations, inquiries or requests by the U.S. Federal Bureau of Investigation in connection with the Company's accounting, business or other practices, the Bankruptcy Case or the transactions contemplated by this Agreement or the other Transaction Documents.

"FCC" shall mean the Federal Communications Commission and any successor Governmental Entity.

"FCC Licenses" shall have the meaning ascribed thereto in Section 2.9(a).

"Final Order" shall mean an order or determination by the U.S. Bankruptcy Court, the Bermuda Court, the FCC or other regulatory authority (including State PUCs) (a) that is not reversed, stayed, enjoined, set aside, annulled or suspended within the deadline, if any, provided by applicable statute or regulation, (b) with respect to which no request for stay, motion or petition for reconsideration, application or request for review, or notice of appeal or judicial petition for review that is filed within the period referred to in clause

(a) above is pending, and (c) as to which the deadlines, if any, for filing such request, motion, petition, application, appeal or notice, and for the entry by FCC or other regulatory authority of orders staying, reconsidering, or reviewing on its motion have expired.

"GAAP" shall have the meaning ascribed thereto in Section 2.5(a).

"GAAP Liabilities" shall mean, as of December 31, 2002, Liabilities reflected by the Company on a balance sheet prepared in accordance with GAAP and on a basis consistent with the June 30 Balance Sheet; provided, however, that if at any time the Company or any Designated Subsidiary becomes liable for any Liability of a Subsidiary other than a Designated Subsidiary, then such Liability will be treated as a GAAP Liability for the purposes hereof.

"GAAP Liabilities Subject to Compromise" shall mean all Liabilities reflected by the Company on a balance sheet prepared in accordance with GAAP and on a basis consistent with the June 30 Balance Sheet which are required to be reflected on a balance sheet as a "liability subject to compromise" in accordance with Statement of Position No. 90-7, "Financial Reporting by Entities in Reorganization under the Bankruptcy Code".

"GCUK" shall mean Global Crossing Intermediate UK Holdings Ltd (UK), a company organized under the Laws of the United Kingdom.

"Global Marine" shall mean Global Marine Systems Limited, a company organized under the Laws of the United Kingdom.

"Governmental Entity" shall mean any supernational, national, foreign, federal, state or local judicial, legislative, executive, administrative or regulatory body or authority.

"Governmental Investigations" shall have the meaning ascribed thereto in Section 4.8.

"Guaranty" shall mean, with respect to any Person, any obligation (except the endorsement in the ordinary course of business of negotiable instruments for deposit or collection) of such Person guaranteeing or in effect guaranteeing (whether by reason of being a general partner of a partnership or otherwise) any Indebtedness, dividend or other obligation of any other Person in any manner, whether directly or indirectly, including obligations incurred through an agreement, contingent or otherwise, by such Person: (a) to purchase such Indebtedness or obligation or any property constituting security therefor; (b) to advance or supply funds (i) for the purchase or payment of such Indebtedness or obligation, or (ii) to maintain any working capital or other balance sheet condition or any income statement condition of any other Person or otherwise to advance or make available funds for the purchase or payment of such Indebtedness or obligation; (c) to lease properties or to purchase properties or services primarily for the purpose of assuring the owner of such Indebtedness or obligation of the ability of any other Person to make payment of the Indebtedness or obligation; or (d) otherwise to assure the owner of such Indebtedness or obligation against loss in respect thereof. In any computation of the Indebtedness or other Liabilities of the obligor under any Guaranty, the Indebtedness or other obligations that are the subject of such Guaranty shall be assumed to be direct obligations of such obligor.

"GCL Holdings" shall have the meaning ascribed thereto in the preamble.

"Hazardous Materials" shall mean any pollutant, chemical, substance and any toxic, infectious, carcinogenic, reactive, corrosive, ignitable or flammable chemical, or chemical compound, or hazardous substance, material or waste, whether solid, liquid or gas, to the extent subject to regulation, control or remediation under any Environmental Laws, including any quantity of asbestos in any form, urea

formaldehyde, PCBs, radon gas, crude oil or any fraction thereof, all forms of natural gas, petroleum products or by-products or derivatives.

"House Committee Investigation" shall mean any investigations, inquiries or requests by the United States House Energy and Commerce Committee in connection with the

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Company's accounting, business or other practices, the Bankruptcy Case or the transactions contemplated by this Agreement or the other Transaction Documents.

"HSR Act" shall mean the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, and the rules and regulations thereunder.

"Hutchison" shall have the meaning ascribed thereto in the preamble.

"Hutchison Confidentiality Agreement" shall mean the Confidentiality Agreement, dated as of June 25, 2001, between the Company and Hutchison Whampoa Ltd., as amended.

"Indebtedness" shall mean, with respect to any Person, at any time, without duplication: (a) its Liabilities for borrowed money and its redemption obligations in respect of mandatory redeemable preferred stock; (b) its Liabilities for the deferred purchase price of property acquired by such Person (excluding accounts payable arising in the ordinary course of business but including all Liabilities created or arising under any conditional sale or other title retention agreement with respect to any such property); (c) all Liabilities appearing on its balance sheet in accordance with GAAP in respect of Capital Leases; (d) all Liabilities for borrowed money secured by any Encumbrance with respect to any property owned by such Person (whether or not it has assumed or otherwise become liable for such Liabilities); (e) all its Liabilities in respect of letters of credit or instruments serving a similar function issued or accepted for its account by banks and other financial institutions (whether or not representing obligations for borrowed money); (f) Swaps of such Person; and (g) any Guaranty of such Person with respect to Liabilities of a type described in any of clauses (a) through (f) hereof. Indebtedness of any Person shall include all obligations of such Person of the character described in clauses (a) through (g) to the extent such Person remains legally liable in respect thereof notwithstanding that any such obligation is deemed to be extinguished under GAAP.

"Intellectual Property" shall mean all intellectual property, including the United States and non-U.S. trademarks, service marks, trade names, trade dress, domain names, logos, business and product names, and slogans including registrations and applications to register or renew the registration of any of the foregoing; copyrights and registrations or renewals thereof; United States and non-U.S. letters patent and patent applications, including all reissues, continuations, divisions, continuations-in-part or renewals or extensions thereof; inventions, processes, designs, formulae, trade secrets, know-how, confidential business and technical information; software and computer programs of any kind whatsoever (including all modeling software in both source code and object code versions) and all documentation relating thereto; Internet websites; mask works and other semiconductor chip rights and registrations or renewals thereof; and all other intellectual property and proprietary rights, tangible embodiments of any of the foregoing (in any form or medium including electronic media), and licenses of any of the foregoing.
"Investor" and "Investors" shall have the meaning ascribed thereto in the preamble.

"IRS" shall mean the United States Internal Revenue Service.

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"IRU" shall refer to Commitments for the indefeasible right to use capacity on the Network Facilities.

"IRU Agreements" shall have the meaning ascribed thereto in Section 2.18(a).

"**Joint Provisional Liquidators**" shall mean Mr. Philip Wedgwood Wallace, Ms. Jane Bronwen Moriarty and Mr. Malcolm Butterfield, in their respective capacities as the joint provisional liquidators of the Company and GCL Holdings as appointed by the Bermuda Orders.

"June 30 Balance Sheet" shall have the meaning ascribed thereto in Section 8.14(a).

"Knowledge" with respect to the Company, shall mean the knowledge of any of (i) its directors, officers or senior management, (ii) the knowledge of any of the directors, officers or senior management of GCL Holdings and (iii) the knowledge of any of the foregoing Persons would have after due and reasonable inquiry.

"Laws" shall include all foreign, federal, state, and local laws, statutes, legislation, ordinances, rules, regulations, orders, judgments, injunctions, decrees and bodies of law.

"Lease Guaranties" shall have the meaning ascribed thereto in Section 2.17(c).

"Leased Real Property" shall have the meaning ascribed thereto in Section 2.17(b).

"Letter of Intent" shall mean that certain letter agreement, dated as of January 28, 2002, by and among the Company, Hutchison and ST Telemedia.

"Liabilities" shall mean all liabilities or obligations of any nature whether accrued, absolute, contingent, unliquidated or otherwise, whether known or unknown, whether due or to become due and regardless of when asserted.

"Licenses" shall have the meaning ascribed thereto in Section 2.10.

"Liquidated Damages" shall have the meaning ascribed thereto in Section 7.3(a)(i).

"Listing" shall have the meaning ascribed thereto in Section 4.18.

"Litigation" shall have the meaning ascribed thereto in Section 2.7(a).

"Local Authorizations" shall have the meaning ascribed thereto in Section 2.9(a).

"Lockdown Period" shall have the meaning ascribed thereto in Section 2.13(l).

"Material Adverse Effect" shall mean any event, circumstance, condition, fact, effect, or other matter which has had or would reasonably be expected to have a material adverse effect (a) on the business, properties, assets, Liabilities, operations or conditions (financial or

otherwise) of the Company and the Subsidiaries taken as a whole or (b) on the ability of the Company and the Subsidiaries to perform on a timely basis any material obligation under this Agreement or the other Transaction Documents or to consummate the transactions contemplated hereby and thereby, except to the extent of any material adverse effect resulting from (1) the restructuring of AGC or its subsidiaries, or AGC or its subsidiaries seeking protection from their creditors or commencing an insolvency proceeding or the commencement of any insolvency proceeding against it or them, or (2) one or more Non-Filing Subsidiaries joining the Bankruptcy Case and/or the Bermuda Case or one or more Non-Filing Subsidiaries

seeking protection from creditors or commencing an insolvency proceeding or the commencement of any insolvency proceeding against them, it being understood that the exceptions set forth in the foregoing clauses (1) and (2) shall only apply to the actual filing or commencement of such proceedings and not to any adverse effects arising thereafter as a result of such filings or commencement. Without limiting the generality of the foregoing, a Material Adverse Effect shall be deemed to occur if any of the Governmental Investigations have caused, or are reasonably likely to cause, a material adverse effect on the ability of New GCL and its Subsidiaries to conduct their business.

"Material Executory Contracts" shall have the meaning ascribed thereto in Section 4.2(d).

"Minimum Cash Balance" shall mean an amount equal to $194 million less the sum of any Big Eight Exit Costs and Other Exit Costs paid prior to December 31, 2002. An example of the calculation of Minimum Cash Balance is set forth on Schedule 8.1.

"Minimum Net Working Capital" shall mean an amount equal to $8 million less the sum of any Other Exit Costs paid for or accrued prior to December 31, 2002. An example of the calculation of Minimum Net Working Capital is set forth on Schedule 8.1.

"Monthly Operating Statements" shall have the meaning ascribed thereto in Section 2.5(a).

"Net Working Capital Shortfall Amount" shall mean, in the event that the December 31, 2002 Net Working Capital is less than the Minimum Net Working Capital, an amount equal to (i) the Minimum Net Working Capital less (ii) the December 31, 2002 Net Working Capital.

"Network Facilities" shall have the meaning ascribed thereto in Section 2.18(d).

"New Common Shares" shall mean common shares, par value $.01 per share, of New GCL.

"New Company Shares" shall have the meaning ascribed thereto in Section 1.1.

"New GCL" shall have the meaning ascribed thereto in the recitals.

"New GCL Capitalization" shall have the meaning ascribed thereto in Section 4.2(b).

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"New GCL Management Plan" shall mean a management stock incentive plan adopted by New GCL as of the Closing Date in a form acceptable to the Investors in their reasonable discretion, which shall provide for grants of options and other stock-based awards to qualified employees, directors and consultants of New GCL and the Subsidiaries pursuant to which up to 8% of the New Outstanding Equity is reserved.

"New Outstanding Equity" shall mean the total outstanding equity securities of New GCL calculated on the basis of (a) the New Company Shares issued to the Investors hereunder (assuming the conversion of all issued and outstanding New Preferred Shares into New Common Shares), (b) the New Common Shares issued to the creditors pursuant to the Restructuring and (c) the New Common Shares, issued or issuable pursuant to any stock options or other stock-based awards issued under the New GCL Management Plan.

"New Preferred Shares" shall mean preferred shares, par value $.01 per share, of New GCL.

"Non-Compete Covenants" shall have the meaning ascribed thereto in Section 2.11(a).

"Non-Filing Subsidiaries" shall mean a Subsidiary that is not seeking protection from its creditors and is not a debtor in the Bankruptcy Case or the Bermuda Case, whether as of the date hereof or on or prior to the Closing Date.

"Non-U.S. Licenses" shall have the meaning ascribed thereto in Section 2.9(a).

"Non-U.S. Plans" shall have the meaning ascribed thereto in Section 2.13(i).

"Ordinary Course of Business" shall mean the ordinary course of business consistent with past practices of the Company and the Subsidiaries, taking into consideration changes required as a result of the commencement and continuation of the Bankruptcy Case and the Bermuda Case.

"Other Exit Costs" shall mean all amounts required to be paid or amounts payable (whether or not paid or accrued prior to or after December 31, 2002) by the Company and the Designated Subsidiaries since June 30, 2002 in respect of the settlement or compromise of GAAP Liabilities Subject to Compromise (other than Big Eight Exit Costs), including any such amounts required to be paid or amounts payable by the Company or any Designated Subsidiary or a Subsidiary other than a Designated Subsidiary if it becomes a debtor under the Bankruptcy Case prior to the Closing Date, but excluding (i) any such GAAP Liabilities in relation to Capital Leases, (ii) the consideration to be paid in respect of Bank Claims and Other Pre-Petition Date Claims pursuant to Exhibit A of this Agreement, (iii) GAAP Liabilities in relation to operational restructuring costs of the Company and the Designated Subsidiaries, (iv) GAAP Liabilities for deferred revenues, (v) GAAP Liabilities for deferred Taxes, (vi) any such GAAP Liabilities being paid in the ordinary course of business as approved by the U.S. Bankruptcy Court and (vii) any Pre-Petition Liabilities relating to income Taxes (but including all other Pre-Petition Liabilities relating to Taxes).

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"Other Pre-Petition Date Claims" shall mean all non-priority pre-Petition Date unsecured claims in the Bankruptcy Case other than Bank Claims, including the Public Debt.

"Owned Real Property" shall mean real property and/or interests in real property owned by the Company and/or any Subsidiary, together with all buildings, structures and improvements located on such real property.

"PBGC" shall have the meaning ascribed thereto in Section 2.13(d).

"Permitted Encumbrances" shall have the meaning ascribed thereto in Section 2.17(a).

"Person" shall mean any individual, firm, corporation, limited liability company, partnership, company, trust or other entity, and shall include any successor (by merger or otherwise) of such entity.

"Petition Date" shall have the meaning ascribed thereto in the recitals.

"Post-Petition Investors' Expenses" shall have the meaning ascribed thereto in Section 4.6.

"Pre-Petition Liabilities" shall mean any "claim" against any of the Debtors, as such term is defined in Section 101(5) of the Bankruptcy Code, arising or occurring on or before the Petition Date.

"Professional Fees" shall mean the fees and expenses (whether or not billed) of attorneys and other professionals (including financial advisors) retained in the Bankruptcy Case by the Debtor, the Creditors' Committee or the Banks pursuant to orders of the U.S. Bankruptcy Court or retained in the Bermuda Case by the Joint Provisional Liquidators pursuant to orders of the Bermuda Court.

"Public Debt" shall mean GCL Holding's $1,000,000,000 of 8.70% Senior Notes due August 1, 2007, GCL Holding's $900,000,000 of 9.125% Senior Notes due November 15, 2006, GCL Holding's $1,100,000,000 of 9.5% Senior Notes due November 15, 2009 and GCL Holding's $800,000,000 of

9.625% Senior Notes due May 15, 2008, Frontier Corporation's $300,000,000 of 7.25% Unsecured Notes due May 14, 2004, Frontier Corporation's $100,000,000 of 9% Unsecured and Unsubordinated Debentures due August 15, 2021 and Frontier Corporation's $200,000,000 of 6% Dealer Remarketable Securities due October 15, 2013.

"Purchase Price" shall have the meaning ascribed thereto in Section 1.1.

"Real Property" shall have the meaning ascribed thereto in Section 2.17(b).

"Real Property Leases" shall have the meaning ascribed thereto in Section 2.17(b).

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"Registration Rights Agreement" shall mean the registration rights agreement in the form reasonably satisfactory to each Investor and New GCL regarding the registration under the Securities Act of New Common Shares.

"Regulatory Approvals" shall mean all approvals, consents (including consents to assignments of permits and rights of way), certificates, waivers and other authorizations required to be obtained from, or filings or other notices required to be made with or to, any Governmental Entities having jurisdiction over the Company's or any Subsidiary's business in order to consummate the transactions contemplated by this Agreement and the other Transaction Documents, including the Competition Approvals, the Telecom Approvals, the Security Approvals and the Bermuda Approvals.

"Rejection List" shall have the meaning ascribed thereto in Section 4.2(d).

"Representatives" shall mean with respect to any Person, any officer, director or employee of, or any investment banker, attorney or other advisor, agent or representative of such Person.

"Restructuring" shall have the meaning ascribed thereto in Section 4.2(b).

"Sanction Order" shall have the meaning ascribed thereto in the Recitals.

"Schemes of Arrangement" shall have the meaning ascribed thereto in the recitals.

"SEC" shall mean the United States Securities and Exchange Commission and any successor Governmental Entity.

"SEC Investigation" shall mean any investigations, inquiries or requests by the SEC in connection with (i) the Company's accounting, business or other practices, (ii) the Bankruptcy Case, or (iii) the transactions contemplated by this Agreement or the other Transaction Documents.

"SEC Reports" shall have the meaning ascribed thereto in Section 2.4.

"Securities Act" shall mean the Securities Act of 1933, as amended, or any successor federal statute, and the rules and regulations of the SEC thereunder, all as the same shall be in effect at the time. Reference to a particular section of the Securities Act shall include reference to the comparable section, if any, of such successor federal statute.

"Security Approvals" shall mean any approvals, consents (including consents to assignment of permits and rights of way), certificates, waivers, and other authorizations required or advisable to be obtained from, or filings or other notices required or advisable to be made with or to, any Governmental Entities relating to U.S. and non-U.S. security matters in order to consummate the transaction contemplated by this Agreement and the other Transaction Documents, including compliance with and filings under the Exon-Florio

Amendment. "Service EBITDA" means, with respect to New GCL and its subsidiaries on a consolidated basis (excluding AGC and its subsidiaries and Global Marine and its subsidiaries),

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operating earnings or losses before interest, taxes, depreciation and amortization but excludes the contribution of (i) any revenue recognized immediately for circuit activations that qualified as sales-type leases and (ii) revenue recognized due to the amortization of IRUs sold in prior periods and not recognized as sales-type leases.

"Settlement Agreements" shall have the meaning ascribed thereto in Section 8.14(a).

"Shortfall Amount" shall mean, if any, the greater of the Cash Shortfall Amount and the Net Working Capital Shortfall Amount.

"Significant Subsidiary" or "Significant Subsidiaries" shall have the meaning ascribed thereto in Section 2.1(b).

"Six Month Operating Statement" shall have the meaning ascribed thereto in Section 2.5(a).

"Special Notice" shall have the meaning ascribed thereto in Section 6.4(a).

"ST Telemedia" shall have the meaning ascribed thereto in the preamble.

"ST Telemedia Confidentiality Agreement" shall mean the Confidentiality Agreement, dated as of August 23, 2001, between the Company and ST Telemedia, as amended.

"State Licenses" shall have the meaning ascribed thereto in Section 2.9(a).

"State PUCs" shall mean the state and local public service and public utilities commissions.

"Subsidiaries" shall mean (a) any corporation, association or other business entity of which more than 50% of the total voting power of shares or other voting securities outstanding thereof is at the time owned or controlled, directly or indirectly, by the Company or one or more of the other Subsidiaries of the Company (or any combination thereof) and (b) any partnership or limited liability company (i) the sole general partner, the managing general partner or the managing member of which is the Company or one or more of the other Subsidiaries of the Company (or any combination thereof) or (ii) the only general partners or members of which are the Company or one or more of the other Subsidiaries of the Company (or any combination thereof). References to "Subsidiaries" after the Closing Date, shall refer to Subsidiaries of New GCL after giving effect to the transfer of the Subsidiaries by the Company to New GCL in accordance with the Company Asset Transfer. The definition of Subsidiary shall include the Significant Subsidiaries. For purposes of Article II only, the definition of Subsidiary shall not include AGC and its subsidiaries

"Swaps" shall mean, with respect to any Person, payment obligations with respect to interest rate swaps, currency swaps and similar obligations obligating such Person to make payments, whether periodically or upon the happening of a contingency. For the purposes of this Agreement, the amount of the obligation under any Swap shall be the amount determined in respect thereof as of the end of the then most recently ended fiscal quarter of such Person, based on the assumption that such Swap had terminated at the end of such fiscal quarter, and in making such determination, if any agreement relating to such Swap provides for the netting of amounts payable by and to such Person thereunder or if any such agreement provides for the simultaneous payment of amounts by and to such Person, then in each such case, the amount of such obligation shall be the net amount so determined.

"Tax" shall mean any tax, assessment, levy, duty or other governmental charge imposed by any federal, state, provincial, local, foreign government or other political subdivision or agency thereof, including any income, alternative or add-on minimum, accumulated earnings, personal holding company, franchise, capital stock, escheat, environmental, profits, windfall profits, gross receipts, sales, use, value added, transfer, registration, stamp, premium, excise, customs duties, severance, real property, personal property, ad valorem, occupancy, license, occupation, employment, payroll, social security, disability, unemployment, workers' compensation, withholding, estimated or other similar tax, assessment, levy, duty or other governmental charge of any kind whatsoever, including penalties, interest and additions thereto, whether disputed or not.

"Tax Return" shall mean any and all returns, declarations, reports, documents, claims for refund, or information returns, statements or filings which are required to be supplied to any federal, state, local or foreign taxing authority, including any schedule or attachment thereto, and including any amendments thereof.

"Telecom Approvals" shall mean all approvals, consents (including consents to assignments of permits and rights of way), certificates, waivers and other authorizations required to be obtained from, or filings or other notices required to be made with or to the FCC, any State PUC or any other federal, state, foreign or municipal Governmental Entity with respect to the Communications Licenses in order to consummate the transactions contemplated by this Agreement and the other Transaction Documents.

"Third Party Consents" shall have the meaning ascribed thereto in Section 2.8(c).

"Transaction Documents" shall mean this Agreement, the bye-laws of New GCL, the Certificate of Designations, the memorandum of association of New GCL, the Registration Rights Agreement and all other documents (including any disclosure documents prepared and distributed in connection with the Bankruptcy Case and the Schemes of Arrangement) related to the Restructuring, and all other contracts, agreements, schedules, certificates and other documents being delivered pursuant to or in connection with this Agreement or such other documents or the transactions contemplated hereby or thereby.

"Unrestricted Cash" shall mean all unrestricted cash of the Company and the Designated Subsidiaries as determined in accordance with GAAP and on a basis consistent with the June 30 Balance Sheet.

"U.S. Bankruptcy Court" shall have the meaning described thereto in the recitals.

"Waiver Notice" shall have the meaning ascribed thereto in Section 6.4(a).