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August 18, 2003

## FILED ELECTRONICALLY VIA ECFS

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

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

Dear Ms. Dortch:

Global Crossing Ltd. (“GCL”) and GC Acquisition Limited (“New GX” and, together with GCL, “Applicants”) submit this letter in response to the Commission’s Public Notice of July 2, 2003.<sup>1</sup> The Public Notice requested comment on Applicants’ June 30, 2003 amendment to their Application for Consent to Transfer Control and Petition for Declaratory Ruling (the “Application”).

To Applicants’ knowledge, no substantive filings have been made in response to the Public Notice.<sup>2</sup> Accordingly, Applicants submit that the Commission should proceed with its ongoing review of the Application so that it may be granted expeditiously as soon as the Commission is advised that the Executive Branch has resolved any issues with respect to the Amended Transaction. Applicants also note that all approvals from state and foreign telecommunications and competition regulators required in connection with the Amended Transaction have now been obtained. The Amended Transaction also has been granted early termination by the Federal Trade Commission.

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<sup>1</sup> *In re Global Crossing Ltd. et al.*, IB Docket 02-286, Public Notice, DA 03-2179 (rel. July 2, 2003).

<sup>2</sup> Three documents were filed by CommAxxess, Inc. (formerly known as GlobalAxxess, Inc. and referred to herein as “GlobalAxxess”). *In re Global Crossing Ltd. et al.*, IB Docket 02-286, CommAxxess’ Supplemental Response in Opposition to the Applicants Fourth Amended Application for Consent to Transfer Control and Petition for Declaratory Ruling (July 28, 2003); *In re Global Crossing Ltd. et al.*, IB Docket 02-286, CommAxxess’ Supplemental Response in Opposition to the Applicants Fourth Amended Application for Consent to Transfer Control and Petition for Declaratory Ruling (Aug. 7, 2003); *In re Global Crossing Ltd. et al.*, IB Docket 02-286, CommAxxess’ Supplemental Response in Opposition to the Applicants Fourth Amended Application for Consent to Transfer Control and Petition for Declaratory Ruling (Aug. 18, 2003). None of GlobalAxxess’s filings are responsive or relevant to the Public Notice. Rather, the filings make a number of allegations that are factually wrong and/or irrelevant to the Commission’s consideration of the Application. For that reason, Applicants do not respond to them and urge the Commission to disregard them.

Applicants take this opportunity to clarify certain facts regarding the EAN licenses that may have been unclear in the June 30, 2003 amendment and to update the Commission regarding the status of the PC Landing Corp. ("PC Landing") bankruptcy proceeding.

1. Current and Post-Closing Ownership Structure of EAN. Global Crossing Ventures, Inc. ("GC Ventures") currently holds an 86.7% equity and voting interest in EAN. GC Ventures, in turn, is 100% indirectly owned by GCL. Douglas Norton and Daniel Kelly hold 6.65% equity and voting interests in EAN each. Pursuant to GCL's reorganization, the holdings of Messrs. Norton and Kelly will be eliminated, at which time GC Ventures will own 100% of EAN. Therefore, upon consummation of the Amended Transaction EAN will become an indirect wholly-owned subsidiary of New GX.
2. Equity and Voting Interests in EAN. The members of EAN have voting rights in the same proportions as their equity interests. Therefore, GC Ventures currently holds 86.7% of EAN's voting power and Messrs. Norton and Kelly each hold voting power of 6.65%. Upon conclusion of the Amended Transaction and GCL's reorganization, GC Ventures (and indirectly New GX) will have 100% of the voting power of EAN.
3. Inclusion of Pending Filings. Applicants request that the Commission's approval to transfer control of EAN include authority for New GX to control any additional authorizations issued to EAN prior to the consummation of the Amended Transaction; any construction permits held by EAN that mature into licenses after consummation and which may have been omitted from this application; and any applications, notification of minor modifications, and amendments thereto filed by EAN and pending at the time of consummation. Although Applicants are not aware of any such filings, Applicants request this approval in an abundance of caution. Grant of such authority is consistent with prior Commission practice.
4. Status of PC Landing. On or about March 10, 2003 Asia Global Crossing Ltd. ("AGCL") completed the sale of substantially all of its assets to Asia Netcom Corporation ("Asia Netcom").<sup>3</sup> The assets sold included all of AGCL's subsidiaries that held non-U.S. telecommunications licenses.<sup>4</sup> However, because PC Landing and certain of its affiliates are engaged in a separate bankruptcy case, the Asia Netcom transaction did not include their assets. Following the Asia Netcom sale, AGCL's Chapter 11 reorganization was converted to a Chapter 7 liquidation. As a result, the remaining assets of AGCL will be sold and the proceeds distributed to AGCL's creditors.

On June 5, 2003, PC Landing announced that the U.S. Bankruptcy Court for the District of Delaware had approved the sale of substantially all of its assets and the assets of its affiliates to Pivotal Telecom, LLC ("Pivotal").<sup>5</sup> Applicants understand that FCC approval is required with respect to that transaction as it will involve the assignment of PC Landing's cable landing license.

The above-described developments do not result in the removal of PC Landing from the Application. GCL will continue to hold an equity interest in AGCL until the AGCL

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<sup>3</sup> Letter from Paul O. Gagnier, Counsel for Applicants, to Marlene H. Dortch, Secretary, FCC (Mar. 20, 2003).

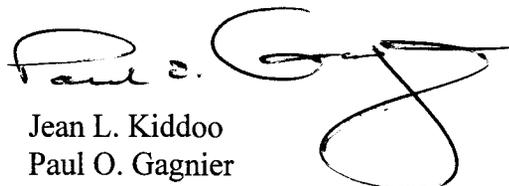
<sup>4</sup> As a result of the consummation of the AGCL-Asia Netcom transaction, AGCL's former subsidiaries that hold foreign carrier licenses are no longer foreign carrier affiliates of GCL's FCC-licensed subsidiaries.

<sup>5</sup> <http://www.heraldnet.com/Stories/03/6/6/17045263.cfm>.

liquidation is complete. AGCL, in turn, will retain its equity interest in PC Landing until either (i) the PC Landing reorganization concludes or (ii) the AGCL Chapter 7 trustee abandons its equity interest in PC Landing. Until one of those events occurs, PC Landing must be included in the Application. If one of those events occurs before an order is adopted in this proceeding, Applicants will promptly advise the Commission so that appropriate action can be taken. If none of them occurs by the time an order is adopted, the Commission should include appropriate language in the order describing the status of the AGCL and PC Landing bankruptcy proceedings and the anticipated effect of those proceedings on the eventual ownership of PC Landing.

Please do not hesitate to contact the undersigned if you have any questions with respect to the above matters.

Respectfully submitted,



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cc: All Parties on the Attached Service List  
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Teresa Baer (Latham & Watkins LLP, Counsel to ST Telemedia)

## CERTIFICATE OF SERVICE

I, Ivonne Diaz, certify that on this 18<sup>th</sup> day of August 2003, I caused a true and correct copy of the foregoing letter to be served upon the following parties in the manner indicated:

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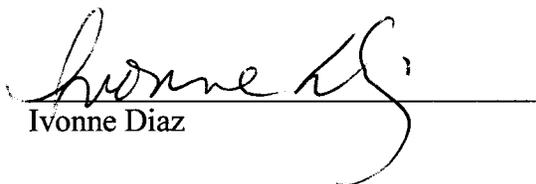
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