



TELECOMMUNICATIONS REGULATORY COMMISSION
Virgin Islands

October 20, 2009

Ms. Nadia Menezes
Ogier
Qwomar Complex, 4th Floor
PO Box 3170
Road Town, Tortola VG1110
British Virgin Islands

Dear Madam,

Re: Approval of Application

In relation to your client's request to approve an application to transfer a significant interest in B.V.I. Cable T.V. Ltd. please find enclosed:

- 1) Order of the Minister for Communications and Works, dated 21st of September, 2009 (2 originals and 4 certified copies);
- 2) Written approval of the Telecommunications Regulatory Commission, dated 20th October, 2009 (2 originals and 4 certified copies).

Sincerely yours,

Tomas Lamanuskas
Chief Executive Officer

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GOVERNMENT OF THE VIRGIN ISLANDS



OFFICE OF THE MINISTER FOR COMMUNICATIONS AND WORKS

**Order dated the 21st of September 2009
made under section 16(2)(a) of the
Telecommunications Act, 2006**

FROM: MINISTER FOR COMMUNICATIONS AND WORKS

TO: NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION;

WHEREAS it is provided by section 16(2)(a) of the Telecommunications Act, 2006 (the "Act") that a person owning or holding a significant interest in a public supplier shall not sell, transfer, charge or otherwise dispose his interest in such public supplier, or any part of his interest, unless the prior written approval of the Minister has been obtained;

WHEREAS B.V.I. CABLE T.V. LTD. (the "Licensee") is a holder of a Licence for the operation of a telecommunications network providing telecommunications services in the British Virgin Islands (the "Licence"), issued by the Telecommunications Regulatory Commission (the "Commission") on 29th June, 2007;

WHEREAS the Licence authorises the Licensee to operate a public telecommunications network and provide public telecommunications services listed in the Licence and by virtue of such authorisation the Licensee is considered to be a public supplier as per definitions of section 2 of the Act;

WHEREAS as a result of the default by **INNOVATIVE COMMUNICATION CORPORATION (“ICC”)**, which controlled 100 percent of the Licensee, to repay loans to Rural Telephone Finance Cooperative and other third-party debts, ICC was on 5th July, 2007 placed into involuntary bankruptcy in the United States of America;

WHEREAS on 4th October, 2007 the United States District Court of the Virgin Islands, Division of St. Thomas and St. John, Bankruptcy Division (the **“Bankruptcy Court”**) entered an order appointing **STANFORD SPRINGEL** as Chapter 11 Trustee to administer the bankruptcy estate of ICC (the **“Chapter 11 Trustee”**);

WHEREAS by virtue of the above the Chapter 11 Trustee now controls a significant interest in the Licensee;

WHEREAS the Chapter 11 Trustee together with **NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION (“CFC”)** (together – the **“Applicants”**), in accordance with an authorisation of the Bankruptcy Court of 9th April, 2009, filed an application (the **“Application”**), dated 26th May, 2009, to approve the transfer of control of a significant interest in the Licensee from the Chapter 11 Trustee to CFC (the **“Transaction”**);

WHEREAS on 28th July, 2009 the Commission, in accordance with sections 4(2) and 6(a) of the Act, advised me that it did not establish any obstacles precluding me from approving the transfer of control of a significant interest in the Licensee and, in particular, the Commission established that the transaction:

- a) would not result in changes in the market structure as, according to the Commission’s knowledge and analysis, CFC did not have an interest in other licensees operating in the Virgin Islands;
- b) would enable the Licensee to resume normal business operations as its management would no longer be subjected to procedures of bankruptcy administration;

and therefore the Commission advised me to approve the Application with regard to transfer of control of a significant interest in the Licensee, as a public supplier, from the Chapter 11 Trustee to CFC;

AND WHEREAS I have reviewed the Application as well as information and documents collected by the Commission in the course of evaluation of the Application and submitted to me via a letter of the Commission dated 21st August, 2009;

NOW THEREFORE, I, JULIAN FRASER RA, Minister for Communications and Works of the Virgin Islands, in exercise of the power conferred on me by section 16(2)(a) of the Telecommunications Act, 2006 do hereby approve the transfer of control of a significant interest in **B.V.I. CABLE T.V. LTD.** from **STANFORD SPRINGEL**, as Chapter 11 Trustee for the Bankruptcy Estate of **INNOVATIVE COMMUNICATION CORPORATION**, to **NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION**;

FURTHER I do determine that this Order is conditioned on the information, provided by Applicants in the Application and further submitted by them to the Commission in the course of evaluation of the Application, remaining valid to a material extent;

AND, as a condition of the approval under this Order, I do order the Applicants to inform me and the Commission about the final consummation of the Transaction or a decision not to proceed with the Transaction.

Made by the Minister for Communications and Works this 21st day of *September* 2009.



JULIAN FRASER, R. A.
Minister for Communications and Works



TELECOMMUNICATIONS REGULATORY COMMISSION
Virgin Islands

**Written approval dated the 20th of October, 2009
granted under section 20(2) of the
Telecommunications Act, 2006**

WHEREAS it is provided by section 20(2) of the Telecommunications Act, 2006 (the “**Act**”) that a person owning or holding a significant interest in a frequency authorisation holder shall not sell, transfer, charge or otherwise dispose of his interest in such frequency authorisation holder, or any part of his interest, unless the prior written approval of the Telecommunications Regulatory Commission (the “**Commission**”) has been obtained;

WHEREAS B.V.I. CABLE T.V. LTD. (the “**Authorisation Holder**”) is a holder of numerous frequency authorisations issued by the Commission, namely:

Call Sign	Type	Number
N/A	Marine Telecommunications Operating License (B) (Radio Telephone)	C2/3189/2007
ZJL-531	Business Radio License Land Station	D1/002/91
ZJL-532	Business Radio License Land Station (Repeater)	D1/003/91
ZJL-5325	Business Radio License Mobile (Base Station 2)	D2/040/93
ZJL-5200	Business Radio License Mobile	D2/003/91
ZJL-5201	Business Radio License Mobile	D2/004/91
ZJL-5202	Business Radio License Mobile	D2/005/91
ZJL-5326	Business Radio License Mobile	D2/041/93
ZJL-5207	Business Radio License Mobile	D2/010/91
ZJL-5206	Business Radio License Mobile	D2/009/91
ZJL-5205	Business Radio License Mobile	D2/008/91
ZJL-5204	Business Radio License Mobile	D2/007/91
ZJL-5203	Business Radio License Mobile	D2/006/91

WHEREAS as a result of the default by **INNOVATIVE COMMUNICATION CORPORATION (“ICC”)**, which controlled 100 percent of the Authorisation Holder, to repay loans to Rural Telephone Finance Cooperative and other third-party debts, ICC was on 5th July, 2007 placed into involuntary bankruptcy in the United States of America;

WHEREAS on 4th October, 2007 the United States District Court of the Virgin Islands, Division of St. Thomas and St. John, Bankruptcy Division (the **“Bankruptcy Court”**) entered an order appointing **STANFORD SPRINGEL** as Chapter 11 Trustee to administer the bankruptcy estate of ICC (the **“Chapter 11 Trustee”**);

WHEREAS by virtue of the above the Chapter 11 Trustee now controls a significant interest in the Authorisation Holder;

WHEREAS the Chapter 11 Trustee together with **NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION (“CFC”)** (together – the **“Applicants”**), in accordance with an authorisation of the Bankruptcy Court of 9th April, 2009, filed an application (the **“Application”**), dated 26th May, 2009, as revised in relation to Exhibit 2 (list of frequency authorisations) on 15th October, 2009, to approve the transfer of control of a significant interest in the Authorisation Holder from the Chapter 11 Trustee to CFC (the **“Transaction”**);

WHEREAS the Commission has reviewed the Application as well as information and documents submitted by the Applicants in the course of evaluation of the Application;

AND WHEREAS the Commission has not identified any matter that would preclude it from approving the transfer of control of a significant interest in the Authorisation Holder;

NOW THEREFORE, the Commission, in exercise of the power conferred on it by section 20(2) of the Telecommunications Act, 2006 does hereby approve the transfer of control of a significant interest in **B.V.I. CABLE T.V. LTD.** from **STANFORD SPRINGEL**, as Chapter 11 Trustee for the Bankruptcy Estate of **INNOVATIVE COMMUNICATION CORPORATION**, to **NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORPORATION**;



FURTHER the Commission does determine that this Written approval is conditioned on the information provided by Applicants in the Application and further submitted by them to the Commission in the course of evaluation of the Application, remaining valid to a material extent;

AND, as a condition of this Written approval, the Commission does order the Applicants to inform it about the final consummation of the Transaction or any decision not to proceed with the Transaction.

Made by the Telecommunications Regulatory Commission this 20th day of October, 2009.

A handwritten signature in black ink, appearing to read 'Tomas Lamanauskas', written over a horizontal line.

TOMAS LAMANAUSKAS,
Chief Executive Officer,
Telecommunications Regulatory Commission.