



PUBLIC NOTICE

Federal Communications Commission
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DA No. 04-628
March 8, 2004

INTERNATIONAL AUTHORIZATIONS GRANTED IB Docket No. 04-4

Space Station License	SAT-ASG-20031219-00361
Earth Station Licenses	SES-T/C-20031223-01870; SES-T/C-20031213-01871 SES-T/C-20031223-01872
Int'l Sec. 214 Applications	ITC-T/C-20031223-00569; ITC-T/C-20031223-00570 ITC-T/C-20031223-00571
Amendment to Pending License Applications	SAT-AMD-20031219-00362; SES-AMD-20031223-1873

On December 19, 2003, New Operating Globalstar LLC (“NGLLC”), Thermo Capital Partners, LLC (“TCP”), Globalstar LP, Debtor-in-Possession (“GLP”), and L/Q Licensee, Inc. (“LQL”), an affiliate of GLP, (collectively, the “Applicants”) filed the applications referenced above, pursuant to sections 214 and 310(d) of the Communications Act of 1934, as amended (the “Act”), seeking Commission approval of the assignment or transfer of control of Commission licenses and authorizations relating to the operation of the Globalstar mobile satellite service (“MSS”) system from GLP and LQL to NGLLC. The Applicants also seek to amend certain pending applications of GLP for a space station license in the V-band and for a transmit/receive earth station in Clifton, Texas. *See* Public Notice, 19 FCC Rcd 346 (2004).

Comments on this transaction were submitted by Ron Bible (February 10, 2004) and Iridium Satellite, LLC (February 9, 2004). Reply comments were submitted by the Applicants (February 13, 2004) and Mr. Bible (February 19, 2004).

On February 25, 2004, the United States Department of Justice and the Federal Bureau of Investigation, with the concurrence of the United States Department of Defense (collectively, the “Executive Branch Entities”) submitted a Petition to Adopt Conditions to Authorizations and Licenses. In this Petition, the Executive Branch Entities state that “they have taken the position that their ability to satisfy obligations to protect the national security, enforce the laws, and preserve the safety of the public could be impaired by transactions in which foreign-located facilities will be used to provide domestic telecommunications services to U.S. customers. Because the Globalstar system uses facilities located outside the United States to provide domestic telecommunications services to U.S. customers, the Executive Agencies have entered into a series of agreements [which the relevant entities here] have agreed to assume.” The Executive Branch Entities further advised the Commission that they do not object to the grant of the above-referenced applications, provided that the Commission conditions such grant on compliance by TCP (on behalf of itself and its affiliates, Thermo Satellite LP, Thermo Investments L.P., and Thermo Development, Inc.), NGLLC, Globalstar USA, LLC (“GUSA”), the common carrier licensee, and Globalstar Corporation (“GC”), a wholly-owned subsidiary of GLP and sole member of GUSA, with the

commitments set forth in the Assumption Agreement dated February 23, 2004 (the “Assumption Agreement”). The Assumption Agreement is attached to this Public Notice as Appendix A.

For the reasons stated below and pursuant to sections 310(d) and 214 of the Act, the International Bureau finds that it is in the public interest, convenience, and necessity to grant (1) the assignment and transfer of control applications and (2) the amendments to pending GLP applications referenced above, SUBJECT TO the conditions set forth in this Public Notice and attachments.

The comments submitted do not provide a basis to deny these applications. Mr. Bible’s unadjudicated allegations of fraud committed against shareholders and bondholders involve non-FCC related conduct violations that should be resolved by a court with proper jurisdiction and not be pre-judged by the Commission’s processes. Accordingly, his request to deny the applications does not raise any issue relevant to the Bureau’s considerations under section 214(a) and 310(d). Iridium Satellite, LLC’s request to impose a condition that the Applicants comply with the outcome of the *BIG LEO Bands Rulemaking* is unnecessary because all Commission licensees must adhere to all applicable Commission rules and policies. The Applicants and Iridium will be subject to any Commission decision in that proceeding. *See Review of the Spectrum Sharing Plan among Non-Geostationary Satellite Orbit Mobile Satellite Service Systems in the 1.6/2.4 GHz Bands*, IB Docket No., 02-364, Report and Order and Notice of Proposed Rulemaking, 18 FCC Rcd 1962 (2003).

No significant competitive concerns are raised by this transaction. Currently, Globalstar provides first-generation mobile satellite service (“MSS”) within the United States and between the United States and foreign points. NGLLC, a newly formed company, is not providing MSS in these geographic markets and does not possess market share in the United States. Granting the applications, therefore, will not reduce the number of MSS competitors. Approval of the proposed transactions, however, will bolster the commercial viability of Globalstar in the provision of MSS within the United States and between the United States and foreign points.

Under the Commission’s precedent, the Bureau accords the appropriate level of deference to the Executive Branch’s expertise on national security and law enforcement issues, and the Executive Branch Entities’ Petition to Adopt Conditions to Authorizations and Licenses is granted. The conditions contained in the Assumption Agreement entered into by the Executive Branch Entities and the Applicants address the Executive Branch’s stated concerns regarding national security, law enforcement, and public safety.

CONDITIONS

- (1) Grant of the above-referenced applications is SUBJECT TO the provisions of the Assumption Agreement, dated February 23, 2004, between NGLLC, GUSA, GC, TCP (on behalf of itself and its affiliates, Thermo Satellite LP, Thermo Investments L.P., and Thermo Development, Inc.), on the one hand, and the Executive Branch Entities on the other hand.

As noted in the Assumption Agreement, GLP, GUSA, and GC (“Prior Globalstar Entities”), the Executive Branch Entities, and Vodafone Group Plc and Vodafone Americas, Inc. (“Vodafone Entities”) entered into an *Amendment and Non-Objection Agreements* as of August 8, 2002. Pursuant to this agreement, the Prior Globalstar Entities succeeded to the rights and responsibilities of the Vodafone Entities under: (1) the *Globalstar Agreement* entered into on June 18, 1999 (*see Application of AirTouch Communications, Inc., Transferor, and Vodafone Group Plc., Transferee*, Memorandum Opinion and Order, 14 FCC Rcd 9430 (WTB 1999)); (2) the *Transition Agreement* entered into on December 1, 1999 (*see File No. ITC-214-19991229-00795*); and (3) the *Globalstar USA, Inc. Implementation Plan* dated December 1, 1999 but effective on January 19, 2000 (collectively the *Globalstar Agreements*). The June 18, 1999 *Globalstar Agreement* is a matter of

record before the Commission in DA No. 99-304. The *Transition Agreement* and the *Globalstar USA, Inc. Implementation Plan* are confidential agreements between Vodafone Airtouch/Globalstar USA and the Executive Branch Entities.

Under the Assumption Agreement, TCP (on behalf of itself and its affiliates, Thermo Satellite LP, Thermo Investments L.P., and Thermo Development, Inc.), NGLLC, GUSA, and GC, shall, among other things, become successors in interest to the *Globalstar Agreements* and, on behalf of themselves, their parent and subsidiary companies, and any affiliated company they control, assume all rights and obligations of the Prior Globalstar Entities, abide by all terms and conditions of each of the *Globalstar Agreements*, and ensure the continued faithful execution of the *Globalstar Agreements* by GUSA and any successor-in-interest to GUSA.

The Assumption Agreement is attached to this Public Notice as Appendix A.

- (2) By this approval, the parties are authorized to proceed to the final stages of their respective transactions. Section 25.119(f) of the Commission's rules provides that assignments and transfers of control must be completed within 60 days from the date of authorization. Within 30 days of consummation, licensees must notify the Commission by letter of the date of consummation. An assignment or a transfer shall not be considered complete until the underlying transaction closes and all conditions set forth in the grant documents, including this Public Notice and application, are met. Upon receipt of the notification required by section 25.119(f) of the Commission's rules, and satisfaction of all conditions, the Bureau will consider the transfer "complete."
- (3) Failure to comply with all relevant Commission rules, policies, or any specific condition described above will result in automatic cancellation of the Commission's approval, dismissal of the underlying application, and could result in fines and forfeitures.
- (4) Grant of the applications listed above is without prejudice to whatever enforcement action may be deemed appropriate arising from the facts discussed herein. Grant of the application(s) listed above is without prejudice to any action that the Commission may take on related assignment or transfer of control applications or on any matter related to the above listed applications.

Pursuant to section 1.103 of the Commission's rules, 47 C.F.R. § 1.103, this decision is effective upon release of this Public Notice. Petitions for reconsideration under section 1.106 or applications for review under section 1.115 of the Commission's rules, 47 C.F.R. §§ 1.106, 1.115, in regard to the grant of any of these applications may be filed within thirty days of this public notice. *See* 47 C.F.R. § 1.4(b)(2).

For information regarding this Public Notice, please contact the International Bureau's Policy Division, (202) 418-1460 or the Satellite Division, International Bureau, (202) 418-0719.

By the Chief, International Bureau

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Appendix A
Assumption Agreement