



PUBLIC NOTICE

Federal Communications Commission
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DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL OF HIBERNIA ATLANTIC U.S. LLC AND HIBERNIA MEDIA, LLC TO KCK LIMITED

STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 14-138

Comment Date: September 18, 2014

Reply Comment Date: September 25, 2014

On August 21, 2014, Columbia Ventures Corporation (CVC), KCK Limited (KCK), and Murosa Development S.A R.L. (Murosa) (collectively, Applicants) filed an application pursuant to section 63.03 of the Commission's rules to transfer control of Hibernia Atlantic U.S. LLC (HB Atlantic) and Hibernia Media, LLC (HB Media) to KCK.¹

HB Atlantic, a Washington limited liability company, is a direct, wholly-owned subsidiary of Hibernia NGS, a company formed under the laws of Ireland. CVC, a Washington corporation, currently owns 60.1 percent of the equity of Hibernia NGS. HB Atlantic provides broadband and competitive interstate telecommunications services in Connecticut, California, Georgia, Illinois, Massachusetts, Maryland, Nevada, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Virginia, and Wisconsin. HB Media, a Delaware limited liability company, is also a direct, wholly-owned subsidiary of Hibernia NGS. HB Media provides broadband, private line, and competitive interstate telecommunications services in Arizona, California, Colorado, the District of Columbia, Florida, Georgia, Illinois, Maryland, Massachusetts, North Carolina, New Jersey, New York, Ohio, Pennsylvania, Texas, and Washington.

KCK is an investment entity incorporated under the laws of the British Virgin Islands. Applicants state that the following individuals own KCK: Jean Francois Clin (42.5 percent, French citizenship); Radwan Karim Kassar (21.25 percent, Lebanese/French citizenship); Annabel Karim Kassar (21.25 percent, French/Lebanese citizenship); Nael Karim Kassar (10 percent, French/Lebanese citizenship); Kamal Karim Kassar (5 percent, Lebanese/French citizenship). KCK's indirect, wholly-owned subsidiary, Murosa, is an investment entity organized under the laws of Luxembourg and has a 27.9 percent direct interest in Hibernia NGS and, thus, an indirect interest in HB Atlantic and HB Media. In addition to Murosa and CVC, Applicants state that the third current investor in Hibernia NGS is CVC III Hibernia Blocker, Inc. (CV Hibernia), a Delaware corporation. CV Hibernia currently owns 12 percent of the issued and outstanding equity of Hibernia NGS. CV Hibernia is owned by three Constellation investment funds. Constellation Venture Capital III (EF), L.P. (CVEF), a Delaware limited partnership, owns 24 percent of the issued and outstanding equity of CV Hibernia. The general partner of

¹ 47 C.F.R. § 63.03; *see* 47 U.S.C. § 214. Applicants are also filing applications for transfer of control associated with authorization for international services. Any action on this domestic section 214 application is without prejudice to Commission action on other related, pending applications.

CVEF is Constellation Ventures Management III LLC (CVManagement), a Delaware limited liability company. Constellation Venture Capital III, L.P. (CVCapital), a Delaware limited partnership, owns 67 percent of the issued and outstanding equity of CV Hibernia. The general partner of CVCapital is CVManagement. Constellation Venture Capital Offshore III, L.P. (CVOffshore), a Cayman Islands limited partnership, owns 8 percent of the issued and outstanding equity of CV Hibernia. The general partner of CVOffshore is CVManagement.²

Applicants state that the transaction is structured as a three stage process. Under stage one, Murosa acquired a minority 27.9 percent equity interest in Hibernia NGS. Stages two and three grant Murosa the option to obtain increasing equity interests in Hibernia NGS culminating in Murosa, as a subsidiary of KCK in stage 3, directly holding a 51 percent majority equity interest in NGS and an indirect majority interest in HB Atlantic and HB Media. CVC will hold a 49 percent interest in Hibernia NGS.³ Applicants assert that the proposed transaction is entitled to presumptive streamlined treatment under section 63.03(b)(2)(i) of the Commission's rules and that a grant of the application will serve the public interest, convenience, and necessity.⁴

Domestic Section 214 Application Filed for the Transfer of Control of Hibernia Atlantic U.S. LLC and Hibernia Media, LLC To KCK Limited, WC Docket No. 14-138 (filed August 21, 2014).

GENERAL INFORMATION

The transfer of control identified herein has been found, upon initial review, to be acceptable for filing as a streamlined application. The Commission reserves the right to return any transfer application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Pursuant to section 63.03(a) of the Commission's rules, 47 CFR § 63.03(a), interested parties may file comments **on or before September 18, 2014**, and reply comments **on or before September 25, 2014**. Pursuant to section 63.52 of the Commission's rules, 47 C.F.R. § 63.52, commenters must serve a copy of comments on the Applicants no later than the above comment filing date. Unless otherwise notified by the Commission, the Applicants may transfer control on the 31st day after the date of this notice.

Pursuant to section 63.03 of the Commission's rules, 47 CFR § 63.03, parties to this proceeding should file any documents in this proceeding using the Commission's Electronic Comment Filing System (ECFS): <http://fjallfoss.fcc.gov/ecfs2/>.

² Applicants state that Constellation Growth Capital, LLC (Constellation), a Delaware limited liability company, holds a 50% ownership interest in CVManagement. Constellation is wholly owned by Highbridge Principal Strategies, LLC (Highbridge), a Delaware limited liability company. Highbridge is wholly owned by Highbridge Capital Management, LLC (Highbridge Capital), a Delaware limited liability company. Highbridge Capital is a subsidiary of JPMorgan Asset Management Holdings, Inc. (JPMorgan Asset), a Delaware corporation and the holder of 99.8% of the limited partner ownership interests in CVEF. JPMorgan Asset is a wholly owned subsidiary of JPMorgan Chase & Co. (JPMorgan), a Delaware corporation that is widely held. Applicants further state that no limited partner in CVEF, CVCapital, or CVOffshore, other than JPMorgan Asset, held or currently holds a 10% or greater ownership interest in HB Atlantic or HB Media.

³ Applicants state that Murosa's ultimate acquisition of the majority equity interest in Hibernia NGS is contingent upon several conditions. Applicants should notify the Commission if there are changes to the proposed transaction. 47 C.F.R. § 1.65(a) (stating that applicants are responsible for the continuing accuracy and completeness of information furnished in a pending application).

⁴ 47 C.F.R. § 63.03(b)(2)(i).

In addition, e-mail one copy of each pleading to each of the following:

- 1) Myrva Freeman, Competition Policy Division, Wireline Competition Bureau, myrva.freeman@fcc.gov;
- 2) Jodie May, Competition Policy Division, Wireline Competition Bureau, jodie.may@fcc.gov;
- 3) David Krech, Policy Division, International Bureau, david.krech@fcc.gov; and
- 4) Jim Bird, Office of General Counsel, jim.bird@fcc.gov.

People with Disabilities: To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an e-mail to fcc504@fcc.gov or call the Consumer & Governmental Affairs Bureau at (202) 418-0530 (voice), (202) 418-0432 (tty).

The proceeding in this Notice shall be treated as a “permit-but-disclose” proceeding in accordance with the Commission’s ex parte rules. Persons making ex parte presentations must file a copy of any written presentation or a memorandum summarizing any oral presentation within two business days after the presentation (unless a different deadline applicable to the Sunshine period applies). Persons making oral ex parte presentations are reminded that memoranda summarizing the presentation must (1) list all persons attending or otherwise participating in the meeting at which the ex parte presentation was made, and (2) summarize all data presented and arguments made during the presentation. If the presentation consisted in whole or in part of the presentation of data or arguments already reflected in the presenter’s written comments, memoranda or other filings in the proceeding, the presenter may provide citations to such data or arguments in his or her prior comments, memoranda, or other filings (specifying the relevant page and/or paragraph numbers where such data or arguments can be found) in lieu of summarizing them in the memorandum. Documents shown or given to Commission staff during ex parte meetings are deemed to be written ex parte presentations and must be filed consistent with rule 1.1206(b), 47 C.F.R. § 1.1206(b). Participants in this proceeding should familiarize themselves with the Commission’s ex parte rules.

For further information, please contact Myrva Freeman at (202) 418-1506 or Jodie May at (202) 418-0913.

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