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DA 18-1178

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DOMESTIC SECTION 214 APPLICATION GRANTED FOR THE TRANSFER OF CONTROL OF AST TELECOM, LLC D/B/A BLUESKY, AMERICAN SAMOA HAWAII CABLE, LLC, AND SAMOA AMERICAN SAMOA CABLE, LLC FROM AMPER S.A. TO AMALGAMATED TELECOM HOLDINGS LIMITED

IB Docket No. 16-420

By this Public Notice, the Wireline Competition Bureau (Bureau) grants the application filed by Amper S.A. (Amper) and Amalgamated Telecom Holdings Limited (ATH) (collectively, Applicants), pursuant to section 214 of the Communications Act of 1934, as amended, and sections 63.03-04 of the Commission's rules, requesting consent to transfer control of AST Telecom, LLC d/b/a Bluesky (AST), American Samoa Hawaii Cable LLC (ASHC), and Samoa American Samoa Cable, LLC (SASC) from Amper to ATH.¹

On January 30, 2017, the International Bureau released a Public Notice requesting comment on the Application.² On February 10, 2017, the Department of Justice (DOJ), with concurrence of the U.S. Department of Homeland Security (DHS) and the U.S. Department of Defense (collectively, the Executive Branch Agencies), filed a letter requesting that the Commission defer action on this proceeding while they completed their review of any national security, law enforcement, and public safety concerns.³ We deferred action in response to the Executive Branch Agencies' request.

On November 13, 2018, the Executive Branch Agencies submitted a Petition to Adopt Conditions to Authorizations and Licenses (Petition).⁴ In the Petition, DOJ advises the Commission that the Executive Branch Agencies "have no objection to the Commission approving the

¹ See 47 U.S.C. § 214; 47 CFR §§ 63.03-04. Joint Application of Amper, S.A. and Amalgamated Telecom Holdings Limited for Consent to Transfer Control of Domestic and International Authorizations Pursuant to Section 214 of the Communications Act of 1934, as Amended, IB Docket No. 16-420 (filed Dec. 20, 2016) (Application). The Bureau received no comments in opposition to the proposed transaction.

² Applications Filed for the Transfer of Control of AST Telecom, LLC d/b/a Bluesky, American Samoa Hawaii Cable, LLC, and Samoa American Samoa Cable, LLC from Amper S.A. to Amalgamated Telecom Holdings Limited and Request for Declaratory Ruling on Foreign Ownership, IB Docket No. 16-420, Public Notice, 32 FCC Rcd 1030 (IB 2017). AST provides local exchange, interexchange, and prepaid calling card services in American Samoa. *Id.* at 1033.

³ Letter from Kristin A. Taylor, U.S. Department of Justice, to Marlene H. Dortch, Secretary, FCC, IB Docket No. 16-420 (filed Feb. 10, 2017); *see also* Letter from Kristin A. Taylor, U.S. Department of Justice, to Marlene H. Dortch, Secretary, FCC, IB Docket No. 16-420 (filed Aug. 21, 2018) (requesting deferral on behalf of DOJ and DHS and stating that they had not yet completed their review).

 $^{^4}$ Petition to Adopt Conditions to Authorizations and Licenses, IB Docket No. 16-420 and File Nos. ITC-T/C-20161220-00377; SCL-T/C-20161220-00026; ULS File No. 0007584554 (filed Nov. 13, 2018).

authority sought in the above-referenced proceedings, provided that the Commission removes an existing condition on the authorizations and licenses related to File Number SCL-T/C-20161220-00026 and subsequently conditions its approval, with respect to all of the above-referenced authorizations and licenses, on the commitment of Amalgamated Telecom Holdings Limited ('ATH') to abide by the undertakings set forth in the November 12, 2018, Letter of Assurances ('November 2018 LOA') and the November 12, 2018, Letter of Commitments ('LOC')" between these entities and DOJ.⁵

The Bureau finds, upon consideration of the record, that grant of the Application, subject to compliance with the November 2018 LOA and LOC, will serve the public interest, convenience, and necessity.⁶ Further, consistent with Commission precedent, the Bureau accords the appropriate level of deference to the Executive Branch Agencies' expertise on national security and law enforcement issues.⁷ Therefore, pursuant to section 214 of the Act, 47 U.S.C. § 214, and sections 0.91 and 0.291 of the Commission's rules, 47 CFR §§ 0.91, 0.291, the Bureau hereby grants the Application discussed in this Public Notice subject to compliance with the November 2018 LOA and LOC described above. A failure to comply with and/or remain in compliance with any of the provisions of the November 2018 LOA and LOC shall constitute a failure to meet a condition of this authorization and thus grounds for declaring the underlying authorizations terminated without further action on the part of the Commission. Failure to meet a condition of this authorization may also result in monetary sanctions or other enforcement action by the Commission.

Pursuant to section 1.103 of the Commission's rules, 47 CFR § 1.103, the grant 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 CFR §§ 1.106, 1.115, may be filed within 30 days of the date of this Public Notice.

For further information, please contact Gregory Kwan, Wireline Competition Bureau, Competition Policy Division, (202) 418-1191.

⁵ Id. at 1 and Attachments A and B.

^{6 47} CFR § 63.03(b).

⁷ The Commission considers national security, law enforcement, foreign policy, and trade policy concerns when analyzing a transfer of control or assignment application in which foreign ownership is an issue. *See Amendment of the Commission's Regulatory Policies to Allow Non-U.S. Licensed Satellites Providing Domestic and International Service in the United States*, Report and Order, 12 FCC Rcd 24094, 24170-72, paras. 178-82 (1997); *Rules and Policies on Foreign Participation in the U.S. Telecommunications Market*, IB Docket No. 97-142, Market Entry and Regulation of Foreign Affiliated Entities, IB Docket No. 95-22, Report and Order and Order on Reconsideration, 12 FCC Rcd 23891, 23919-21, paras. 61-66 (1997) (*Foreign Participation Order*), Order on Reconsideration, 15 FCC Rcd 18158 (2000). In assessing the public interest, the Commission considers the record and accords the appropriate level of deference to Executive Branch expertise on national security and law enforcement issues. *See Foreign Participation Order*, 12 FCC Rcd at 23919-21, paras. 61-66.