



PUBLIC NOTICE

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**DOMESTIC 214 APPLICATION GRANTED FOR
THE TRANSFER OF CONTROL OF
OF VANCO US, LLC, DEBTOR-IN-POSSESSION, VANCO SOLUTIONS, INC.
AND RELIANCE GLOBALCOM SERVICES, INC.**

WC Docket No. 20-38

By this Public Notice, the Wireline Competition Bureau (Bureau) grants, as conditioned, an application filed by GCX Limited, Debtor in-Possession (GCX Limited DIP), Vanco US, LLC, Debtor-in-Possession (Vanco US DIP), Vanco Solutions, Inc. (Vanco Solutions), and Reliance Globalcom Services, Inc. (RGSI, together with Vanco US DIP and Vanco Solutions, the Licensees) (GCX Limited DIP together with the Licensees, Applicants),¹ pursuant to section 214 of the Communications Act of 1934, as amended (Act), and sections 63.03-04 of the Commission's rules, requesting consent to: (a) transfer the domestic section 214 authority held by Vanco US DIP to a reorganized Vanco US, LLC (Reorganized Vanco US); and (b) transfer control of RGSI and Vanco Solutions from GCX Limited DIP to a to-be-formed Bermuda entity, GCX Limited (Reorganized) (Reorganized GCX Limited).²

On February 11, 2020, the Bureau released a public notice seeking comment on the Application.³ We did not receive comments or petitions in opposition to the Application.

GCX Limited DIP, a Bermuda entity, is the indirect parent of the Licensees and, through Vanco US DIP, a Delaware limited liability company, it currently provides competitive telecommunications services in multiple states. Vanco Solutions and RGSI, both Delaware corporations, do not currently serve customers, but Applicants state that upon emergence from bankruptcy, these entities may provide services similar to Vanco US DIP.

¹ On September 15, 2019, Vanco US DIP, a Delaware entity, along with its parent company, VNO Direct Limited, a United Kingdom entity, its indirect parent company, GCX Limited DIP, a Bermuda entity (also indirect parent to both Vanco Solutions and RGSI), and certain other affiliates, filed for bankruptcy protection under Chapter 11 of the U.S. Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware. The Bankruptcy Court has confirmed the bankruptcy plan, dated December 2, 2019. *Findings of Fact, Conclusions of Law, and Order (I) Approving Debtors' (A) Disclosure Statement, (B) Solicitation of Votes and Voting Procedures, and (C) Forms of Ballots and (II) Confirming Joint Prepackaged Chapter 11 Plan of GCX Limited and Its Debtor Affiliates*, Case 19-112031-CSS (Doc 203) (Bankr. D. Del). RGSI and Vanco Solutions are not debtors in any Chapter 11 proceedings.

² See 47 U.S.C. § 214; 47 CFR §§ 63.03-04. Authorized Carrier Subsidiaries of GCX Limited, Debtor-in-Possession; Application for Consent to Assign International and Domestic Section 214 Authority and to Transfer Control of Section 214 Authority Holders, WC Docket No. 20-38 (filed Jan. 27, 2020) (Application). A grant of the domestic section 214 application is without prejudice to Commission action on other related, pending applications.

³ *Domestic Section 214 Application Filed for the Transfer of Control of Vanco US, LLC, Debtor-in-Possession, Vanco Solutions, Inc., and Reliance Globalcom Services, Inc.*, WC Docket No. 20-38, Public Notice, DA 20-149 (WCB 2020).

Reorganized Vanco US, a Delaware limited liability company, will be indirectly wholly owned by Reorganized GCX Limited, a Bermuda holding company. Reorganized GCX Limited, in turn, will be owned by GCX Limited DIP's senior secured noteholders based on ownership of senior secured notes, none of which will hold a controlling interest in Reorganized GCX Limited or collectively exercise control through any other arrangement.

On February 20, 2020, the U.S. Department of Justice (DOJ), with the concurrence of the U.S. Department of Homeland Security and the U.S. Department of Defense (collectively, the Agencies), filed a letter requesting that the Commission defer action on the Application while they reviewed potential national security, law enforcement, and public safety issues.⁴ We deferred action in response to this request from the Agencies. On August 3, 2020, the Committee for the Assessment of Foreign Participation in the United States Telecommunications Services Sector (Committee) notified the Commission that the Applicants have provided complete responses to initial questions posed by the Committee and that the Committee is conducting an initial review to assess whether granting the Application would pose a risk to the national security or law enforcement interests of the United States.⁵

On December 3, 2020, the National Telecommunications and Information Administration (NTIA) submitted a Petition to Adopt Conditions to Authorizations and Licenses (Petition) on behalf of the Committee.⁶ In the Petition, NTIA advises the Commission that it has no objection to the Commission granting the Application "provided that the Commission conditions its approval on the assurance of GCX Holdings Limited, Vanco US, LLC, Vanco Solutions, Inc., Reliance Globalcom Services, Inc., and FLAG Telecom Group Services, Limited... to abide by the commitments and undertakings set forth in the two Letters of Agreement, dated November 25, 2020."⁷

In accordance with the request of NTIA and in the absence of any objection from the Applicants, we grant the Petition, and, accordingly, we condition grant of the Application on compliance by the Applicants with the commitments and undertakings set out in the Letters of Agreement that apply to the Application.⁸ A failure to comply with and/or remain in compliance with any of the provisions of the

⁴ Letter from Alice Suh Jou, U.S. Department of Justice, to Marlene H. Dortch, FCC, WC Docket No. 20-38; ITC-ASG-20200127-00015; ITC-T/C-20200127-00016; ITC-T/C-20200127-00017; SCL-ASG-20200127-00005 (Feb. 20, 2020) (on file in WC Docket No. 20-38).

⁵ Letter from Alice Suh Jou, U.S. Department of Justice, to Marlene H. Dortch, FCC, WC Docket No. 20-38; ITC-ASG-20200127-00015; ITC-T/C-20200127-00016; ITC-T/C-20200127-00017; SCL-ASG-20200127-00005 (Aug. 3, 2020) (on file in WC Docket No. 20-38).

⁶ Petition to Adopt Conditions to Authorizations and Licenses, WC Docket No. 20-38; ITC-T/C-20200127-00016; ITC-T/C-20200127-00017; ITC-ASG-20200127-00015; SCL-ASG-20200127-00005 (on file in WC Docket No. 20-38).

⁷ *Id.* at 3; *see* Letter from Carl Grivner, GCX Holdings Limited, Janet K. Troxell, Vanco US, LLC, Vanco Solutions, Inc., and Reliance Globalcom Services, Inc., to Assistant Attorney General for National Security, U.S. Department of Justice, WC Docket No. 20-38; ITC-T/C-20200127-00016; ITC-T/C-20200127-00017; ITC-ASG-20200127-00015 (Nov. 25, 2020) (on file in WC Docket No. 20-38); Letter from Carl Grivner, GCX Holdings Limited, to Assistant Secretary for Trade and Economic Security, U.S. Department of Homeland Security (Nov. 25, 2020) (on file in WC Docket No. 20-38).

⁸ *Applications of T-Mobile US, Inc. and Sprint Corporation for Consent to Transfer Control of Licenses and Authorizations, et al.*, WT Docket 18-197, Memorandum Opinion and Order, Declaratory Ruling, and Order of Proposed Modification, 34 FCC Rcd 10578, 10732-33, para. 349 (2019); *Rules and Policies on Foreign Participation in the U.S. Telecommunications Market; Market Entry and Regulation of Foreign-Affiliated Entities*, Report and Order and Order on Reconsideration, 12 FCC Rcd 23891, 23918-21, paras. 59-66 (1997) (*Foreign Participation Order*), *recon. denied*, 15 FCC Rcd 18158 (2000) (in opening the U.S. telecommunications market to

(continued....)

Letters of Agreement shall constitute a failure to meet a condition of this authorization and thus grounds for declaring the underlying authorizations and licenses 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.

Grant of Application, Subject to Condition

We find, upon consideration of the record, that the proposed transfer will serve the public interest, convenience, and necessity.⁹ This grant of the Application and the Petition is conditioned as set out in this Public Notice.

Pursuant to sections 214 of the Act, 47 U.S.C. §§ 214 and sections 0.91, 0.291, 63.03, and 63.04 of the Commission's rules, 47 CFR §§ 0.91, 0.291, 63.03, and 63.04, we grant the Application and the Petition with the condition described above. Pursuant to section 1.103 of the Commission's rules, 47 CFR § 1.103, the consent granted herein is effective upon the 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, (202) 418-1191.

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foreign entry in 1997, the Commission affirmed that it would consider national security, law enforcement, foreign policy, and trade policy concerns related to reportable foreign ownership as part of its overall public interest review of applications for international section 214 authority, submarine cable landing licenses, and declaratory rulings to exceed the foreign ownership benchmarks of section 310(b) of the Act).

⁹ See 47 U.S.C. § 214(a); 47 CFR § 63.03.