



PUBLIC NOTICE

FEDERAL COMMUNICATIONS COMMISSION
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DA No. 20-1472

Report No. SCL-00292

Thursday December 10, 2020

Actions Taken Under Cable Landing License Act

Section 1.767(a) Cable Landing Licenses, Modifications, and Assignments or Transfers of Control of Interests in Cable Landing Licenses (47 C.F.R. § 1.767(a))

By the Chief, Telecommunications and Analysis Division, International Bureau:

Pursuant to An Act Relating to the Landing and Operation of Submarine Cables in the United States, 47 U.S.C. §§ 34-39 (Cable Landing License Act), Executive Order No. 10530, Exec. Ord. No. 10530 reprinted as amended in 3 U.S.C. § 301, and section 1.767 of the Commission's rules, 47 C.F.R. § 1.767, the following applications ARE GRANTED. These grants of authority are taken under section 0.261 of the Commission's rules, 47 C.F.R. § 0.261. 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, may be filed within 30 days of the date of this public notice.

These applications have been coordinated with the Department of State and other Executive Branch agencies pursuant to section 1.767(b) of the Commission's rules, 47 C.F.R. §1.767(b), and consistent with procedures established with the Department of State. See Review of Commission Consideration of Applications under the Cable Landing License Act, IB Docket No. 00-106, Report and Order, 16 FCC Rcd 22167, 22192-93, paras. 51-52 (2001) (Submarine Cable Landing License Report and Order); Streamlined Procedures for Executive Branch Review of Submarine Cable Landing License Requests, State Department Media Note (Revised) (rel. Dec. 20, 2001) available at <http://2001-2009.state.gov/r/pa/prs/ps/2001/6951.htm>.

This public notice serves as each cable landing licensee's Cable Landing License, or modification thereto, pursuant to the Cable Landing License Act and sections 1.767 and 1.768 of the Commission's rules. Cable landing licensees should review carefully the terms and conditions of their licenses. Failure to comply with these terms and conditions or relevant Commission rules and policies could result in fines or forfeitures.

Assignment

Grant of Authority

Date of Action: 12/09/2020

Current Licensee: Reliance Globalcom Limited, Debtor-in-Possession**FROM:** Reliance Globalcom Limited, Debtor-in-Possession**TO:** FLAG Telecom Limited

Application filed for consent to the assignment of the cable landing license for the FLAG Atlantic-1 system, SCL-LIC-19990301-00005 and SCL-MOD-20040211-00006, from Reliance Globalcom Limited, Debtor-in-Possession (RGL DIP) to FLAG Telecom Limited f/k/a GCX OpCo (FLAG Telecom).

FLAG Atlantic-1 is a non-common carrier fiber optic system connecting the United States, France and the United Kingdom. RGL DIP owns and operates the cable system in international waters. FLAG Telecom Network USA Limited, a wholly owned subsidiary of RGL DIP, owns and operates the two cable landing stations in the United States as well as the portions of the cable in U.S. territorial waters. FLAG Atlantic UK Limited and Reliance FLAG Atlantic France SAS, also wholly owned subsidiaries of RGL DIP, own the U.K.- and French-territory portions of the system, respectively. The cable went in service in 2001.

On April 22, 2020, after the application was on Public Notice, See Non-Streamlined Submarine Cable Landing License Applications Accepted for Filing, Rep. No. SCL-00261NS, SCL-ASG-20200127-00005, Public Notice, (IB rel. Feb 14, 2020), Applicants filed a Supplement to notify the Commission of: (1) the that GCX OpCo and GCX Limited (Reorganized) had been registered in Bermuda and are now known as FLAG Telecom Limited and GCX Holdings Limited, respectively; and, (2) certain changes in ownership.

On September 15, 2019, RGL DIP, a Bermuda entity, along with its immediate parent company, GCX Limited, Debtor-in-Possession (GCX Limited DIP), a Bermuda entity, 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). Upon emergence from bankruptcy, the assets of RIG DIP, including the FLAG Atlantic-1 cable landing license, will be assigned to FLAG Telecom, which will be a direct wholly owned subsidiary of GCX Holdings Limited (GCX Holdings).

GCX Holdings will be owned by GCX Limited DIP's senior secured noteholders (New Equity Holders) based on ownership of senior secured notes. GCX Holdings will issue new equity interests (New Equity Interests), to be held by the New Equity Holders. The New Equity Interests will first be distributed to FLAG Telecom which will exchange such New Equity Interests for the assets of GCX Limited DIP (including the equity interests in Vanco US). GCX Limited DIP will then issue the New Equity Interests to the New Equity Holders. Through this process, GCX Holdings will be re-capitalized. The New Equity Holders will hold all of the voting and economic interests in GCX Holdings, but none of them will hold a controlling interest in GCX Holdings or collectively exercise control through any other arrangement. The New Equity Holders will enter into a Stockholders' Agreement governing the GCX Holdings and its subsidiaries, including FLAG Telecom.

Varde Partners, Inc. (Varde Partners), a Delaware entity, will have a 28.82% voting interest in GCX Holdings. Varde Partners is the general partner of multiple investments funds. Each of the funds, which are either Delaware or Cayman Island entities, will hold a less than 10% voting and economic interest in GCX Holdings. Since Varde Partners will initially have a greater than 25% interest in GCX Holdings under the Stockholders' Agreement it will have the power to appoint one of the five members of the Board of Directors (the Chief Executive Officer of the GCX Holdings will be a Board member and the other members of the Board will be appointed by the affirmative vote of the majority of the issued and outstanding New Equity Interests). Varde Partners is held by Greg Macmillan, George C. Hicks, and Marcia L. Page, each a U.S. citizen holding 33.3%.

Bardin Hill Investment Hill Partners LP (Barton Hill Partners), a Delaware entity, will have a 14.28% voting interest in GCX Holdings. Bardin Hill is the general partner and/or investment manager of multiple investment funds. Each of the funds, which are either Delaware, Canadian or Cayman Island entities, will hold a less than 10% voting and economic interest in GCX Holdings. Jason Dillow, Kevah Konner, Pratik Desai, and John Greene, each a U.S. citizen, hold the voting control over the shares indirectly held by Barden Hill Partners in GCX Holdings.

Christian Petersmann and Konstantin Stoyanov, both German citizens, will each hold an 11.46% voting interest in GCX Holdings through signatory authority over Crown Ocean Capital P1 Limited, a British Virgin Islands company, with a 6.77% economic and voting interest in GCX Holdings and Vendra Finance Limited, a British Virgin Islands Company, with a 4.69% interest in GCX Holdings. Neither Mr. Petersmann or Mr. Stoyanov will hold a 10% or greater economic interest in GCX Holdings.

Portsea Asset Management, LLP (Portsea Asset), a United Kingdom entity, will hold a 20% indirect voting interest in GCX Holdings through its role as general partner/asset manager of four direct interest Holders, each with a less than 10% interest in GCX Holdings. Portsea Asset is ultimately controlled by Mr. Cyrus de Weck, a citizen of Switzerland.

FLAG Telecom certifies that it accepts and will abide by the routine conditions set out in section 1.767(g) of the Commission's rules, 47 CFR § 1.767(g).

We grant the Petition to Adopt Conditions to Authorizations and Licenses filed in this proceeding on December 3, 2020, by the National Telecommunications and Information Administration on behalf of the Committee for the Assessment of Foreign Participation in the United States Telecommunications Services Sector. Accordingly, we condition grant of this application on compliance by GCX Holdings Limited and FLAG Telecom Limited, with the commitments and undertakings set forth in the Letter of Agreement from Carl Grivner, Chief Executive Officer, GCX Holdings Limited, to the Assistant Secretary for Trade and Economic Security, Office of Strategy, Policy, and Plans, U.S. Department of Homeland Security, dated November 25, 2020 (LOA). A failure to comply and/or remain in compliance with any of these commitments and undertakings shall constitute a failure to meet a condition of the underlying license and thus grounds for declaring the authorization terminated without further action on the part of the Commission. Failure to meet a condition of the authorization may also result in monetary sanctions or

other enforcement action by the Commission. The Petition and the LOA may be viewed on the FCC's website through the International Bureau Filing System by searching for SCL-ASG-20200127-00005 and accessing the "Other Filings related to this application" from the Document Viewing Area.

INFORMATIVE

SCL-LIC-20180511-00010

America Europe Connect 2 USA, Inc.

By letter filed November 17, 2020, applicant notified the Commission that the Havfrue submarine cable system entered into commercial service on November 17, 2020

SCL-MOD-20040521-00016

AT&T Corp.

On November 4, 2020, AT&T Corp. notified the Commission that the Pan American Cable System will be retired from service effective December 5, 2021.