

**Before the
Federal Communications Commission
Washington, DC 20554**

In the Matter of)	GN Docket 20-110;
)	ITC-214-20020728-00361;
China Unicom (Americas) Operations Limited)	ITC-214-20020724-00427
)	

ORDER TO SHOW CAUSE

Adopted: April 24, 2020

Released: April 24, 2020

By the Chief, International Bureau; Chief, Wireline Competition Bureau; and Chief, Enforcement Bureau:

I. INTRODUCTION

1. By this Order, we direct China Unicom (Americas) Operations Limited (China Unicom Americas) to show cause why the Commission should not initiate a proceeding to revoke China Unicom Americas' domestic and international section 214 authorizations issued pursuant to section 214 of the Communications Act of 1934, as amended (Act)¹ and to reclaim China Unicom Americas' International Signaling Point Codes (ISPCs).²

II. BACKGROUND

A. FCC Domestic and International Authorizations and ISPC Assignments

2. In the United States, China Unicom Americas provides "a variety of international data, voice, IP, and value added networking solutions."³ China Unicom Americas holds two international section 214 authorizations, ITC-214-20020728-00361 and ITC-214-20020724-00427. The International Bureau originally granted the international section 214 authorizations in 2002, to China Unicom USA LLC and China Netcom (USA) Operations Limited (China Netcom USA), to provide global or limited global facilities-based and resale services.⁴ In 2003, the International Bureau issued a Public Notice of a *pro forma* assignment of China Unicom USA LLC's international section 214 authorization to China Unicom USA Corporation (China Unicom USA).⁵ Through a series of transactions, including a government-organized restructuring involving the merger of the parent companies of China Unicom USA and China Netcom USA, China Unicom USA changed its name to China Unicom Americas and became the holder of both international section 214 authorizations, and remains subject to the indirect and ultimate control of the Chinese government, as discussed below.⁶ Additionally, it is authorized to provide

¹ 47 U.S.C. § 214; *see* File Nos. ITC-214-20020724-00427; ITC-214-20020728-00361.

² *See* File Nos. SPC-NEW-20031009-00040; SPC-NEW-20070112-00002; SPC-NEW-20030730-00031.

³ China Unicom Americas, *About Us*, LinkedIn, <https://www.linkedin.com/company/china-unicom-americas> (last visited Apr. 21, 2020). *See generally* China Unicom Global, *Company Profile*, <https://www.chinaunicomglobal.com/us/company> (last visited Apr. 21, 2020).

⁴ *See* Appendix A (Summary of International Section 214 Authorizations).

⁵ *Id.*

⁶ *Id.*

domestic interstate telecommunications service pursuant to blanket authority that the Commission has issued by rule.⁷

3. China Unicom Americas also holds three ISPCs for Signaling System No. 7 networks.⁸ The International Bureau assigned China Unicom Americas (formerly known as China Unicom USA) an ISPC on October 29, 2003⁹ and another on March 6, 2007.¹⁰ The International Bureau also assigned China Netcom (USA) Operations Ltd. an ISPC on July 30, 2003.¹¹

B. China Unicom Americas Ownership

4. China Unicom Americas is a California entity that is indirectly and ultimately owned and controlled by the government of the People's Republic of China (Chinese government).¹² China Unicom Americas is an indirect but wholly owned subsidiary of China Unicom (Hong Kong) Limited, a Hong Kong entity¹³ that is listed on the Hong Kong Stock Exchange and New York Stock Exchange.¹⁴ China

⁷ 47 CFR § 63.01. The Commission has explained that it grants blanket section 214 authority, rather than forbearing from application or enforcement of section 214 entirely, in order to retain its ability to withdraw such grants on an individual basis for enforcement purposes. *See Implementation of Section 402(b)(2)(A) of the Telecommunications Act of 1996 et al.*, Report and Order, 14 FCC Red 11364, 11372-73, paras. 12-14 (1999).

⁸ *See* File Nos. SPC-NEW-20031009-00040 (ISPC 3-195-0); SPC-NEW-20070112-00002 (ISPC 3-199-2); SPC-NEW-20030730-00031 (ISPC 3-194-2). *See* Recommendation Q.708 of the ITU Telecommunication Standardization Sector (ITU-T), regarding the assignment of ISPC(s) to signaling point operators by each Member State's designated Administrator. International Telecommunication Union, ITU-T Recommendation Q.708 (03/99), <https://www.itu.int/rec/recommendation.asp?lang=en&parent=T-REC-Q.708-199903-I> (ITU-T Q.708); *see also* International Telecommunication Union, List of International Signalling Point Codes (ISPC) (Oct. 1, 2016), https://www.itu.int/dms_pub/itu-t/opb/sp/T-SP-Q.708B-2016-PDF-E.pdf (ITU Listing). The Commission is the Administrator of ISPCs for the United States. Recommendation Q.708 defines an ISPC as a "code with a unique 14-bit format used at the international level for [signaling] message routing and identification of [signaling] points involved." ITU-T Q.708 at 1. Such signaling points are within a Signaling System 7 switch. *Id.* For this reason, only carriers that operate their own switch would need a signaling point code.

⁹ *See* File No. SPC-NEW-20031009-00040 (China Unicom USA Corporation) (ISPC 3-195-0); *see* ITU Listing (name in the ITU Listing is China Unicom USA Corporation).

¹⁰ *See* File No. SPC-NEW-20070112-00002 (China Unicom (Americas) Operations Limited) (ISPC 3-199-2); *see* ITU Listing (name in the ITU Listing is China Unicom USA Corporation).

¹¹ *See* File No. SPC-NEW-20030730-00031 (China Netcom (USA) Operations Ltd.) (ISPC 3-194-2); *see* ITU Listing (name in the ITU Listing is China Netcom (USA) Operations Ltd). Our records reflect that ISPC 3-194-2 in SPC-NEW-20030730-00031, is assigned to China Netcom (USA) Operations Ltd. (China Netcom USA). As discussed in Appendix A, on October 15, 2009, the International Bureau issued a Public Notice of a *pro forma* transfer of control and assignment involving the merger of China Netcom USA into China Unicom USA, effective August 31, 2009. *See* Appx. A at para. 6. An internal restructuring resulted in a *pro forma* assignment of the international section 214 authorization, ITC-214-20020728-00361, held by China Netcom USA to China Unicom USA. *Id.* Below, we ask China Unicom Americas as to whether the ISPC assigned to China Netcom USA was transferred to China Unicom USA and whether the Commission was notified of the transfer. *See* ITU-T Q.708 at 3.

¹² *International Authorizations Granted; Section 214 Applications (47 C.F.R. § 63.18); Section 310(b) Requests*, File No. ITC-T/C-20170301-00025, Public Notice, DA 17-297, 32 FCC Red 2087, 2094 (2017); China Unicom (Americas) Operations Limited, Notification of Pro Forma Transfer of Control of Section 214 Authority, File No. ITC-T/C-20170301-00025, Attach. 1 at 2 and Attach. 1, Exh. B at 2-3 (filed Mar. 1, 2017) (2017 China Unicom Americas Pro Forma TC Notification). The annual Form 20-F filed by China Unicom (Hong Kong) Limited on April 23, 2019 presents the ownership structure of China Unicom (Hong Kong) Limited as of April 16, 2019. China Unicom (Hong Kong) Ltd., Form 20-F – Annual Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 (For the fiscal year ended December 31, 2018) at 21-22 (filed Apr. 23, 2019), <https://go.usa.gov/xvDkk> (China Unicom HK Form 20-F).

¹³ 2017 China Unicom Americas Pro Forma TC Notification, Attach. 1 at 5 and Attach. 1, Exh. B at 2-3.

¹⁴ *Id.*, Attach. 1, Exh. B at 2-3 (identifying Hong Kong Stock Exchange Stock Code 0762). Earlier *pro forma* notifications submitted on September 30, 2009, as well as a recent filing with the U.S. Securities and Exchange

Unicom (Hong Kong) Limited is indirectly owned by China United Network Communications Group Company Limited (China Unicom), an entity incorporated in the People's Republic of China.¹⁵ According to the Commission's records associated with the international section 214 authorizations as of 2017, the Chinese government owns 98.45% of China Unicom through the State-owned Assets Supervision and Administration Commission of the State Council (SASAC), a Chinese government organization.¹⁶

C. China Mobile Order

5. On May 9, 2019, in the *China Mobile Order*, the Commission denied the section 214 application of China Mobile International (USA) Inc. (China Mobile USA) to provide international telecommunications services between the United States and foreign destinations.¹⁷ The Commission found that China Mobile USA, a subsidiary of a Chinese state-owned entity, is vulnerable to exploitation, influence, and control by the Chinese government.¹⁸ The Commission determined that "in the current security environment, there is a significant risk that the Chinese government would use the grant of such authority to China Mobile USA to conduct activities that would seriously jeopardize the national security and law enforcement interests of the United States."¹⁹ It concluded that "due to a number of factors related to China Mobile USA's ownership and control by the Chinese government, grant of the application would raise substantial and serious national security and law enforcement risks that cannot be

Commission, indicate that China Unicom (Hong Kong) Limited is listed on the New York Stock Exchange. *See* China Unicom (Americas) Operations Limited, Notification of Pro Forma Assignment of Section 214 Authority, File No. ITC-ASG-20090930-00433, Attach. 1 at 5 (filed Sept. 30, 2009) (2009 China Unicom Americas Pro Forma Assignment Notification); China Unicom (Hong Kong) Limited, Notification of Pro Forma Transfer of Control of Section 214 Authority, File No. ITC-T/C-20090930-00434, Attach. 1 at 2 (filed Sept. 30, 2009) (2009 China Unicom HK Pro Forma TC Notification); China Unicom HK Form 20-F at F-12; *see also* China Unicom (Hong Kong) Limited, *Company Profile*, <https://www.chinaunicom.com.hk/en/about/profile.php> (last visited Apr. 21, 2020).

¹⁵ *See* 2017 China Unicom Americas Pro Forma TC Notification, Attach. 1 at 4 and Attach. 1, Exh. B at 2-3. The annual Form 20-F filed by China Unicom (Hong Kong) Limited on April 23, 2019 presents the ownership structure of China Unicom (Hong Kong) Limited as of April 16, 2019. *See* China Unicom HK Form 20-F at 21-22. According to China Unicom (Hong Kong) Limited's Form 20-F, "As of April 16, 2019, our ultimate controlling shareholder, Unicom Group, through its 17.9% direct interest in Unicom BVI, 36.7% direct interest in the A Share Company (which in turn holds 82.1% of Unicom BVI) and 100% direct interest in Unicom Group BVI, indirectly controlled approximately 24.5 billion shares of Unicom, or 79.9% of our total outstanding shares." *Id.* at 74.

¹⁶ 2017 China Unicom Americas Pro Forma TC Notification, Attach. 1 at 4 and Attach. 1, Exh. B at 3. A 2018 filing with the Commission indicates that the SASAC directly holds a 96.5% voting and equity interest in China Unicom. Edge Cable Holdings USA, LLC, China Telecommunications Corporation, China Telecom Global Limited, China United Network Communications Group Company Limited, RTI Express Pte. Ltd., Tata Communications (Bermuda) Limited, and Telstra Corporation Limited; Application for a License to Land and Operate a Private Fiber-Optic Submarine Cable System Connecting the United States, Hong Kong, and Taiwan; The Hong Kong-Americas System, File No. SCL-LIC-20180711-00018, Attach. 1, Appx. D at 1-2 (filed July 11, 2018) (Edge Cable Application) (stating "[t]he Chinese Government owns 96.5 percent of China Unicorn through the State-Owned Assets Supervision and Administration Commission of the State Council of China" and "China Unicorn certifies to the following. China Unicorn has one 10-percent-or-greater direct or indirect interest holder: State-Owned Assets Supervision and Administration Commission of the State Council of China ('SASAC')."). *See* State-owned Assets Supervision and Administration Commission of the State Council, *What We Do*, http://en.sasac.gov.cn/2018/07/17/c_7.htm (last visited Apr. 21, 2020).

¹⁷ *China Mobile International (USA) Inc.; Application for Global Facilities-Based and Global Resale International Telecommunications Authority Pursuant to Section 214 of the Communications Act of 1934, as Amended*, Memorandum Opinion and Order, 34 FCC Rcd 3361 (2019) (*China Mobile Order*).

¹⁸ *Id.* at 3365-66, para. 8.

¹⁹ *Id.* at 3366, para. 8.

addressed through a mitigation agreement [and] grant of this application would not be in the public interest.”²⁰

III. DISCUSSION

6. The Commission’s findings in the *China Mobile Order* raise questions regarding the vulnerability of authorization holders that are subsidiaries of a Chinese state-owned enterprise to the exploitation, influence, and control of the Chinese government.²¹ As a subsidiary of a Chinese state-owned enterprise, China Unicom Americas, like China Mobile USA, ultimately is owned and controlled by the Chinese government.²² And China Unicom Americas, like China Mobile USA, is subject to the supervision of the State-owned Assets Supervision and Administration Commission of the State Council, a Chinese government organization.²³

7. Moreover, the Commission’s findings in the *China Mobile Order* raise questions as to China Unicom Americas’ ongoing qualifications to hold domestic and international section 214 authorizations, whether retention of these authorizations and ISPC assignments by China Unicom Americas serves the public convenience and necessity, and whether its use of its ISPCs is consistent with the purpose for which they were assigned.²⁴ China Unicom Americas received its international section 214 telecommunications authorizations more than a decade ago, and, as the *China Mobile Order* observed, the national security and law enforcement risks linked to the Chinese government’s activities have grown significantly since the Commission granted these authorizations.²⁵ The changes include the sophistication and resulting damage of the Chinese government’s involvement in computer intrusions and attacks against the United States.²⁶

8. Accordingly, we direct China Unicom Americas to explain why the Commission should not initiate a proceeding to revoke the domestic and international section 214 authorizations held by

²⁰ *Id.* at 3362, para. 1.

²¹ See Executive Branch Recommendation to the Federal Communications Commission to Revoke and Terminate China Telecom Americas’ International Section 214 Common Carrier Authorizations, File Nos. ITC-214-20010613-00346, ITC-214-20020716-00371, ITC-T/C-20070725-00285 (filed Apr. 9, 2020) (filing with the Commission a public filing, a non-public business confidential filing, and a classified appendix) at 1-3, 41 (changed circumstances in the national security environment, including the U.S. government’s increased concern in recent years about the Chinese government’s malicious cyber activities; operations of a U.S. telecommunications subsidiary of a Chinese state-owned enterprise under the ultimate ownership and control of the Chinese government provide the opportunity for Chinese state-sponsored actors to engage in economic espionage and to disrupt and misroute U.S. communications traffic).

²² *China Mobile Order*, 34 FCC Red at 3363-64, para. 3; see also 2017 China Unicom Americas Pro Forma TC Public Notice, 32 FCC Red at 2094; 2017 China Unicom Americas Pro Forma TC Notification, Attach. 1, Exh. B at 2-3; Edge Cable Application, Attach. 1, Appx. D at 1-2.

²³ *China Mobile Order*, 34 FCC Red at 3363-64, 3369-70, paras. 3, 8, 17-18; see also 2017 China Unicom Americas Pro Forma TC Notification, Attach. 1, Exh. B at 2-3; Edge Cable Application, Attach. 1, Appx. D at 1-2; MCI International, Inc. et al., Trans-Pacific Express Cable Network Consortium; Application for a License to Construct, Land and Operate an Undersea Optical Cable System Linking Mainland China, South Korea, Taiwan and the United States; Trans-Pacific Express Cable Network, File No. SCL-LIC-20070222-00002, Attach. 1, Appx. D at 1 (filed Feb. 20, 2007) (stating that China United Telecommunications Corporation (currently China United Network Communications Group Company Limited) “is a state-run enterprise subject to the supervision of the State-owned Assets Supervision and Administration Commission of the State Council”); State-owned Assets Supervision and Administration Commission of the State Council, *Directory*, <http://en.sasac.gov.cn/directorynames.html> (last visited Apr. 21, 2020); State-owned Assets Supervision and Administration Commission of the State Council of China, *What We Do*, http://en.sasac.gov.cn/2018/07/17/c_7.htm (last visited Apr. 21, 2020).

²⁴ See 47 U.S.C. § 214; ITU-T Q.708.

²⁵ *China Mobile Order*, 34 FCC Red at 3372-73, paras. 20-22.

²⁶ *Id.* at 3372, para. 20.

China Unicom Americas.²⁷ We also direct China Unicom Americas to explain why the Commission should not reclaim China Unicom Americas' ISPCs. This Order affords China Unicom Americas notice and an opportunity to file a written response providing evidence that it is not subject to the exploitation, influence, and control of the Chinese government, and of its ongoing qualifications to hold domestic and international section 214 authorizations²⁸ and to hold ISPCs,²⁹ thereby demonstrating that the public convenience and necessity would be served by its retention of the authorizations and assignments.

9. China Unicom Americas shall file a response with the Bureaus within thirty (30) calendar days demonstrating why the Commission should not initiate a proceeding to revoke its domestic and international section 214 authorizations and explaining why the Commission should not reclaim China Unicom Americas' ISPCs. China Unicom Americas shall include in its response the following information:

- (1) a detailed description of the current ownership and control (direct and indirect) of the company and the place of organization of each entity in the ownership structure;
- (2) a detailed description of its corporate governance;
- (3) an identification of China Unicom Americas' officers, directors, and senior management officials, their employment history (including prior employment with the Chinese government), and their affiliations with the Chinese Communist Party and the Chinese government;
- (4) an identification of all officers, directors, and other senior management of entities that hold ten percent or greater ownership interest in China Unicom Americas, their employment history (including prior employment with the Chinese government), and their affiliations with the Chinese Communist Party and the Chinese government;
- (5) a description of the services that China Unicom Americas provides in the United States and the specific services provided using the domestic and international section 214 authorizations as well as services it provides in the United States that do not require section 214 authority;
- (6) an identification of the equipment used to provide telecommunications service, including the manufacturer, and the location of the equipment;
- (7) a description and listing of China Unicom Americas' subscribers and other customers for domestic and international services;
- (8) a detailed description regarding the nature of the use of China Unicom Americas' ISPCs, including sufficient detail to understand the network scope, geographic coverage, and the public switched telephone network (PSTN) portions of the network; and the region(s) where China Unicom Americas uses the ISPCs in its PSTN network;
- (9) a statement regarding the physical addresses where China Unicom Americas' ISPCs are located;
- (10) a network diagram that shows how China Unicom Americas' ISPCs are used;
- (11) a list of all physical points of interconnection between China Unicom Americas and other carriers as well as the names of each carrier with which China Unicom Americas interconnects;
- (12) a list and copies of all interconnection agreements (if any) that China Unicom Americas has with other carriers;

²⁷ See 47 U.S.C. §§ 154(i), 154(j), 154(o), 403; 47 CFR § 1.1.

²⁸ See 47 U.S.C. § 214.

²⁹ See ITU-T Q.708.

(13) an explanation as to why the Commission should not reclaim China Unicom Americas' ISPCs;

(14) an explanation as to whether ISPC 3-194-2, assigned to China Netcom USA in SPC-NEW-20030730-00031, was transferred to China Unicom USA and whether the Commission was notified of the transfer;³⁰

(15) an explanation as to whether certain *pro forma* transfer of control actions occurred between 2009 and 2017³¹ concerning the subject international section 214 authorizations and whether China Unicom Americas appropriately notified the Commission, as required by Commission rules;³² and

(16) a description of the extent to which China Unicom Americas is or is not otherwise subject to the exploitation, influence and control of the Chinese government.

10. China Unicom Americas shall seek confidential treatment of all personally identifying information and may seek confidential treatment of other information pursuant to section 0.459 of the Commission's rules.³³ Failure to respond or submit a response providing a reasonable basis for why China Unicom Americas should retain its domestic and international section 214 authorizations and ISPC assignments may result in revocation of the domestic and international section 214 authorizations held by China Unicom Americas and in the Commission reclaiming China Unicom Americas' ISPCs.

IV. ORDERING CLAUSES

11. Accordingly, **IT IS ORDERED** that, pursuant to sections 4(i), 4(j), 4(o), 214, 215, 218, and 403 of the Act, sections 0.51, 0.91, 0.111, 0.261, 0.291, 0.311, 1.1, and 1.102(b)(1) of the Commission's rules,³⁴ and ITU Recommendation Q.708, China Unicom Americas **SHALL FILE** a written response to this Order to Show Cause **within thirty (30) calendar days** from the release date of this Order.

12. **IT IS FURTHER ORDERED** that copies of this Order shall be sent by registered mail, return receipt requested, to: (1) Tong Zhang, CEO, China Unicom (Americas) Operations Limited, 2355 Dulles Corner Blvd, Suite 688, Herndon, VA 20171; (2) Wesley Haiqiang Liu, China Unicom (Americas) Operations Limited, 2355 Dulles Corner Blvd, Suite 688, Herndon, VA 20171; (3) Robert E. Stup, Jr.,

³⁰ See ITU-T Q.708 at 3 ("7.10. ISPCs are not transferable between [signaling] point operators. ISPCs may not be sold, licensed or traded by the [signaling] point operators. ISPCs may not be transferred, except in the case of a merger, acquisition, divestiture, or joint venture. The Administrator(s) shall be notified of any such transfer by the [signaling] point operators.").

³¹ It appears that a *pro forma* transaction occurred between 2009 and 2017 involving a transfer of control of the international section 214 authorizations, ITC-214-20020724-00427 and ITC-214-20020728-00361, held by China Unicom Americas from China Unicom (Hong Kong) Limited to Billion Express Investments Limited but no filing was made by China Unicom Americas. A *pro forma* transfer of control notification filed on March 1, 2017, ITC-T/C-20170301-00025, indicates that Billion Express Investments Limited, a wholly owned subsidiary of China Unicom (Hong Kong) Limited, held 100% ownership interest in China Unicom Americas prior to the *pro forma* transfer of control effective January 31, 2017. See 2017 China Unicom Americas Pro Forma TC Notification, Attach. 1, Exh. B at 2. Prior to this filing, the Commission's records indicate that China Unicom Americas was 100% directly owned by China Unicom (Hong Kong) Limited pursuant to a *pro forma* assignment and transfer of control effective August 31, 2009. See 2009 China Unicom Americas Pro Forma Assignment Notification, Attach. 1 at 2-3, 8; 2009 China Unicom HK Pro Forma TC Notification, Attach. 1 at 8.

³² See 47 CFR §§ 63.18, 63.24(f).

³³ 47 CFR § 0.459.

³⁴ 47 U.S.C. §§ 154(i), 154(j), 154(o), 214, 215, 218, 403; 47 CFR §§ 0.51, 0.91, 0.111, 0.261, 0.291, 0.311, 1.1, 1.102(b)(1).

Squire Patton Boggs (US) LLP, attorney and D.C. Agent for Service of Process for China Unicom (Americas) Operations Limited, 2550 M Street NW, Washington, DC 20037.

FEDERAL COMMUNICATIONS COMMISSION

Thomas Sullivan
Chief
International Bureau

Kris Monteith
Chief
Wireline Competition Bureau

Rosemary Harold
Chief
Enforcement Bureau

Appendix A

Summary of International Section 214 Authorizations

1. On September 11, 2002, the International Bureau granted China Netcom (USA) Operations Limited (China Netcom USA) an international section 214 authorization, ITC-214-20020728-00361, to provide global or limited global facilities-based and resale service, subject to dominant carrier regulation on the U.S.-China route.¹
2. On September 27, 2002, the International Bureau granted China Unicom USA LLC an international section 214 authorization, ITC-214-20020724-00427, to provide global or limited global facilities-based and resale service, subject to dominant carrier regulation on the U.S.-China route.² On June 12, 2003, the International Bureau issued a Public Notice of a *pro forma* assignment of that authorization from China Unicom USA LLC to China Unicom USA Corporation (China Unicom USA) (currently China Unicom Americas).³
3. In 2008, the International Bureau issued a Public Notice of the *pro forma* transfers of control of the two international section 214 authorizations, ITC-214-20020728-00361 and ITC-214-20020724-00427, that were associated with a government-organized restructuring of the Chinese telecommunications industry.⁴ Prior to the restructuring, according to the Commission's records as of 2008, China Netcom USA was indirectly wholly owned by China Netcom Group Corporation (Hong Kong) Limited, an entity controlled by China Netcom Group Corporation (BVI) Limited (China Netcom BVI), which, in turn, was ultimately controlled by the government of the People's Republic of China (Chinese government).⁵ Additionally, China Unicom USA was indirectly wholly owned by China

¹ *International Authorizations Granted; Section 214 Applications (47 C.F.R. § 63.18); Cable Landing License Applications (47 C.F.R. § 1.767); Requests to Authorize Switched Services over Private Lines (47 C.F.R. § 63.16); Section 310(b)(4) Requests*, File No. ITC-214-20020728-00361, Public Notice, DA 02-2234, 17 FCC Rcd 16825, 16826 (2002).

² *International Authorizations Granted; Section 214 Applications (47 C.F.R. § 63.18); Cable Landing License Applications (47 C.F.R. § 1.767); Requests to Authorize Switched Services over Private Lines (47 C.F.R. § 63.16); Section 310(b)(4) Requests*, File No. ITC-214-20020724-00427, Public Notice, DA 02-2500, 17 FCC Rcd 19181, 19182 (2002).

³ *International Authorizations Granted; Section 214 Applications (47 C.F.R. § 63.18); Cable Landing License Applications (47 C.F.R. § 1.767); Requests to Authorize Switched Services over Private Lines (47 C.F.R. § 63.16); Section 310(b)(4) Requests*, File No. ITC-ASG-20030509-00277, Public Notice, DA 03-1927, 18 FCC Rcd 11516, 11519 (2003).

⁴ *International Authorizations Granted; Section 214 Applications (47 C.F.R. § 63.18); Section 310(b)(4) Requests*, File No. ITC-T/C-20081114-00499, Public Notice, DA 08-2650, 23 FCC Rcd 17386, 17387 (2008) (2008 China Unicom USA Pro Forma TC Public Notice); *International Authorizations Granted; Section 214 Applications (47 C.F.R. § 63.18); Section 310(b)(4) Requests*, File No. ITC-T/C-20081114-00500, Public Notice, DA 08-2650, 23 FCC Rcd 17386, 17388 (2008) (2008 China Netcom USA Pro Forma TC Public Notice); China Unicom (Hong Kong) Limited, Notification of Pro Forma Transfer of Control of Section 214 Authority, File No. ITC-T/C-20081114-00499, Attach. 1 (filed Nov. 14, 2008) (2008 China Unicom HK-China Unicom USA Pro Forma TC Notification); China Unicom (Hong Kong) Limited, Notification of Pro Forma Transfer of Control of Section 214 Authority, File No. ITC-T/C-20081114-00500, Attach. 1 (filed Nov. 14, 2008) (2008 China Unicom HK-China Netcom USA Pro Forma TC Notification).

⁵ See 2008 China Unicom HK-China Unicom USA Pro Forma TC Notification, Attach. 1 at 8; 2008 China Unicom HK-China Netcom USA Pro Forma TC Notification, Attach. 1 at 9.

Unicom (Hong Kong) Limited (China Unicom HK), which, in turn, was ultimately controlled by the Chinese government.⁶

4. On December 4, 2008, the International Bureau in a Public Notice announced the *pro forma* transfer of control of China Netcom USA's international section 214 authorization, ITC-214-20020728-00361, from China Netcom BVI to China Unicom HK.⁷ The Public Notice also announced the *pro forma* transfer of control of China Unicom USA's international section 214 authorization, ITC-214-20020724-00427, whereby the ownership interests held in China Unicom HK by China Unicom (BVI) Limited, an intermediate holding company, decreased from 71.17% to approximately 41%.⁸ Both transfers of control were effective October 15, 2008.⁹ Pursuant to the restructuring, China Unicom HK was indirectly held by China Network Communications Group Corporation (China Netcom) and China United Telecommunications Corporation (currently China United Network Communications Group Company Limited (China Unicom)),¹⁰ both Chinese state-owned entities.¹¹ After the restructuring, the Chinese government continued to indirectly control China Netcom USA and China Unicom USA.¹²

5. In 2009, the International Bureau issued two Public Notices of the *pro forma* transfers of control of China Netcom USA's and China Unicom USA's international section 214 authorizations, ITC-214-20020728-00361 and ITC-214-20020724-00427 and the assignment of China Netcom USA's international section 214 authorization to China Unicom USA. First, on March 26, 2009, the International Bureau issued a Public Notice of the *pro forma* transfers of control of the international section 214 authorizations held by China Netcom USA and China Unicom USA, from China Netcom to China Unicom, that occurred on January 6, 2009, retroactively effective as of January 1, 2009.¹³ These transfers of control were associated with a government-organized restructuring of the Chinese telecommunications industry, whereby China Netcom was merged with and into China Unicom.¹⁴ As a result of this restructuring, China Unicom increased its ownership in China Unicom HK from

⁶ See 2008 China Unicom HK-China Unicom USA Pro Forma TC Notification, Attach. 1 at 1, 7; 2008 China Unicom HK-China Netcom USA Pro Forma TC Notification, Attach. 1 at 8 ("Pre-Merger Ownership of China Unicom (Hong Kong) Limited").

⁷ 2008 China Netcom USA Pro Forma TC Public Notice, 23 FCC Rcd at 17388.

⁸ 2008 China Unicom USA Pro Forma TC Public Notice, 23 FCC Rcd at 17387.

⁹ *Id.*; 2008 China Netcom USA Pro Forma TC Public Notice, 23 FCC Rcd at 17388.

¹⁰ China United Network Communications Group Company Limited was formerly known as China United Telecommunications Corporation. China Unicom (Hong Kong) Limited, Annual Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 (For the fiscal year ended December 31, 2018) at iii (filed Apr. 23, 2019), <https://go.usa.gov/xvDKm> (China Unicom HK Form 20-F).

¹¹ 2008 China Unicom HK-China Unicom USA Pro Forma TC Notification, Attach. 1 at 3, 9; 2008 China Unicom HK-China Netcom USA Pro Forma TC Notification, Attach. 1 at 3-4, 10.

¹² 2008 China Unicom HK-China Unicom USA Pro Forma TC Notification, Attach. 1 at 1, 6; 2008 China Unicom HK-China Netcom USA Pro Forma TC Notification, Attach. 1 at 1, 6.

¹³ *International Authorizations Granted; Section 214 Applications (47 C.F.R. § 63.18); Section 310(b)(4) Requests*, File No. ITC-T/C-20090204-00082, Public Notice, DA 09-677, 24 FCC Rcd 3644, 3647 (2009) (2009 China Unicom USA Pro Forma TC Public Notice); *International Authorizations Granted; Section 214 Applications (47 C.F.R. § 63.18); Section 310(b)(4) Requests*, File No. ITC-T/C-20090204-00083, Public Notice, DA 09-677, 24 FCC Rcd 3644, 3647 (2009) (2009 China Netcom USA Pro Forma TC Public Notice).

¹⁴ 2009 China Unicom USA Pro Forma TC Public Notice, 24 FCC Rcd at 3647; 2009 China Netcom USA Pro Forma TC Public Notice, 24 FCC Rcd at 3647.

approximately 41% to approximately 70%.¹⁵ After the restructuring, the Chinese government continued to indirectly control China Netcom USA and China Unicom USA.¹⁶

6. Second, on October 15, 2009, the International Bureau issued a Public Notice of a *pro forma* transfer of control and assignment involving the merger of China Netcom USA into China Unicom USA, effective August 31, 2009.¹⁷ An internal restructuring resulted in a *pro forma* transfer of control of the international section 214 authorization, ITC-214-20020724-00427, held by China Unicom USA from its direct 100% parent company, China Unicom International Limited, to China Unicom HK.¹⁸ The restructuring also resulted in a *pro forma* assignment of the international section 214 authorization, ITC-214-20020728-00361, held by China Netcom USA to China Unicom USA.¹⁹ Upon the effective date of the merger, China Unicom USA changed its name to China Unicom Americas.²⁰ As a result of the restructuring, China Unicom Americas became the holder of the two international section 214 authorizations, and remains subject to the indirect and ultimate control of the Chinese government.

7. On March 30, 2017, the International Bureau issued a Public Notice of a *pro forma* transfer of control of the international section 214 authorizations, ITC-214-20020728-00361 and ITC-214-20020724-00427, held by China Unicom Americas to China Unicom Global Limited (China Unicom Global), effective January 31, 2017.²¹ In an internal restructuring, China Unicom Global acquired all of

¹⁵ 2009 China Unicom USA Pro Forma TC Public Notice, 24 FCC Rcd at 3647; 2009 China Netcom USA Pro Forma TC Public Notice, 24 FCC Rcd at 3647.

¹⁶ 2009 China Unicom USA Pro Forma TC Public Notice, 24 FCC Rcd at 3647; 2009 China Netcom USA Pro Forma TC Public Notice, 24 FCC Rcd at 3647; China United Network Communications Group Company Limited, Notification of Pro Forma Transfer of Control of Section 214 Authority, File No. ITC-T/C-20090204-00082, Attach. 1 at 1, 4-7 (filed Feb. 4, 2009); China United Network Communications Group Company Limited, Notification of Pro Forma Transfer of Control of Section 214 Authority, File No. ITC-T/C-20090204-00083, Attach. 1 at 1, 4-7 (filed Feb. 4, 2009).

¹⁷ *International Authorizations Granted; Section 214 Applications (47 C.F.R. § 63.18); Section 310(b)(4) Requests*, File No. ITC-T/C-20090930-00434, Public Notice, DA 09-2218, 24 FCC Rcd 12611, 12615 (2009) (2009 China Unicom HK Pro Forma TC Public Notice); *International Authorizations Granted; Section 214 Applications (47 C.F.R. § 63.18); Section 310(b)(4) Requests*, File No. ITC-ASG-20090930-00433, Public Notice, DA 09-2218, 24 FCC Rcd 12611, 12613 (2009) (2009 China Unicom Americas Pro Forma Assignment Public Notice).

¹⁸ 2009 China Unicom HK Pro Forma TC Public Notice, 24 FCC Rcd at 12615.

¹⁹ 2009 China Unicom Americas Pro Forma Assignment Public Notice, 24 FCC Rcd at 12613.

²⁰ *Id.*; 2009 China Unicom HK Pro Forma TC Public Notice, 24 FCC Rcd at 12615; China Unicom (Americas) Operations Limited, Notification of Pro Forma Assignment of Section 214 Authority, File No. ITC-ASG-20090930-00433, Attach. 1 at 1, 5; China Unicom (Hong Kong) Limited, Notification of Pro Forma Transfer of Control of Section 214 Authority, File No. ITC-T/C-20090930-00434, Attach. 1 at 1, 6; *see also International Authorizations Granted; Section 214 Applications (47 C.F.R. § 63.18); Section 310(b)(4) Requests*, File No. ITC-214-20020724-00427, Public Notice, DA 09-2406, 24 FCC Rcd 13706, 13708 (2009) (“By letter filed September 30, 2009, Applicant notified the Commission that it changed its name from China Unicom USA Corporation to China Unicom (Americas) Operations Limited (China Unicom Americas), effective August 31, 2009.”).

²¹ *International Authorizations Granted; Section 214 Applications (47 C.F.R. § 63.18); Section 310(b) Requests*, File No. ITC-T/C-20170301-00025, Public Notice, DA 17-297, 32 FCC Rcd 2087, 2094 (2017) (2017 China Unicom Americas Pro Forma TC Public Notice). The Public Notice incorrectly refers to “China Telecom Global Limited (CUG)” as the transferee instead of “China Unicom Global Limited (CUG).” China Unicom (Americas) Operations Limited, Notification of Pro Forma Transfer of Control of Section 214 Authority, File No. ITC-T/C-20170301-00025, Attach. 1 (filed Mar. 1, 2017) (2017 China Unicom Americas Pro Forma TC Notification).

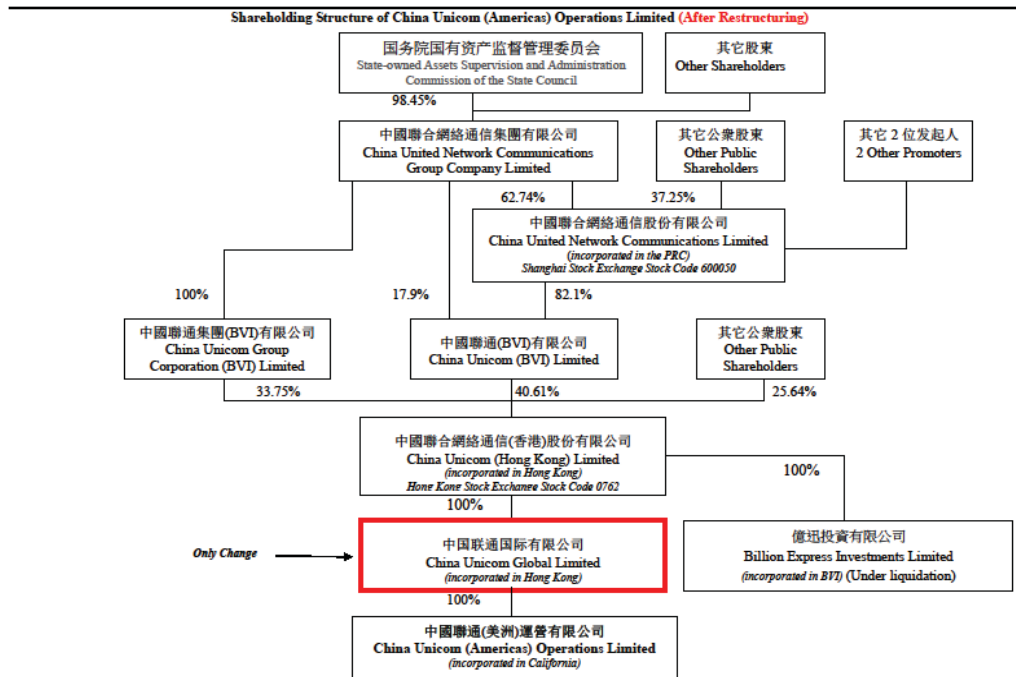
the outstanding shares of stock of China Unicom Americas.²² Both China Unicom Americas and China Unicom Global are ultimately owned and controlled by the Chinese government.²³

²² 2017 China Unicom Americas Pro Forma TC Public Notice, 32 FCC Rcd at 2094; 2017 China Unicom Americas Pro Forma TC Notification, Attach. 1 at 2. *See also* Letter from Robert E. Stup, Jr., Squire Patton Boggs (US) LLP, to International Bureau, FCC, at 1-2 (Apr. 6, 2020) (on file in SCL-T/C-20170301-00004); *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))*, File No. SCL-T/C-20170301-00004, Public Notice, DA 20-442 (Apr. 23, 2020).

²³ 2017 China Unicom Americas Pro Forma TC Public Notice, 32 FCC Rcd at 2094; 2017 China Unicom Americas Pro Forma TC Notification, Attach 1 at 2, 4-5.

Appendix B

Shareholding Structure of China Unicom (Americas) Operations Limited (After Restructuring)
(filed Mar. 1, 2017)¹



¹ China Unicom (Americas) Operations Limited, Notification of Pro Forma Transfer of Control of Section 214 Authority, File No. ITC-T/C-20170301-00025, Attach. 1, Exh. B at 3 (filed Mar. 1, 2017); see also Letter from Robert E. Stup, Jr., Squire Patton Boggs (US) LLP, to International Bureau, FCC, at 1-2 (Apr. 6, 2020) (on file in SCL-T/C-20170301-00004); *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)), File No. SCL-T/C-20170301-00004, Public Notice, DA 20-442 (Apr. 23, 2020). A 2018 filing with the Commission indicates that the State-owned Assets Supervision and Administration Commission of the State Council (SASAC) directly holds a 96.5% voting and equity interest in China Unicom. Edge Cable Holdings USA, LLC, China Telecommunications Corporation, China Telecom Global Limited, China United Network Communications Group Company Limited, RTI Express Pte. Ltd., Tata Communications (Bermuda) Limited, and Telstra Corporation Limited; Application for a License to Land and Operate a Private Fiber-Optic Submarine Cable System Connecting the United States, Hong Kong, and Taiwan; The Hong Kong-Americas System, File No. SCL-LIC-20180711-00018, Appx. D at 1-2 (filed July 11, 2018). The annual Form 20-F filed by China Unicom (Hong Kong) Limited on April 23, 2019 presents the ownership structure of China Unicom (Hong Kong) Limited as of April 16, 2019. See China Unicom (Hong Kong) Ltd., Form 20-F – Annual Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 (For the fiscal year ended December 31, 2018) at 21-22 (filed Apr. 23, 2019), <https://go.usa.gov/xvDkk>.