



PUBLIC NOTICE

FEDERAL COMMUNICATIONS COMMISSION
45 L STREET NE
WASHINGTON D.C. 20554

News media information 202-418-0500
Internet: <http://www.fcc.gov> (or <ftp.fcc.gov>)
TTY (202) 418-2555

Report No. SCL-00365NS

Friday March 11, 2022

Non-Streamlined Submarine Cable Landing License Applications Accepted For Filing

Unless otherwise specified, the following procedures apply to the applications listed below:

The applications listed below have been found, upon initial review, to be acceptable for filing. Pursuant to the Submarine Cable Landing License Act, 47 U.S.C. §§ 34-39, and Executive Order No. 10530, reprinted as amended in 3 U.S.C. § 301, each applicant seeks: (a) the grant of a cable landing license; (b) the modification of a cable landing license; and/or (c) the assignment or transfer of control of an interest in a submarine cable landing license. These applications are not subject to the streamlined processing procedures set forth in Section 1.767 of the Commission's rules, 47 CFR § 1.767.

Unless otherwise specified, filings relating to these applications must be received within 14 days of this notice. Ex parte communications between outside parties and Commission staff concerning these applications are permitted subject to the Commission's rules for "permit-but-disclose proceedings." See 47 CFR § 1.1206.

These applications are being coordinated with the Department of State and other Executive Branch agencies pursuant to section 1.767(b) of the Commission's rules, 47 CFR § 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>.

Pursuant to its decision in Review of Commission Consideration of Applications under the Cable Landing License Act, IB Docket No. 00-106, FCC 01-332, 16 FCC Rcd 22167 (2001), and section 1.767 of the rules, the Commission will take action upon these applications within ninety (90) days after release of this public notice, unless it determines that additional time is needed.

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), 1-888-835-5322 (tty). All applications listed are subject to further consideration and review, and may be returned and/or dismissed if not found to be in accordance with the Commission's rules, regulations, and other requirements.

Transfer of Control

Current Licensee: Telxius Cable America, S.A.

FROM: KKR Management LLP

TO: Pontegadea Inversiones, S.L.

An application was filed for consent to transfer control of negative control rights over Telxius Cable America, S.A. (Telxius America) from KKR Management LLP (KKR Management) to Pontegadea Inversiones, S.L. (Pontegadea). Telxius Americas is a licensee on the BRUSA cable system (SCL-LIC-20160330-00011), the MAREA cable system (SCL-LIC-20160525-00012), the Pacific Caribbean Cable System (PCCS Cable System) (SCL-LIC-20130122-00001), and the South America-1 (SAM-1) system (SCL-LIC-20000204-00003, SCL-MOD-20061207-00012, SCL-MOD-20180625-00016, and SCL-MOD-20180905-00032). The BRUSA cable system connects Virginia Beach, Virginia, San Juan, Puerto Rico, and Fortaleza and Rio de Janeiro, Brazil. The MAREA cable system connects Virginia Beach, Virginia with Bilbao, Spain. The PCCS Cable System connects the British Virgin Islands, Puerto Rico, Aruba, Colombia, Panama, Ecuador, and the continental United States. The SAM-1 system connects Florida, Puerto Rico, Argentina, Brazil (Fortaleza, Rio de Janeiro, Salvador and Santos), Chile (Arica and Valparaiso), Colombia, the Dominican Republic, Guatemala (Puerto Barrios and Puerto San Jose), and Peru (Lurin and Mancora).

Telxius America, a Uruguay company, is a wholly owned subsidiary of Telxius Telecom S.A.U. (Telxius Parent), a Spanish company. Pontel Participaciones, S.L. (Pontel), a Spanish company, holds 60% equity and voting interests in Telxius Parent. Taurus Bidco S.a.r.l (Taurus Bidco), a Luxembourg company ultimately owned and controlled by KKR Management, a Delaware company, holds the remaining 40% equity and voting interests and certain negative control rights over Telxius Parent. Telefonica, S.A. (Telefonica), a publicly traded Spanish company, holds 83.35% equity and voting interests in Pontel and ultimate de jure control over Telxius Parent. The remaining 16.65% voting and equity interests in Pontel are held by Pontegadea Inversiones, S.L. (Pontegadea), a Spanish company, that is 99.99% owned by Mr. Amancio Ortega Gaona, a citizen of Spain.

The Proposed Transaction will be comprised of a series of steps. First, the 40% equity and voting interests and negative control rights currently held by Taurus Bidco in Telxius Parent will be acquired by Pontel. Simultaneously Telefonica and Pontegadea will carry out a capital restructuring that will result in Telefonica holding 70% voting and equity interests in Pontel and Pontegadea holding the remaining 30% voting and equity interests in Pontel. As soon as possible thereafter, Telefonica and Pontel will restructure their interests by merging Pontel into Telxius Parent, with Telxius Parent surviving, such that Telefonica (70%) and Pontegadea (30%) will hold their interests directly in Telxius Parent.

As part of the Proposed Transaction a Shareholder Agreement will be executed pursuant to which Pontegadea will acquire certain negative control rights over shareholders, board of directors, and third-party transaction matters that could be deemed to constitute de facto control. The Shareholder Agreement gives Pontegadea certain rights beyond standard minority shareholder protections that allows Pontegadea to veto certain Pontel (and following the restructuring, Telxius Parent) matters including business plans, annual budgets, contract value thresholds, the ability to enter into related party transactions with Telefonica and its non-Telxius subsidiaries, and influence over the appointment, replacement, and removal of the CEO and CFO. Following consummation of the Proposed Transaction, Telefonica will continue to retain de jure control over Telxius Parent and the Telxius America.

After completion of the Proposed Transaction the following individuals and entities will have a ten-percent-or-greater direct or indirect interest in Telxius America: (1) Telxius Parent, a Spanish company (100% equity and voting interests in Telxius America); (2) Telefonica, a publicly traded Spanish company with no 10% or greater interest holders (70% equity and voting interests in Telxius Parent); (3) Pontegadea, a Spanish company (30% equity and voting interests in Telxius Parent and certain negative control rights), and (4) Mr. Amancio Ortega Gaona, a citizen of Spain (99.99% equity and voting interests in Pontegadea). There will be no other 10% percent or greater direct or indirect interest holders in Telxius America.

Pursuant to Commission practice, the applications associated with the Proposed Transaction (ITC-T/C-20220222-00030, ITC-T/C-20220222-00031, SCL-T/C-20220222-00006, SCL-T/C-20220222-00007, SCL-T/C-20220222-00008, SCL-T/C-20220222-00009) are being referred to the relevant Executive Branch agencies for their views on any national security, law enforcement, foreign policy or trade policy concerns related to the foreign ownership of the Applicants.

Transfer of Control

Current Licensee: Telxius Cable Colombia, S.A.

FROM: KKR Management LLP

TO: Pontegadea Inversiones, S.L.

An application was filed for consent to transfer control of negative control rights over Telxius Cable Colombia, S.A. (Telxius Colombia) from KKR Management LLP (KKR Management) to Pontegadea Inversiones, S.L. (Pontegadea). Telxius Colombia is a licensee on the Pacific Caribbean Cable System (PCCS Cable System) (SCL-LIC-20130122-00001) which connects the British Virgin Islands, Puerto Rico, Aruba, Colombia, Panama, Ecuador, and the continental United States.

Telxius America, a Colombia company, is a wholly owned subsidiary of Telxius Cable America, S.A. (Telxius America), a Uruguay company, which is a wholly owned subsidiary of Telxius Telecom S.A.U. (Telxius Parent), a Spanish company. Pontel Participaciones, S.L. (Pontel), a Spanish company, holds 60% equity and voting interests in Telxius Parent. Taurus Bidco S.a.r.l (Taurus Bidco), a Luxembourg company ultimately owned and controlled by KKR Management, a Delaware company, holds the remaining 40% equity and voting interests and certain negative control rights over Telxius Parent. Telefonica, S.A. (Telefonica), a publicly traded Spanish company, holds 83.35% equity and voting interests in Pontel and ultimate de jure control over Telxius Parent. The remaining 16.65% voting and equity interests in Pontel are held by Pontegadea Inversiones, S.L. (Pontegadea), a Spanish company, that is 99.99% owned by Mr. Amancio Ortega Gaona, a citizen of Spain.

The Proposed Transaction will be comprised of a series of steps. First, the 40% equity and voting interests and negative control rights currently held by Taurus Bidco in Telxius Parent will be acquired by Pontel. Simultaneously Telefonica and Pontegadea will carry out a capital restructuring that will result in Telefonica holding 70% voting and equity interests in Pontel and Pontegadea holding the remaining 30% voting and equity interests in Pontel. As soon as possible thereafter, Telefonica and Pontel will restructure their interests by merging Pontel into Telxius Parent, with Telxius Parent surviving, such that Telefonica (70%) and Pontegadea (30%) will hold their interests directly in Telxius Parent.

As part of the Proposed Transaction a Shareholder Agreement will be executed pursuant to which Pontegadea will acquire certain negative control rights over shareholders, board of directors, and third-party transaction matters that could be deemed to constitute de facto control. The Shareholder Agreement gives Pontegadea certain rights beyond standard minority shareholder protections that allows Pontegadea to veto certain Pontel (and following the restructuring, Telxius Parent) matters including business plans, annual budgets, contract value thresholds, the ability to enter into related party transactions with Telefonica and its non-Telxius subsidiaries, and influence over the appointment, replacement, and removal of the CEO and CFO. Following consummation of the Proposed Transaction, Telefonica will continue to retain de jure control over Telxius Parent and the Telxius Colombia.

After completion of the Proposed Transaction the following individuals and entities will have a ten-percent-or-greater direct or indirect interest in Telxius Colombia: (1) Telxius America, a Uruguay company (100% equity and voting interests in Telxius Colombia), (2) Telxius Parent, a Spanish company (100% equity and voting interests in Telxius America); (2) Telefonica, a publicly traded Spanish company with no 10% or greater interest holders (70% equity and voting interests in Telxius Parent); (3) Pontegadea, a Spanish company (30% equity and voting interests in Telxius Parent and certain negative control rights), and (4) Mr. Amancio Ortega Gaona, a citizen of Spain (99.99% equity and voting interests in Pontegadea). There will be no other 10% percent or greater direct or indirect interest holders in Telxius Colombia.

Pursuant to Commission practice, the applications associated with the Proposed Transaction (ITC-T/C-20220222-00030, ITC-T/C-20220222-00031, SCL-T/C-20220222-00006, SCL-T/C-20220222-00007, SCL-T/C-20220222-00008, SCL-T/C-20220222-00009) are being referred to the relevant Executive Branch agencies for their views on any national security, law enforcement, foreign policy or trade policy concerns related to the foreign ownership of the Applicants.

Transfer of Control

Current Licensee: Telxius Cable Puerto Rico, Inc.

FROM: KKR Management LLP

TO: Pontegadea Inversiones, S.L.

An application was filed for consent to transfer control of negative control rights over Telxius Cable Puerto Rico, Inc. (Telxius Puerto Rico) from KKR Management LLP (KKR Management) to Pontegadea Inversiones, S.L. (Pontegadea). Telxius Puerto Rico is a licensee on the the BRUSA cable system (SCL-LIC-20160330-00011), the Pacific Caribbean Cable System (PCCS Cable System) (SCL-LIC-20130122-00001), and the South America-1 (SAM-1) system (SCL-LIC-20000204-00003, SCL-MOD-20061207-00012, SCL-MOD-20180625-00016, and SCL-MOD-20180905-00032). The BRUSA cable system connects Virginia Beach, Virginia, San Juan, Puerto Rico, and Fortaleza and Rio de Janeiro, Brazil. The PCCS Cable System connects the British Virgin Islands, Puerto Rico, Aruba, Colombia, Panama, Ecuador, and the continental United States. The SAM-1 system connects Florida, Puerto Rico, Argentina, Brazil (Fortaleza, Rio de Janeiro, Salvador and Santos), Chile (Arica and Valparaiso), Colombia, the Dominican Republic, Guatemala (Puerto Barrios and Puerto San Jose), and Peru (Lurin and Mancora).

Telxius Puerto Rico, a Puerto Rico company, is a wholly owned subsidiary of Telxius Cable America, S.A. (Telxius America), a Uruguay company, which is a wholly owned subsidiary of Telxius Telecom S.A.U. (Telxius Parent), a Spanish company. Pontel Participaciones, S.L. (Pontel), a Spanish company, holds 60% equity and voting interests in Telxius Parent. Taurus Bidco S.a.r.l (Taurus Bidco), a Luxembourg company ultimately owned and controlled by KKR Management, a Delaware company, holds the remaining 40% equity and voting interests and certain negative control rights over Telxius Parent. Telefonica, S.A. (Telefonica), a publicly traded Spanish company, holds 83.35% equity and voting interests in Pontel and ultimate de jure control over Telxius Parent. The remaining 16.65% voting and equity interests in Pontel are held by Pontegadea Inversiones, S.L. (Pontegadea), a Spanish company, that is 99.99% owned by Mr. Amancio Ortega Gaona, a citizen of Spain.

The Proposed Transaction will be comprised of a series of steps. First, the 40% equity and voting interests and negative control rights currently held by Taurus Bidco in Telxius Parent will be acquired by Pontel. Simultaneously Telefonica and Pontegadea will carry out a capital restructuring that will result in Telefonica holding 70% voting and equity interests in Pontel and Pontegadea holding the remaining 30% voting and equity interests in Pontel. As soon as possible thereafter, Telefonica and Pontel will restructure their interests by merging Pontel into Telxius Parent, with Telxius Parent surviving, such that Telefonica (70%) and Pontegadea (30%) will hold their interests directly in Telxius Parent.

As part of the Proposed Transaction a Shareholder Agreement will be executed pursuant to which Pontegadea will acquire certain negative control rights over shareholders, board of directors, and third-party transaction matters that could be deemed to constitute de facto control. The Shareholder Agreement gives Pontegadea certain rights beyond standard minority shareholder protections that allows Pontegadea to veto certain Pontel (and following the restructuring, Telxius Parent) matters including business plans, annual budgets, contract value thresholds, the ability to enter into related party transactions with Telefonica and its non-Telxius subsidiaries, and influence over the appointment, replacement, and removal of the CEO and CFO. Following consummation of the Proposed Transaction, Telefonica will continue to retain de jure control over Telxius Parent and the Telxius Puerto Rico.

After completion of the Proposed Transaction the following individuals and entities will have a ten-percent-or-greater direct or indirect interest in Telxius Colombia: (1) Telxius America, a Uruguay company (100% equity and voting interests in Telxius Colombia), (2) Telxius Parent, a Spanish company (100% equity and voting interests in Telxius America); (2) Telefonica, a publicly traded Spanish company with no 10% or greater interest holders (70% equity and voting interests in Telxius Parent); (3) Pontegadea, a Spanish company (30% equity and voting interests in Telxius Parent and certain negative control rights), and (4) Mr. Amancio Ortega Gaona, a citizen of Spain (99.99% equity and voting interests in Pontegadea). There will be no other 10% percent or greater direct or indirect interest holders in Telxius Puerto Rico.

Pursuant to Commission practice, the applications associated with the Proposed Transaction (ITC-T/C-20220222-00030, ITC-T/C-20220222-00031, SCL-T/C-20220222-00006, SCL-T/C-20220222-00007, SCL-T/C-20220222-00008, SCL-T/C-20220222-00009) are being referred to the relevant Executive Branch agencies for their views on any national security, law enforcement, foreign policy or trade policy concerns related to the foreign ownership of the Applicants.

Transfer of Control

Current Licensee: Telxius Cable USA, Inc.

FROM: KKR Management LLP

TO: Pontegadea Inversiones, S.L.

An application was filed for consent to transfer control of negative control rights over Telxius Cable USA, Inc. (Telxius USA) from KKR Management LLP (KKR Management) to Pontegadea Inversiones, S.L. (Pontegadea). Telxius USA is a licensee on the BRUSA cable system (SCL-LIC-20160330-00011), the MAREA cable system (SCL-LIC-20160525-00012), the Pacific Caribbean Cable System (PCCS Cable System) (SCL-LIC-20130122-00001), and the South America-1 (SAM-1) system (SCL-LIC-20000204-00003, SCL-MOD-20061207-00012, SCL-MOD-20180625-00016, and SCL-MOD-20180905-00032). The BRUSA cable system connects Virginia Beach, Virginia, San Juan, Puerto Rico, and Fortaleza and Rio de Janeiro, Brazil. The MAREA cable system connects Virginia Beach, Virginia with Bilbao, Spain. The PCCS Cable System connects the British Virgin Islands, Puerto Rico, Aruba, Colombia, Panama, Ecuador, and the continental United States. The SAM-1 system connects Florida, Puerto Rico, Argentina, Brazil (Fortaleza, Rio de Janeiro, Salvador and Santos), Chile (Arica and Valparaiso), Colombia, the Dominican Republic, Guatemala (Puerto Barrios and Puerto San Jose), and Peru (Lurin and Mancora).

Telxius USA, a Florida company, is a wholly owned subsidiary of Telxius Cable America, S.A. (Telxius America), a Uruguay company, which is a wholly owned subsidiary of Telxius Telecom S.A.U. (Telxius Parent), a Spanish company. Pontel Participaciones, S.L. (Pontel), a Spanish company, holds 60% equity and voting interests in Telxius Parent. Taurus Bidco S.a.r.l (Taurus Bidco), a Luxembourg company ultimately owned and controlled by KKR Management, a Delaware company, holds the remaining 40% equity and voting interests and certain negative control rights over Telxius Parent. Telefonica, S.A. (Telefonica), a publicly traded Spanish company, holds 83.35% equity and voting interests in Pontel and ultimate de jure control over Telxius Parent. The remaining 16.65% voting and equity interests in Pontel are held by Pontegadea Inversiones, S.L. (Pontegadea), a Spanish company, that is 99.99% owned by Mr. Amancio Ortega Gaona, a citizen of Spain.

The Proposed Transaction will be comprised of a series of steps. First, the 40% equity and voting interests and negative control rights currently held by Taurus Bidco in Telxius Parent will be acquired by Pontel. Simultaneously Telefonica and Pontegadea will carry out a capital restructuring that will result in Telefonica holding 70% voting and equity interests in Pontel and Pontegadea holding the remaining 30% voting and equity interests in Pontel. As soon as possible thereafter, Telefonica and Pontel will restructure their interests by merging Pontel into Telxius Parent, with Telxius Parent surviving, such that Telefonica (70%) and Pontegadea (30%) will hold their interests directly in Telxius Parent.

As part of the Proposed Transaction a Shareholder Agreement will be executed pursuant to which Pontegadea will acquire certain negative control rights over shareholders, board of directors, and third-party transaction matters that could be deemed to constitute de facto control. The Shareholder Agreement gives Pontegadea certain rights beyond standard minority shareholder protections that allows Pontegadea to veto certain Pontel (and following the restructuring, Telxius Parent) matters including business plans, annual budgets, contract value thresholds, the ability to enter into related party transactions with Telefonica and its non-Telxius subsidiaries, and influence over the appointment, replacement, and removal of the CEO and CFO. Following consummation of the Proposed Transaction, Telefonica will continue to retain de jure control over Telxius Parent and the Telxius USA.

After completion of the Proposed Transaction the following individuals and entities will have a ten-percent-or-greater direct or indirect interest in Telxius Colombia: (1) Telxius America, a Uruguay company (100% equity and voting interests in Telxius Colombia), (2) Telxius Parent, a Spanish company (100% equity and voting interests in Telxius America); (2) Telefonica, a publicly traded Spanish company with no 10% or greater interest holders (70% equity and voting interests in Telxius Parent); (3) Pontegadea, a Spanish company (30% equity and voting interests in Telxius Parent and certain negative control rights), and (4) Mr. Amancio Ortega Gaona, a citizen of Spain (99.99% equity and voting interests in Pontegadea). There will be no other 10% percent or greater direct or indirect interest holders in Telxius USA.

Pursuant to Commission practice, the applications associated with the Proposed Transaction (ITC-T/C-20220222-00030, ITC-T/C-20220222-00031, SCL-T/C-20220222-00006, SCL-T/C-20220222-00007, SCL-T/C-20220222-00008, SCL-T/C-20220222-00009) are being referred to the relevant Executive Branch agencies for their views on any national security, law enforcement, foreign policy or trade policy concerns related to the foreign ownership of the Applicants.

INFORMATIVE

SCL-LIC-20211013-00048

PTI Pacifica Inc.

On March 3, 2022, the Chair of the Committee for the Assessment of Foreign Participation in the United States Telecommunications Services Sector (Committee) notified the Commission that the Committee is conducting an initial review of the application to renew the MTC Interisland Cable System (MICS) for an additional 25-year term, to assess whether granting the application will pose a risk to the national security or law enforcement interests of the United States, pursuant to Executive Order 13913 (85 Fed Reg 19643 (April 8, 2020)). The Committee shall complete its review of the application before the end of the 120-day initial review period, unless the Committee notifies the Commission of an extension of the 120-day initial review period or the need arises to conduct a 90-day secondary assessment.

REMINDER:

Applicants must certify that neither the applicant nor any party to the application is subject to a denial of federal benefits by federal and/or state courts under authority granted in 21 U.S.C. § 862. See 47 CFR §§ 1.2001–2003.

By this notice, we inform the public that submarine cable landing license applications that are part of larger transactions involving multiple Commission licenses or authorizations may involve "extraordinary circumstances" as referenced in Review of Commission Consideration of Applications under the Cable Landing License Act, Report and Order, 16 FCC Rcd 22167 (2001) and Rules and Policies on Foreign Participation in the U.S. Telecommunications Market, Report and Order and Order on Reconsideration, 12 FCC Rcd 23891 (1997), paras. 327-28, Order on Reconsideration, 15 FCC Rcd 18158 (2000). Additionally, extraordinary circumstances result where Executive Branch agencies petition the Commission to defer action on an application pending the resolution of potential national security, law enforcement, foreign policy and trade policy issues. Accordingly, these applications may not be acted on within the 90-day review period that the Commission has established as the period of time normally required to reach a decision on non-streamlined cable landing licenses. This notice shall serve as public notice to applicants that, in these circumstances, additional time may be required for Commission review and final action. No additional formal public notice will be provided routinely with respect to specific applications in the event that the applicable review period extends beyond 90 days.