



PUBLIC NOTICE

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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 and subject to the streamlined processing procedures set forth in section 1.767 of the Commission's rules, 47 C.F.R. § 1.767. 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.

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 forty-five (45) days after release of this public notice, unless upon further examination an application is deemed ineligible for streamlined processing.

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 C.F.R. § 1.1206. Filings relating to this application must be received within 14 days of this notice. Such filings will not necessarily result in an application being deemed ineligible for streamlined processing.

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.

Submarine Cable Landing License

Application filed by RTI Solutions, Inc. (RTI Solutions), RTI HK-G Pte. Ltd. (RTI HK-G), RTI Connectivity Pte. Ltd. (RTI Connectivity), and GU Holdings, Inc. (GU Holdings) (collectively, "Applicants") for a license to land and operate within the United States a non-common carrier fiber-optic submarine cable network connecting Hong Kong and Guam, the Hong Kong-Guam cable system (HK-G cable).

The HK-G cable will consist of one segment connecting Hong Kong and Guam, with four fiber pairs and a length of 3,693 kilometers. Each fiber pair on the HK-G system will have a total design capacity of 12 Terra bits per second (Tbps), for a total of 48 Tbps. The Applicants expect the HK-G system to enter into commercial service in the fourth calendar quarter of 2020.

Applicants state that HK-G cable will provide substantial new and geographically diverse capacity connecting Guam to another existing hub in Hong Kong that will strengthen not only the Guam hub but also ensure that the HK-G system will not function as a bottleneck facility by competing vigorously with other cable systems on the U.S.-Hong Kong and broader U.S.-Asia routes (Asia-America Gateway, Australia-Japan, TGN-Pacific, and Guam Okinawa Kyushu Incheon).

RTI HK-G, a Singapore company, has a 100% voting and equity interests in three of the four fiber pairs that comprise the HK-G cable, including those portions in U.S. waters, international waters, and Hong Kong waters. The fourth fiber pair is majority-owned (82.29% voting and equity) by RTI HK-G, with the remaining 17.71% voting and equity interests in that fiber pair held by GU Holdings, a Delaware company (17.71% in U.S. waters), Google Infrastructure Bermuda Limited (GIB), a Bermuda company and affiliate of GU Holdings (17.71% in international waters), and Infracore (Hong Kong) Limited (Infracore), a Hong Kong company and affiliate of GU Holdings (17.71% in Hong Kong waters). Applicants state that because neither GIB nor Infracore will use the U.S. endpoints of the system, under section 1.767(h)(2) of the Commission's rules, 47 CFR § 1.767(h)(2), neither of these entities is required to be an applicant for the cable landing license.

RTI Connectivity, a Singapore company, will control RTI HK-G's interests in the HK-G system through its role as asset manager of RTI HK-G. RTI Connectivity was appointed RTI HK-G's Asset Manager through an Asset Management Agreement between the two companies. Under that agreement RTI Connectivity may not be removed as Asset Manager except for cause or in the event RTI Connectivity's majority shareholder, Mr. Russ Matulich, holds less than a 50-percent interest in RTI Connectivity.

RTI Solutions, a California company, will serve as the U.S. landing party and control the Guam landing arrangements for a new cable landing station in Guam (Piti 2) under a contract with the cable station landing owner, Gateway Network Connections, LLC (GNC), a Guam company. GNC is 51% owned by Asia Connectivity Elements, Inc. (ACE), a Guam company, and 49% owned by Teleguam Holdings, LLC (GTA), a Guamanian carrier. Executives of the RTI Group (which includes RTI Solutions, RTI HK-G, and RTI Connectivity) collectively hold a 51% voting and equity interest in ACE. NTT Com Asia Limited, a Hong Kong company, will own and RTI HK-G will be the landing party for control the cable landing station at Hong Kong.

The Applicants request a waiver of section 1.767(h)(1) of the Commission's rules which requires that "any entity that owns or controls a cable landing station in the United States" shall be applicants for, and licensees on, a cable landing license." 47 CFR § 1.767(h)(1). According to the Applicants, GNC, the owner of the Piti 2, Guam, cable landing station, will not be able to affect significantly the operation of HK-G cable, and it is not necessary for GNC to be a joint applicant to ensure compliance with the Cable Landing License Act, the Commission's cable landing rules, or the terms of the cable landing license. Applicants state RTI Solutions will contract with GNC for the provision of certain limited services and will enter into long-term leases for collocation space for power feed equipment for the Piti 2 cable landing station. RTI Solutions will retain operational authority over the HK-G landing facilities and provide direction to GNC in all matters relating to the HK-G cable. Further, RTI Solutions will seek to ensure that all IRU and lease agreements have initial terms, with extension options at RTI Solutions' sole discretion, for a total of 25 years each, coextensive with the term of the cable landing license.

The Applicants propose to operate the HK-G system on a non-common carrier basis. They state that they will not sell capacity indifferently to the user public, but instead will provide the RTI Group with capacity to support its wholesale businesses in Asia and the Americas, offering bulk capacity to particular carrier, enterprise, and government customers pursuant to individually-negotiated indefeasible rights of use (IRUs) and capacity leases, the terms of which will vary depending on the characteristics and needs of the particular capacity purchaser. Further, Applicants state that the system will provide GU Holdings and its affiliates capacity to connect Google users, points or presence, and data centers, and that capacity will be available to third parties pursuant to individually-negotiated IRUs and capacity leases, the terms of which will vary depending on the characteristics and needs of the particular capacity purchaser.

RTI Solutions, a California company, has the following 10-percent-or-greater direct or indirect voting and equity interest holders: (1) Mr. Russell Matulich, a U.S. citizen (16.4% voting and 16.4% equity interest); (2) Mr. Brian Mass, a U.S. citizen (14.5% voting and 14.5% equity interest); (3) Mr. Christopher Brungardt, a U.S. citizen (10% voting and 10% equity interest); (4) LSF Capital Pte. Ltd., a Singapore company (35% voting and 35% equity interest); and (5) Datuk Lim Soon Foo, a Malaysia company (75% voting and 75% equity interest in LSF Capital Pte. Ltd.). The remaining voting and equity interests in RTI Solutions are held by individuals, none of whom has a 10-percent-or-greater interest.

RTI HK-G, a Singapore company, has the following 10-percent-or-greater direct or indirect voting and equity interest holders: (1) Fund Corporation for the Overseas Development of Japan's ICT and Postal Services, Inc. (JICT), a Japan company (45.0% equity interest through its ownership of 100% of RTI HK-G's Class A Preferred Shares). JICT is 50% owned and controlled by the Japanese Ministry of Finance, with the remaining voting and equity interests of JICT held by 21 Japanese companies, none of which has a 10-percent-or-greater voting or equity interest in RTI HK-G; (2) NEC Corporation (NEC), a publicly-traded Japan company with no 10%-or-greater shareholders (50.0% equity interest in RTI HK-G through its ownership of 100% of RTI HK-G's Class B Preferred Shares); (3) Mr. Russell Matulich, a U.S. citizen (2.7% equity interest in RTI HK-G through his ownership of 54% of RTI HK-G Class C shares); (4) The RTI HK-G Share Trust (RTI HK-G Trust), a Singapore company that holds all shares of RTI HK-G in trust for the equity interest holders (owns one ordinary share of RTI HK-G) (RTI Connectivity exercises control via the Asset Management Agreement with RTI HK-G); (5) Ocorian Singapore Trust Company Pte. Ltd. (STC), a Singapore company that serves as Trustee of the RTI HK-G Trust; (6) STC Group Ltd., a British Virgin Islands company (100% voting and equity interest in STC); (7) Ocorian Limited (Ocorian), a Bailiwick of Jersey company (100% voting and equity interest in STC); (8) Inflexion Supplemental Fund IV (No. 1) LP (Inflexion Supplemental), a Guernsey company (16% voting and 16% equity interest in Ocorian); and (9) Inflexion Buyout Fund IV (No. 1) LP (Inflexion No. 1), a Guernsey company (29% voting and 29% equity interest in Ocorian). Inflexion Supplement and Inflexion Buyout have no controlling interest shareholders. No other entity or individuals hold a 10-percent-or-greater voting or equity interest in RTI HK-G.

RTI Connectivity, a Singapore company, has the following 10-percent-or-greater direct or indirect voting and equity interest holders: Mr. Russell Matulich holds a 99% voting and equity interest in RTI Connectivity. No other entity or individuals hold a 10-percent-or-greater voting or equity interest in RTI Connectivity.

GU Holdings, a Delaware company, is an indirect, majority-owned subsidiary of Google LLC (Google), a Delaware company. The 10-percent-or-greater direct or indirect interest holders of GU Holdings are: (1) Google International LLC (Google International) (100% voting and equity interest); (2) Google LLC (97% voting and equity interest in Google International); (3) XXVI Holdings Inc., a Delaware company (100% voting and equity interest in Google LLC); (4) Alphabet Inc. (Alphabet), a Delaware company (99% voting and equity interest in XXVI Holdings Inc.); (5) Mr. Larry Page, a U.S. citizen and CEO of Alphabet (26.1% voting interest in Alphabet through a 42.9% equity interest held in Alphabet's Class B common stock); and (6) Mr. Sergey Brin, a U.S. citizen and President of Alphabet (25.2% voting interest in Alphabet through a 41.3% equity interest held in Alphabet's Class B common stock). Alphabet's shares are publicly traded on the NASDAQ stock market. No other entity or individuals holds a 10-percent-or-greater voting or equity interest in Alphabet or GU Holdings.

Applicants agree to abide by the routine conditions specified in section 1.767(g) of the Commission's rules, 47 CFR § 1.767(g).

REMINDERS:

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 C.F.R. §§ 1.2001-1.2003.

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 be removed from streamlined processing and 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.