

FILE

ORIGINAL
PUBLIC UTILITIES COMMISSION DIV

PUBLIC UTILITIES COMMISSION OF OHIO

PUBLIC COMPETITIVE TELECOMMUNICATIONS SERVICE PROVIDER 2002 SEP 16 AM 11:18
563 REGISTRATION FORM
ISSUED: December 21, 1995

PUCO

In the Matter of the Application of)
Global Crossing Ltd. (Debtor-in-Possession) and) Case No. 02-2391 TP-ATR
GC Acquisition Ltd. for Approval of the Transfer of Control)
of Global Crossing Ltd. (Debtor-in-Possession)'s)
Ohio Operating Subsidiaries to GC Acquisition Limited)

Name of Registrant: Global Crossing Ltd. (Debtor-in-Possession) ("GCL") and GC Acquisition Ltd. ("New GX")
Registrant's Address: For GCL: 1080 Pittsford-Victor Rd. Pittsford, NY 14534
For New GX: Wessex House, 1st Floor, 45 Reid Street, Hamilton, Bermuda HM12 Bermuda
Contact Person: Jean Kiddoo, Paul Gagnier, and Jeanne Stockman (Phone: 202-424-7500) (Fax: 202-424-7645)

Date: September 13, 2002 TRF Docket No. _____ - CT-TRF

I. Indicate the reason for submitting this form (check only one) (NOTES: 1. If a waiver is filed in conjunction with an automatic case, see I.D.2.b. of the 563 guidelines for the applicable automatic time frame; and 2. The number of copies noted below must be accompanied by an original filing. Facsimiles are not acceptable.):

- ☐ 1. (ABN) Withdrawal or Abandonment of all Services (14-day notice, 13 copies)
- ☐ 2. (ACE) New Operating Authority (30-day approval, 10 copies)
 - ☐ IXC ☐ AOS ☐ CAP ☐ Cellular ☐ Paging
 - ☐ Other _____
- ☐ 3. (AMT) Merger (14-day notice, 13 copies)
- ☐ 4. (ATR) Transfer or Transaction Affecting Operating Authority (14-day notice, 7 copies)
- ☐ 5. (ARJ) All Other Requests for Relief from Jurisdiction (NOT automatic, 10 copies)
- ☐ 6. (MTW) "Me Too" Waiver (30-day approval, 10 copies)
- ☐ 7. (RRJ) Interexchange Switchless Rebiller Request for Relief from Jurisdiction (30-day approval, 10 copies)
- ☐ 8. (WVR) Request for Waiver from Portion(s) of 563 pursuant to I.D.3. of the 563 guidelines. (NOT automatic, 10 copies)
- ☐ 9. (ZAC) Contract (0-day notice, 10 copies)
- ☐ 10. (ZCN) Change of Name (0-day notice, 10 copies)
- ☒ 11. (ZCO) Change in Ownership (0-day notice, 10 copies)
- ☐ 12. (ZTA) Introduction of new tariffed service(s), textual revision, correction of error, addition of service area(s), etc. (0-day notice, 10 copies)
- ☐ 13. (UNC) Unclassified (explain) _____ (NOT automatic, 10 copies)
- ☐ 14. Other (explain) _____ (NOT automatic, 10 copies)

THE FOLLOWING ARE TRF FILINGS ONLY, NOT NEW CASES (0-day notice, 3 copies)

- ☐ 15. Introduction or Extension of Promotional Offering
- ☐ 16. New Price List Rate for Existing Service
- ☐ 17. Designation of Registrant's Process Agent(s)

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Indicate which of the following exhibits have been filed. The numbers (corresponding to the list above) indicate, at a minimum, the types of cases in which the exhibit is required:

- ☐ A copy of registrant's proposed informational tariff. (2)
 - ☐ Statement affirming that the registrant has notified the Ohio Department of Taxation of its intent to conduct operations as a telephone utility in the State of Ohio. (2)
 - ☐ List of names, addresses, and phone numbers of officers and directors, or partners. (2-4)
 - ☐ Brief description of service(s) proposed, as well as targeted market(s). (2)
 - ☐ Copy of tariff sheet(s) & price list(s) superseded, marked as Exhibit A. (1, 3-4, 6, 8, 10, 12-16).
 - ☐ Copy of revised tariff sheets & price lists, marked as Exhibit B. (1, 3-4, 6, 10, 12-16).
 - ☐ If increase to residential MTS, DA, or traditional operator surcharges, specify which notice procedure will be utilized: _____ real time; or _____ annual. (12, 16).
 - n/a Copy of real time notice which has been provided to customers. (1, 2, 10-12, 16). *Not applicable. GCL's Ohio operating subsidiaries will continue to provide existing customers the same services they currently provide under their respective tariffs on file with the Commission. The transaction therefore will be transparent to Ohio consumers. See Statement of Joint Applicants attached as Exhibit A.*
 - ☐ Copy of annual notice which will be sent to customers is: _____ included with this filing; or will be filed with the Commission _____ (month) _____ (year). (16)
 - ☐ Description of and rationale for proposed tariff changes, including a complete description of the service(s) proposed or affected. Specify for each service affected whether it is business _____, residence _____, or both _____ as well as whether it is switched _____ or dedicated _____ service. Include this information in either the cover letter or label as "Exhibit C". (3, 6, 8, 12-15).
 - ☐ Delineation of any deaveraged message toll service, if applicable. (6, 12-16).
 - n/a Statement explaining rationale for proposal. (1, 3-5, 10-11). *See attached Statement of Joint Applicants attached as Exhibit A.*
 - ☐ List of Ohio counties specifically involved or affected. (1-6, 8, 10, 16)
 - ☐ Certification from Ohio Secretary of State as to party's proper standing (domestic or foreign corporation, authorized use of fictitious name, etc.). (2-4, 7, 10) (In transfer of certificate cases, the transferee's good standing must be established).
 - ☐ Justification for waiver of specific element(s) of 563. (6, 8)
 - ☐ Responses to questions contained in Appendix A, Attachment 4 to the 563 guidelines. (7)
 - ☐ For radio common carriers, a statement affirming that registrant has obtained all necessary federal authority to conduct operations being proposed, and that copies have been furnished by cellular, paging, and mobile companies to this Commission of any Form 401, 463, and/or 489 which the applicant has filed with the Federal Communications Commission. (2-4)
 - ☐ Other information requested by the Commission staff.
- I. Registrant hereby attests to its compliance with the following requirements in the Service Requirements Form, as well as all pertinent entries and orders issued by the Commission with respect to these issues. Further, registrant hereby affirms that it will maintain with its TRF docket an up-to-date, properly marked, copy of the Service Requirements Form available for public inspection. (Service Requirements Form Attached as Exhibit F.)

Mandatory requirements for all CTS providers:

- ☒ Sales tax
- ☒ Deposits

Service requirements for CTS providers of certain services (check all applicable):

- ☐ Discounts for Persons with Communication Disabilities and the Telecommunication Relay Service
- ☐ Emergency Services Calling Plan
- ☐ Alternative Operator Service (AOS) requirements
- ☐ Limitation of Liability
- ☐ Termination of Liability Language

List names, titles, and addresses of those persons authorized to make and/or verify filings at the Commission on behalf of the registrant:

See Statement of Joint Applicants attached as Exhibit A.

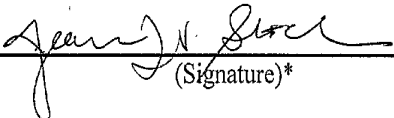
NOTE: An annual report is required to be filed with the Commission by each company on an annual basis. The annual report form will be sent for completion to the address and individual(s) identified in this Section unless another address or individual is so indicated.

Annual report forms should be sent to:

*Michael J. Shortley, III / Diane Peters
General Counsel – North America / Director, Regulatory Services
Global Crossing Ltd.
1080 Pittsford-Victor Road
Pittsford, NY 14534*

VERIFICATION

I, Jeanne W. Stockman, Counsel, verify that I have utilized, verbatim, the Commission's 563 Registration Form issued December 21, 1995 and that all of the information submitted here, and all additional information submitted in connection with this case is true and correct to the best of my knowledge.

 _____ (Signature)*	 September 13, 2002 _____ (Date)
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- * A verification is required for every filing. It may be signed by counsel or a process agent designated by the Registrant, except that initial certification cases (ACE) must be signed by an officer of the registering entity.

Send your completed Registration Form, including all required attachments as well as the required number of copies to:

Public Utilities Commission of Ohio
Attention: Docketing Division
180 East Broad Street
Columbus, OH 43215-3793

LIST OF EXHIBITS

Exhibit A	Statement of Joint Applicants
Exhibit B	List of Officers and Directors
Exhibit C	Authority to Transact Business of GCL Ohio Subsidiaries
Exhibit D	Current and Post-Transaction Organizational Chart

EXHIBIT A
STATEMENT OF JOINT APPLICANTS

STATEMENT OF JOINT APPLICANTS

Global Crossing Ltd. (Debtor-in-Possession) ("GCL") and GC Acquisition Limited ("New GX" and, together with GCL, the "Applicants"), pursuant to Section 495.402 of the Ohio Revised Code, OHIO REV. CODE ANN. §495.402 (Supp. 2001), hereby request approval from the Public Utilities Commission of Ohio (the "Commission") to transfer control of GCL's Ohio-Licensed subsidiaries from GCL to New GX..¹ Applicants respectfully request that this Application be granted expeditiously in order to permit Applicants to complete the transaction described herein as soon as possible.

I. INTRODUCTION

This Application is in furtherance of a transaction intended to facilitate the reorganization of GCL and the Ohio-Licensed Subsidiaries under Chapter 11 of the United States Bankruptcy Code and Bermuda insolvency law (the "Proposed Transaction"). The Proposed Transaction contemplates that GCL's assets and operations, including its ownership interests in the Ohio-Licensed Subsidiaries, will be transferred indirectly to New GX. Hutchison Telecommunications Limited ("Hutchison Telecom") and Singapore Technologies Telemedia Pte Ltd ("ST Telemedia") each will invest \$125 million in New GX; in exchange, each will obtain 30.75% of New GX's equity and voting power. Creditors of GCL and its debtor subsidiaries will obtain 38.5% of New GX's equity and voting power. New GX also intends to issue \$200 million in senior secured notes and \$300 million in cash to those creditors. The notes are to be secured by the assets of various GCL subsidiaries, including the Ohio-Licensed

¹ Approval is sought with respect to the following subsidiaries of GCL: Budget Call Long Distance, Inc. (Debtor-in-Possession), Global Crossing Local Services, Inc. (Debtor-in-Possession), Global Crossing North American Networks, Inc. (Debtor-in-Possession), Global Crossing Telecommunications, Inc. (Debtor-in-

Subsidiaries.

The terms of the Proposed Transaction have been agreed upon by GCL, Hutchison Telecom, and ST Telemedia. Furthermore, the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court") and the Supreme Court of Bermuda have authorized GCL to enter into the Proposed Transaction.

II. DESIGNATED CONTACTS

For the purposes of this Application, contacts for the Applicants are as follows:

Jean L. Kiddoo, Esq.
Paul O. Gagnier, Esq.
Jeanne W. Stockman, Esq.
Swidler Berlin Shereff Friedman, LLP
3000 K Street, NW, Suite 300
Washington, DC 20007-5116
(202) 424-7500 (Tel)
(202) 424-7645 (Fax)

with a copy to:

Paul Kouroupas
Global Crossing Ltd.
Seven Giralda Farms
Madison, New Jersey 07940
(973) 410-8593 (Tel)
(973) 410-8583 (Fax)

III. DESCRIPTION OF THE APPLICANTS

A. GCL

GCL is a global telecommunications company organized under the laws of Bermuda. Through its subsidiaries, including the Ohio-Licensed Subsidiaries, GCL owns and operates a global Internet Protocol-based fiber optic network that spans approximately 75,800

Possession), and Global Crossing Telemanagement, Inc. (Debtor-in-Possession) (collectively, the "Ohio-Licensed Subsidiaries").

route miles, five continents, 27 countries, and more than 200 major cities (the “Global Crossing Network”). The Global Crossing Network took four years, multiple acquisitions and partnerships, and nearly \$15 billion to reach its current size. It is used by GCL’s operating subsidiaries to provide integrated telecommunications services to some of the world’s largest corporations, government agencies, and telecommunication carriers, including a full range of managed data, voice, and Internet services.²

In the United States, GCL’s operating subsidiaries, including the Ohio-Licensed Subsidiaries, provide intrastate, interstate, and international services. GCL’s subsidiaries are authorized to provide telecommunications services by the Federal Communications Commission and the public utility commissions of all 50 states and the District of Columbia. In Ohio, the Ohio-Licensed Subsidiaries hold the authorizations and provide the intrastate services described in Section III.C. below.

On January 28, 2002, GCL and certain of its subsidiaries, including the Ohio-Licensed Subsidiaries, filed voluntary petitions under Chapter 11 of the U.S. Bankruptcy Code.³ GCL and the Ohio-Licensed Subsidiaries have retained possession of their property and businesses during the reorganization process, and they have adequate funds to finance their operations during that process. There have been no significant changes in the management of GCL or the Ohio-Licensed Subsidiaries as a result of the Chapter 11 petitions.

² Additional information about GCL and the Global Crossing Network is available on GCL’s web site: <http://www.globalcrossing.com>.

³ *In re Global Crossing Ltd., et al.*, Chap. 11 Case Nos. 02-40187 – 02-40241 (REG) Bankr. S.D.N.Y., Jan. 28, 2002). The same day, GCL and its Bermuda subsidiaries filed a petition for the appointment of joint provisional liquidators with the Supreme Court of Bermuda.

B. New GX

New GX is a newly-formed company organized under the laws of Bermuda for the purpose of carrying out the Proposed Transaction. Currently, GCL is the sole shareholder of New GX. Immediately following consummation of the Proposed Transaction, Hutchison Telecom and ST Telemedia each will hold 30.75% of the equity and voting power of New GX. The remaining 38.5% equity and voting power in New GX will be held by creditors of GCL and its debtor subsidiaries. The Proposed Transaction also contemplates the issuance of stock options to the future management of New GX in an aggregate amount of up to 8% of New GX's fully diluted equity. The holdings of Hutchison Telecom, ST Telemedia, and the creditors will be diluted upon exercise of those stock options.

C. GCL's Ohio-Licensed Subsidiaries

1. Budget Call Long Distance, Inc. (Debtor-in-Possession)

Budget Call Long Distance, Inc. (Debtor-in-Possession) ("Budget Call") is a Delaware corporation with its principal office in Pittsford, New York. Budget Call is an indirect wholly-owned subsidiary of GCL. Budget Call has authority to provide telecommunications services in 45 states, including Ohio. In Ohio, Budget Call is authorized to provide intrastate long distance services on a resale basis.⁴

2. Global Crossing Local Services, Inc. (Debtor-in-Possession)

Global Crossing Local Services, Inc. (Debtor-in-Possession) ("GCLS") is a Michigan corporation with its principal office in Pittsford, New York. GCLS is an indirect wholly-owned subsidiary of GCL. GCLS has authority to provide telecommunications services in 26 states,

⁴ Budget Call was authorized to provide resold interexchange services in Ohio by Order in Case No. 93-1715-TP-ACE (Feb. 4, 1994).

including Ohio. In Ohio, GCLS is authorized to provide facilities-based competitive local exchange services.⁵

3. Global Crossing North American Networks, Inc. (Debtor-in-Possession)

Global Crossing North American Networks, Inc. (Debtor-in-Possession) ("GCNAN") is a Delaware corporation with its principal office in Pittsford, New York. GCNAN is an indirect wholly-owned subsidiary of GCL. GCNAN has authority to provide telecommunications services in all 50 states, including Ohio. In Ohio, GCNAN is authorized to provide facilities-based intrastate long distance service.⁶

4. Global Crossing Telecommunications, Inc. (Debtor-in-Possession)

Global Crossing Telecommunications, Inc. (Debtor-in-Possession) ("GCTI") is a Wisconsin corporation with its principal office in Pittsford, New York. GCTI is an indirect wholly-owned subsidiary of GCL. GCTI has authority to provide telecommunications services in all 50 states, including Ohio. In Ohio, GCTI is authorized to provide resold intrastate long distance services.⁷

5. Global Crossing Telemanagement, Inc. (Debtor-in-Possession)

Global Crossing Telemanagement, Inc. (Debtor-in-Possession) ("GC Telemanagement") is a Delaware corporation with its principal office in Green Bay, Wisconsin.

⁵ GCLS (formerly known as Frontier Local Services, Inc.) was authorized to provide facilities-based competitive local exchange services in Ohio by Order in Case No. 97-1572-TP-ACE (Feb. 12, 1998).

⁶ GCNAN (formerly known as Frontier Communications International, Inc., also formerly known as RCI Long Distance, Inc.) was authorized to provide facilities-based intrastate interexchange services in Ohio by Order in Case No. 93-1360-TP-AAC, No. 1 (Nov. 26, 1993).

⁷ GCTI (formerly known as Allnet Communications Services, Inc. d/b/a Frontier Communications Services) was authorized to provide resold intrastate interexchange services in Ohio by Order in Case No. 90-5102-CT-TRF (Apr. 26, 2000).

GC Telemanagement is an indirect wholly-owned subsidiary of GCL. GC Telemanagement has authority to provide telecommunications services in 36 states and the District of Columbia. In Ohio, GC Telemanagement is authorized to provide resold competitive local exchange services.⁸

IV. DESCRIPTION OF THE PROPOSED TRANSACTION

A. Terms of the Proposed Transaction

On August 9, 2002, the Bankruptcy Court authorized GCL to enter into a Purchase Agreement to effectuate the Proposed Transaction.⁹ In furtherance of the Proposed Transaction, GCL will transfer substantially all its assets, including its interests in the Ohio-Licensed Subsidiaries, to New GX. Upon consummation of the Proposed Transaction, GCL will relinquish all of its equity and voting power in New GX. New GX will become the new ultimate parent of the Ohio-Licensed Subsidiaries.¹⁰

Pursuant to the Proposed Transaction, Hutchison Telecom and ST Telemedia each will invest \$125 million in cash in New GX. In return, Hutchison Telecom and ST Telemedia each will obtain common and preferred stock equal to 30.75% of the equity and voting power of New GX. Creditors of GCL and its debtor subsidiaries will be issued New GX common stock in an aggregate amount of up to 38.5% of New GX's equity and voting power, as well as \$200 million in senior secured notes of New GX and \$300 million in cash.¹¹ Finally, the Proposed

⁸ GC Telemanagement (formerly known as Frontier Telemanagement, Inc.) was authorized to provide resold competitive local exchange services in Ohio by Order in Case Nos. 94-331-CT-RRJ; 97-413-TP-ACE; 98-551-TP-AAC (May 26, 1994).

⁹ A copy of the Purchase Agreement is available on GCL's web site: <http://www.globalcrossing.com/pdf/news/G155368642K.pdf>. The Supreme Court of Bermuda authorized GCL to enter into the Proposed Transaction on August 12, 2002.

¹⁰ Attached hereto as Exhibit D is an illustrative chart depicting the corporate structure of GCL and New GX and the Ohio-Licensed Subsidiaries prior to and immediately following consummation of the Proposed Transaction.

¹¹ The notes will be secured by the assets of various subsidiaries, including the Ohio-Licensed Subsidiaries, and will mature three years after issuance. These assets may also be subject to liens to secure a working capital facility. Additional details regarding the notes are contained in Exhibit A-3 to the Purchase Agreement.

Transaction contemplates the issuance of stock options to New GX's management in an aggregate amount of up to 8% of the fully diluted equity of New GX. The equity and voting power of Hutchison Telecom, ST Telemedia, and the creditors will be diluted if those options are exercised.

B. Description of the Proposed Ownership of New GX

1. Hutchison Telecom

Hutchison Telecom is a Hong Kong company that holds worldwide telecommunications interests through a variety of operating subsidiaries. Those interests include mobile telephone and paging operators in various countries in Asia, Africa, Europe, and South America, as well as a fixed line and international direct dialing operator in Hong Kong.

Hutchison Telecom is indirectly wholly owned by Hutchison Whampoa Limited ("HWL"), which is a diversified Hong Kong holding company. HWL's shares are listed and publicly traded on The Stock Exchange of Hong Kong Limited ("Hong Kong Exchange") and are publicly traded on the London Stock Exchange. As of August 9, 2002, HWL had an equity market capitalization of HK\$220.6 billion (US \$28.28 billion), making it the third largest company by market capitalization on the Hong Kong Exchange.¹²

Hutchison Telecom and its operating subsidiaries do not provide telecommunications services in Ohio or in any other U.S. jurisdiction. Hutchison Telecom holds indirect minority interests of less than 5% in the following U.S. wireless carriers: VoiceStream Wireless Corp., Verizon Wireless, and Western Wireless, Inc.

¹² Additional information about HTL is available on its web site: <http://www.hutchison-whampoa.com>.

2. ST Telemedia

ST Telemedia is a Singapore telecommunications and information technologies company. Through its subsidiaries, ST Telemedia provides fixed and mobile telecommunications, data, and Internet services, telephone equipment distribution, managed hosting, teleport, broadband cable and video, and e-business software development services in Singapore.¹³

ST Telemedia does not operate directly in the United States. ST Telemedia's subsidiary, StarHub, Inc., holds authority under Section 214 of the Communications Act of 1934, as amended (the "Communications Act"), to provide international services in the United States. Pursuant to that authority, StarHub, Inc. provides "carrier's carrier" services on the U.S.-Singapore route. ST Telemedia and its subsidiaries do not provide intrastate services in Ohio.

ST Telemedia also is under indirect common ownership with Singapore Telecommunications Limited ("SingTel"). SingTel directly provides a variety of domestic and international telecommunications services in Singapore and holds interests in a number of other Singapore telecommunications providers. Outside of Singapore, SingTel subsidiaries provide cellular, paging, fixed and mobile wireless, Internet access, and data services in various countries in Asia and Europe. Subsidiaries of SingTel are authorized to provide international services in the United States pursuant to Section 214 of the Communications Act. SingTel and its subsidiaries do not provide intrastate services in Ohio.

¹³ ST Telemedia is a wholly-owned subsidiary of Singapore Technologies Pte Ltd, which, in turn, is a wholly-owned subsidiary of Temasek Holdings [Private] Limited. ST Telemedia and its parent companies are organized under the laws of Singapore. Additional information about ST Telemedia is available at ST Telemedia's web site: <http://www.stt.com.sg>.

3. Creditors

As discussed above, creditors of GCL and its debtor subsidiaries will obtain an aggregate amount of 38.5% of New GX's equity and voting power. The creditors consist of a variety of banks, bondholders, other communications carriers, equipment vendors, and other secured and unsecured creditors. Because GCL's reorganization plan has not yet been approved by the Bankruptcy Court, it is not yet known which creditors will become shareholders of New GX common stock. Applicants do not expect that any single creditor will obtain a 10% or greater interest in New GX.

V. THE COMMISSION SHOULD APPROVE THE TRANSFER OF CONTROL OF THE OHIO-LICENSED SUBSIDIARIES FROM GCL TO NEW GX

The Proposed Transaction is in the public interest. The Proposed Transaction will enhance competition in Ohio by strengthening the financial and competitive position of the Ohio-Licensed Subsidiaries by enabling them to emerge from their current status in bankruptcy as stronger and more viable competitors. Moreover, the Proposed Transaction is not expected to affect the day-to-day operations of the Ohio-Licensed Subsidiaries and will be transparent to the Ohio-Licensed Subsidiaries' customers in Ohio. Finally, the Proposed Transaction will not negatively affect competition in the Ohio telecommunications market. Therefore, the Commission should approve the transfer of control of the Ohio-Licensed Subsidiaries from GCL to New GX.

A. The Proposed Transaction Will Enhance Competition by Ensuring the Continued Viability of the Ohio-Licensed Subsidiaries

Commission approval of the Proposed Transaction will serve the public interest by ensuring the continued viability of an important competitive provider of telecommunications services in Ohio. As the Commission is no doubt aware, in the last 18 months numerous

competitive carriers have exited the market as a result of liquidation or acquisition. This has resulted in fewer competitive choices for consumers and businesses. GCL's Ohio-Licensed Subsidiaries (together with GCL's other operating subsidiaries) are major providers of telecommunications facilities and services to other carriers and service providers. The success of GCL and the Ohio-Licensed Subsidiaries thus is critical to maintaining a competitive market for transmission capacity and wholesale telecommunications services in Ohio.

Since commencing commercial operations in 1998, GCL has become a key player in the carriers' carrier market. GCL has been a leader in introducing competitive pricing and practices in this sector. A consequence of this increased competition has been dramatically falling costs for domestic and international transmission capacity and, hence, lower prices for the telecommunications services provided using that capacity. GCL's Ohio-Licensed Subsidiaries also provide a variety of retail interexchange telecommunications services to residents of Ohio.

Despite its successes, GCL has been unable to avoid the problems affecting the competitive telecommunications market. Like other carriers, GCL has found that the changed expectations of investors have restricted its access to the capital necessary to implement its business plans. As a provider of both carrier and end-user services, GCL has been particularly affected by this downturn. GCL's carrier business has been affected by the perceived excess of transmission capacity and the resulting drop in prices. Many of GCL's carrier customers have gone out of business or cut back their demand for capacity, while reduced spending by enterprise customers has slowed the growth of GCL's services business.

GCL's current financial position effectively precludes the Ohio-Licensed Subsidiaries from remaining effective competitors for new customers, and the uncertainty attendant to their bankruptcy status has been detrimental to their ability to retain existing

customers. By restructuring its capital structure, the Proposed Transaction will help remedy the financial and operational problems that GCL and the Ohio-Licensed Subsidiaries face and enable them to continue to offer alternative high-quality, competitively priced telecommunications facilities and services. This will benefit customers by ensuring reasonable market prices. Existing customers, in particular, will realize significant public interest benefits from the Proposed Transaction, as it will ensure that GCL's Ohio-Licensed Subsidiaries will be able to continue to offer innovative and competitively-priced services to existing and new subscribers in Ohio.

B. New GX Is Qualified to Obtain Control of the Ohio-Licensed Subsidiaries

The Ohio-Licensed Subsidiaries have previously obtained certificates from the Commission and have a long operating history in Ohio. Thus, their qualifications to provide telecommunications services are a matter of public record. New GX, in addition to obtaining the assets and operations of the Ohio-Licensed Subsidiaries, will acquire much of the substantial knowledge and expertise of the Ohio-Licensed Subsidiaries in constructing and operating telecommunications networks and providing telecommunications services. At the same time, the Proposed Transaction will give New GX and the Ohio-Licensed Subsidiaries an improved capital structure that will ensure that New GX and the Ohio-Licensed Subsidiaries can continue to compete effectively in Ohio.¹⁴

¹⁴ Because New GX is a newly-formed entity, it has no historical financial statements. *Pro forma* financial information for New GX will be provided upon Commission request.

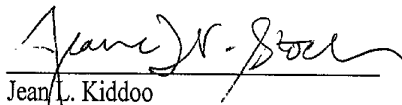
C. The Proposed Transaction Will Not Adversely Affect the Customers or Operations of the Ohio-Licensed Subsidiaries

The Proposed Transaction will result in an indirect transfer of control of the Ohio-Licensed Subsidiaries from GCL to New GX. The direct shareholding of the Ohio-Licensed Subsidiaries will not change and those companies will have the same relationship with New GX as they currently have with GCL. Applicants do not expect that the current management and personnel of the Ohio-Licensed Subsidiaries will change substantially upon closing of the Proposed Transaction. Applicants expect that upon closing, the Ohio-Licensed Subsidiaries' customers will continue to be served by qualified consumer representatives and will continue to receive telecommunications services at the same rates, terms and conditions offered by the Ohio-Licensed Subsidiaries prior to closing. In short, Applicants do not anticipate any immediate changes in the day-to-day operations of the Ohio-Licensed Subsidiaries in Ohio as a result of the Proposed Transaction. The Proposed Transaction therefore will be transparent to the Ohio-Licensed Subsidiaries' customers, and it will not adversely affect the provision of telecommunications services in Ohio.

VI. CONCLUSION

For the reasons set forth above, the Applicants urge the Commission to grant this Application for approval of the transfer of control of Budget Call Long Distance, Inc. (Debtor-in-Possession), Global Crossing Local Services, Inc. (Debtor-in-Possession), Global Crossing North American Networks, Inc. (Debtor-in-Possession), Global Crossing Telecommunications, Inc. (Debtor-in-Possession), and Global Crossing Telemanagement, Inc. (Debtor-in-Possession) on an expedited basis and grant such other relief as appropriate.

Respectfully submitted,



Jean L. Kiddoo
Paul O. Gagnier
Jeanne W. Stockman
Swidler Berlin Shereff Friedman, LLP
3000 K Street, N.W., Suite 300
Washington, D.C. 20007-5116
Tel: (202) 424-7500
Fax: (202) 424-7645

Counsel for Global Crossing Ltd. (Debtor-in-Possession) and GC Acquisition Limited

Dated: September 13, 2002

EXHIBIT B

List of Officers and Directors

OFFICERS AND DIRECTORS

Officers of GCL:

Gary Winnick, Founder and Chairman
Lodwick Cook, Co-Chairman
John Legere, Chief Executive Officer
David Carey, Executive Vice President, Enterprise Sales
Anthony Christie, Senior Vice President, Product Management
Dan Cohrs, Executive Vice President and Chief Financial Officer
John Comparin, Executive Vice President, Human Resources
Carl Grivner, Chief Operating Officer
Edward T. Higase, Executive Vice President, Carrier Sales and Marketing
Chris Nash, Senior Vice President, Corporate Development
Joseph Perrone, Executive Vice President, Finance
Jose Antonio Rios, President
Jerry Santos, Senior Vice President, Corporate Communications
Dan Wagner, Chief Information Officer and Senior Vice President, Business Infrastructure

Directors of GCL:

Gary Winnick
Lodwick Cook
John Legere
Alice T. Kane
Jeremiah D. Lambert
Myron E. Ullman, III

Officers of New GX:

Ian McLean, President
Lorraine Dean, Vice President & Secretary

EXHIBIT C

Authority to Transact Business of GCL Ohio Subsidiaries

DATE	DOCUMENT NO	DESCRIPTION	FILING	EXPED	PENALTY	CERT	COPY
1. 11/16/1999	199928500597	FAM FOREIGN/AMENDMENT	50.00	0.00	0.00	0.00	0.00
TOTAL			50.00	0.00	0.00	0.00	0.00

Return To:
DIAMOND ACCESS
ATTN L VAIDO
16 E BROAD ST STE 600
COLUMBUS, OH 43215-0000

cut along the dotted line



The State of Ohio

Certificate

Secretary of State - J. Kenneth Blackwell

969796

It is hereby certified that the Secretary of State of Ohio has custody of the business records for GLOBAL CROSSING LOCAL SERVICES, INC.. and that said business records show the filing and recording of:

Document(s)
FOREIGN/AMENDMENT

Document No(s):
199928500597

United States of America
State of Ohio
Office of the Secretary of State

Witness my hand and the seal of the
Secretary of State at Columbus, Ohio, This
5th day of October, A.D. 1999



J. Kenneth Blackwell
J. Kenneth Blackwell
Secretary of State

1. DATE 10/6/1999 DOCUMENT NO 199927800850 DESCRIPTION FAM FOREIGN/AMENDMENT

	FILING	EXPED	PENALTY	CERT	COPY
	50.00	0.00	0.00	0.00	0.00
TOTAL	50.00	0.00	0.00	0.00	0.00

Return To:
DIAMOND ACCESS
ATTN L VAIDO
16 E BROAD ST STE 600
COLUMBUS, OH 43215-0000

cut along the dotted line



The State of Ohio
❖ *Certificate* ❖

Secretary of State - J. Kenneth Blackwell

970736

*It is hereby certified that the Secretary of State of Ohio has custody of the business records for GLOBAL CROSSING
TELEMANAGEMENT, INC. and that said business records show the filing and recording of:*

Document(s)
FOREIGN/AMENDMENT

Document No(s):
199927800850

United States of America
State of Ohio
Office of the Secretary of State

Witness my hand and the seal of the Secretary
of State at Columbus, Ohio, This 4th day of
October, A.D. 1999



J. Kenneth Blackwell
J. Kenneth Blackwell
Secretary of State

04319-0344

Recorded



The State of Ohio

Bob Taft

Secretary of State

FL635101

Certificate

It is hereby certified that the Secretary of State of Ohio has custody of the Records of Incorporation and Miscellaneous Filings; that said records show the filing and recording of: FAM TIC CHN

of:

FRONTIER COMMUNICATIONS INTERNATIONAL INC. FORMERLY RCI LONG DISTANCE, INC.

United States of America
State of Ohio
Office of the Secretary of State

Recorded on Roll 4319 at Frame 0345 of
the Records of Incorporation and Miscellaneous Filings.

Witness my hand and the seal of the Secretary of State at

Columbus, Ohio, this 1ST day of NOV ,

A.D. 19 94 .



Bob Taft
Bob Taft
Secretary of State

DATE	DOCUMENT NO	DESCRIPTION	FILING	EXPED	PENALTY	CERT	COPY
1. 11/12/1999	199928500591	FAM FOREIGN/AMENDMENT	50.00	0.00	0.00	0.00	0.00
TOTAL			50.00	0.00	0.00	0.00	0.00

Return To:
DIAMOND ACCESS
ATTN L VAIDO
16 E BROAD ST STE 600
COLUMBUS, OH 43215-0000

cut along the dotted line



The State of Ohio

Certificate

Secretary of State - J. Kenneth Blackwell

782929

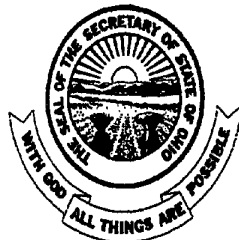
It is hereby certified that the Secretary of State of Ohio has custody of the business records for GLOBAL CROSSING TELECOMMUNICATIONS, INC. and that said business records show the filing and recording of:

Document(s)
FOREIGN/AMENDMENT

Document No(s):
199928500591

United States of America
State of Ohio
Office of the Secretary of State

Witness my hand and the seal of the
Secretary of State at Columbus, Ohio, This
5th day of October, A.D. 1999



J. Kenneth Blackwell
J. Kenneth Blackwell
Secretary of State



Prescribed by
P. J. Taft, Secretary of State

Form FLF (August 1992)

Approved WNP

Date 8/30/92

Fee 100

H6675-0224

930630001

FOREIGN CORPORATION APPLICATION FOR LICENSE

1. The name of the corporation is Budget Call Long Distance, Inc.
2. The application is made to secure a ☒ permanent ☐ temporary license.
3. The corporation was incorporated on 7 10 92 under the laws of the
(month) (day) (year)
state of Delaware
4. The corporation's principal office is located at 180 South Clinton Avenue
Rochester NY 14646
(city, village or township) (state) (zip code)
5. The corporation's principal office within Ohio is to be located in NONE IN OHIO
(city, village or township)
in _____ County, Ohio _____
(zip code)
(If the corporation will not have an office in the state of Ohio, please state this fact in line 5. NOTE: "N/A" is not acceptable.)
6. The corporation hereby appoints the following as its statutory agent upon whom process against the corporation may be served in the state of Ohio. The name and complete address of the statutory agent is: (SEE INSTRUCTION NO. 4 ON SECOND PAGE)
The Prentice-Hall Corporation 380 South 5th Street
Columbus Ohio 43215-5436
(city, village or township) (state) (zip code)
(NOTE: P.O. Box addresses are not acceptable.)
7. The corporation irrevocably consents to service of process on the statutory agent listed above as long as the authority of the agent continues, and to service of process upon the SECRETARY OF STATE IF:
(a) the agent cannot be found, or
(b) the corporation fails to designate another agent when required to do so, or
(c) the corporation's license to do business in Ohio expires or is cancelled.
8. The corporation will exercise the following corporate purpose(s) in Ohio:
(Please provide a brief but specific description; a general purpose clause is not sufficient.)
Engage in the resale of long distance telecommunications services
9. Has the corporation obtained a license to transact business in Ohio at any time in the past? ☐ yes ☒ no
If yes, prior License No. _____ issued _____ (date)
10. The date on which the corporation began transacting business in Ohio:
Date _____
OR
It will begin business upon approval of application.
11. Is this application being made to enable the corporation to prosecute or defend a legal action? ☐ yes ☒ no
(SEE INSTRUCTION NO. 5 ON SECOND PAGE)
12. The corporation has currently authorized 100 shares of stock and has issued _____ shares.

NOTARIZATION

STATE OF NEW YORKCOUNTY OF MONROE

HC675-0225

SS.

I, Lauren F. Peck, being duly sworn, state that I am the☐ President☐ Vice President☒ Secretary (Asst.)☐ Treasurer of Budget Call Long Distance, Inc. and that the foregoing statements are true and correct to

(name of corporation)

the best of my knowledge and belief.

Lauren F. Peck
(Signature)

SWORN TO AND SUBSCRIBED IN MY PRESENCE

THIS 19th DAY OF August, 1993KAREN J. CRONK
Notary Public, State of New York
Qualified in Monroe County
Commission Expires 1/1/94

NOTARY SEAL

My commission expires 1/1/94

(Signature of notary)

INSTRUCTIONS

1. This application must be accompanied by an original certificate of good standing from the state in which the applicant is incorporated, dated not more than 60 days prior to the filing of the application. (O.R.C. 1703.04(A))
2. The filing fee for a permanent license is \$75.00 and for a temporary license is \$125.00. (O.R.C. 1703.04 (C), 1703.13)
3. The application must be signed by the president, vice-president, secretary or treasurer of the corporation and must be notarized. (O.R.C. 1703.041)
4. In Item 6, the agent for service of process may be (a) a natural person who is a resident of Ohio, or (b) an Ohio corporation or a foreign corporation licensed in Ohio which is explicitly authorized by its articles to act as statutory agent and which has a business address in Ohio. (O.R.C. 1703.041)
5. No foreign corporation which previously should have obtained a license to do business in Ohio shall maintain any action in any court until it has obtained such a license. Before the corporation shall maintain such action on any cause of action arising at the time when it was not licensed to transact business in this state, it shall pay to the Secretary of State a forfeiture of two hundred fifty dollars with this license application. (O.R.C. 1703.29) If it is only under these circumstances that question no. 11 should be answered "yes." Under all other circumstances the answer to this question should be "no."

NOTE: Foreign corporations doing business in Ohio must file each year with the Secretary of State an Annual Statement of Proportion of Capital Stock (Form 7), showing activity in Ohio during the preceding calendar or fiscal year. This report is due March 31st, unless an extension has been requested in writing and has been granted. (O.R.C. 1703.07)

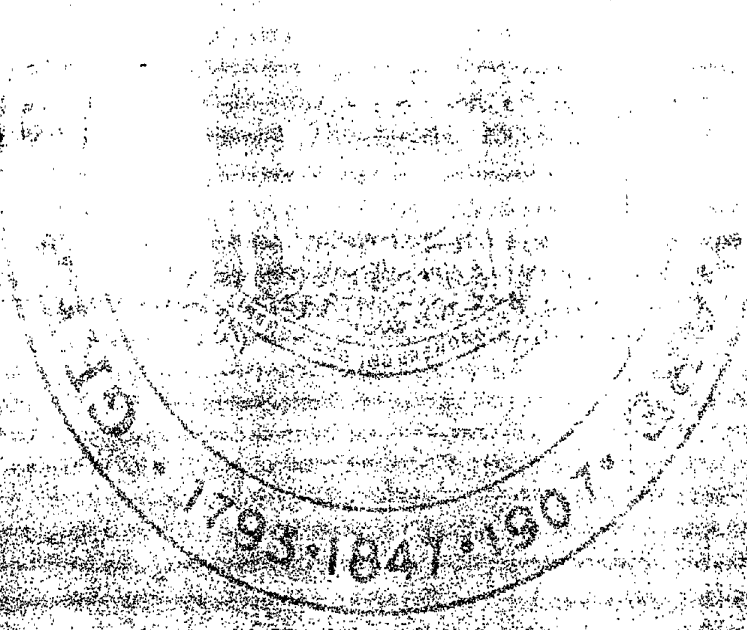
The report is separate and distinct from the Ohio Franchise Tax Report.

If the corporation has been doing business in Ohio prior to the date of licensing, it must submit a Form 7 for each of the years of unlicensed operation in Ohio, together with a certificate from the Ohio Department of Taxation showing that all applicable Franchise Taxes have been paid. For information on this certificate (C-4), call the Department of Taxation at 614-433-7636.

State of Delaware
Office of the Secretary of State

HC675-0226

I, WILLIAM T. QUILLEN, SECRETARY OF STATE OF THE STATE OF
DELAWARE, DO HEREBY CERTIFY BUDGET CALL LONG DISTANCE, INC. IS
DULY INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS
IN GOOD STANDING AND HAS A LEGAL CORPORATE EXISTENCE SO FAR AS
THE RECORDS OF THIS OFFICE SHOW, AS OF THE DATE SHOWN BELOW.



William T. Quillen
William T. Quillen, Secretary of State

AUTHENTICATION #4033510

753238614

DATE 08/26/1993

UNITED STATES OF AMERICA
OFFICE OF THE SECRETARY OF STATE

852659

I, BOB TAFT, Secretary of State of the State of Ohio, do hereby certify that the foregoing is a true and correct copy, consisting of 5 pages, as taken from the original record now in my official custody as Secretary of State.



WITNESS my hand and official seal at
Columbus, Ohio, this 18 day of
October A.D. 1943

Bob Taft

BOB TAFT
Secretary of State

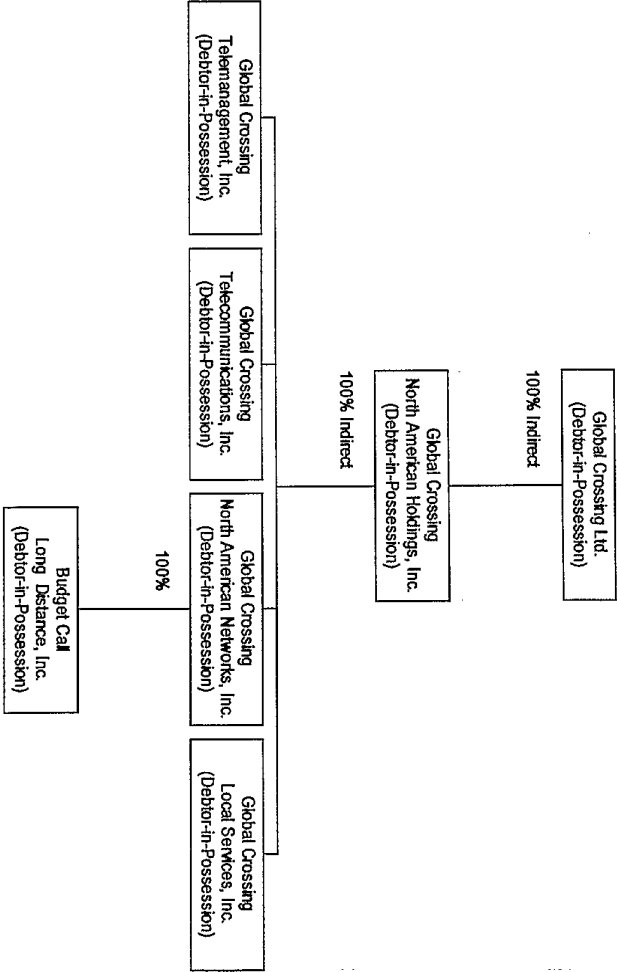
By: *[Signature]*

NOTICE: This is an official certification only when reproduced in red ink

EXHIBIT D

Current and Post-Transaction Organizational Charts

PRE-TRANSACTION CORPORATE STRUCTURE



POST-TRANSACTION CORPORATE STRUCTURE

