

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

In the Matter of	)	GN Docket 20-109;
	)	ITC-214-20010613-00346;
	)	ITC-214-20020716-00371;
China Telecom (Americas) Corporation	)	ITC-T/C-20070725-00285
	)	

**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 Telecom (Americas) Corporation (China Telecom Americas)<sup>1</sup> to show cause why the Commission should not initiate a proceeding to revoke and terminate China Telecom Americas' domestic and international section 214 authorizations issued pursuant to section 214 of the Communications Act of 1934, as amended (Act)<sup>2</sup> and to reclaim China Telecom Americas' International Signaling Point Codes (ISPCs)<sup>3</sup> given, among other things, the views of the Executive Branch that there are "substantial and unacceptable national security and law enforcement risks associated with [China Telecom Americas'] continued access to U.S. telecommunications infrastructure pursuant to its international Section 214 authorizations."<sup>4</sup>

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<sup>1</sup> According to our records, China Telecom Americas was formerly known as China Telecom (USA) Corporation. See China Telecom (Americas) Corporation, FCC Foreign Carrier Affiliations Notification, File No. FCN-NEW-20140917-00014, Attach. 1 at 1, n.1 (filed Sept. 17, 2014) (Foreign Carrier Affiliation Notice).

<sup>2</sup> 47 U.S.C. § 214; see File Nos. ITC-214-20010613-00346; ITC-214-20020716-00371.

<sup>3</sup> See File Nos. SPC-NEW-20030314-00014; SPC-NEW-20100314-00006; SPC-NEW-20100326-00007.

<sup>4</sup> 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, at 1 (filed Apr. 9, 2020) (Executive Branch Recommendation to Revoke) (filing with the Commission a public filing, a non-public business confidential filing, and a classified appendix). NTIA served a copy of the public and non-public business confidential versions of the Executive Branch Recommendation to Revoke on China Telecom Americas' vice president as well as counsel. *Id.* at 58. For purposes of the filing, the Executive Branch agencies include the Departments of Justice, Homeland Security, Defense, State, Commerce, and the United States Trade Representative. *Id.* at 1.

## II. BACKGROUND

### A. FCC Domestic and International Authorizations and ISPC Assignments

2. In the United States, China Telecom Americas provides U.S.-international wholesale voice service, data service<sup>5</sup> and interstate, interexchange service.<sup>6</sup> China Telecom Americas holds two international section 214 authorizations, ITC-214-20010613-00346 and ITC-214-20020716-00371. Additionally, it provides domestic interstate telecommunications service<sup>7</sup> pursuant to blanket authority that the Commission has issued by rule.<sup>8</sup> China Telecom Americas also holds three ISPCs for Signaling System No. 7 networks.<sup>9</sup>

3. On July 20, 2001, the International Bureau granted China Telecommunications Corporation (China Telecom) an international section 214 authorization, ITC-214-20010613-00346, to provide global or limited global facilities-based and resale service between the United States and all permissible points, except China.<sup>10</sup> On September 12, 2002, the International Bureau issued a Public Notice of a *pro forma* assignment of the international section 214 authorization, ITC-214-20010613-00346, from China Telecom to China Telecom (USA) Corporation, which was consummated on June 7, 2002.<sup>11</sup> On August 21, 2002, the International Bureau granted China Telecom (USA) Corporation an international section 214 authorization, ITC-214-20020716-00371, to provide global or limited global

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<sup>5</sup> See Letter from Yi-jun Tan, President, China Telecom (USA) Corporation, to Sigal P. Mandelker, Deputy Assistant Attorney General, Criminal Division, U.S. Department of Justice, Elaine N. Lammert, Deputy General Counsel, Federal Bureau of Investigation, and Stewart A. Baker, Assistant Secretary for Policy, U.S. Department of Homeland Security at 1 (July 17, 2007) (on file in ITC-T/C-20070725-00285) (July 17, 2007 Letter); China Telecom (Americas) Corporation, *International Private Lines*, <https://www.ctamericas.com/products-services/data-networking/international-private-lines/> (last visited Apr. 21, 2020); China Telecom (Americas) Corporation, *Wholesale Voice*, <https://www.ctamericas.com/products-services/carrier-services/wholesale-voice/> (last visited Apr. 21, 2020).

<sup>6</sup> See China Telecom (USA) Corporation, Notification of Pro Forma Transfer of Control of Section 214 Authority, File No. ITC-T/C-20070725-00285, Attach. 1 at 2 (filed July 25, 2007) (China Telecom USA Notification).

<sup>7</sup> *Id.*; July 17, 2007 Letter at 1.

<sup>8</sup> 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 Rcd 11364, 11372-73, paras. 12-14 (1999).

<sup>9</sup> See File Nos. SPC-NEW-20030314-00014 (ISPC 3-192-5); SPC-NEW-20100314-00006 (ISPC 3-033-3); SPC-NEW-20100326-00007 (ISPC 3-027-3). 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](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.

<sup>10</sup> *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-214-20010613-00346, Public Notice, DA 01-1794, 16 FCC Rcd 14695, 14696 (2001).

<sup>11</sup> *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-214-20010613-00346, Public Notice, DA 02-2234, 17 FCC Rcd 16825, 16829 (2002) (Informative).

facilities-based and resale service between the United States and China, subject to dominant carrier regulation on the U.S.-China route.<sup>12</sup>

4. On July 25, 2007, China Telecom (USA) Corporation notified the Commission of a *pro forma* transfer of control of the international section 214 authorizations, ITC-214-20020716-00371 and ITC-214-20010613-00346, held by China Telecom (USA) Corporation, from China Telecom to China Telecom Corporation Limited (CTL), consummated on July 12, 2007.<sup>13</sup> On August 9, 2007, the Department of Homeland Security (DHS), with the concurrence of the Department of Justice (DoJ) and the Federal Bureau of Investigation (FBI), filed a Petition to Adopt Conditions to Authorizations and Licenses.<sup>14</sup> The agencies stated that they had no objection to the Commission granting its consent to the *pro forma* transfer of control, provided that the Commission condition the grant on China Telecom (USA) Corporation abiding by the commitments and undertakings contained in its July 17, 2007 letter to the DoJ, FBI, and DHS.<sup>15</sup> On August 15, 2007, the International Bureau conditioned grant of the *pro forma* transfer of control on China Telecom (USA) Corporation abiding by the terms of the commitments and undertakings.<sup>16</sup> According to Commission records, China Telecom (USA) Corporation notified the Commission by letter dated July 20, 2007 of a name change to China Telecom Americas.<sup>17</sup>

5. Since 2003, the International Bureau has assigned China Telecom Americas three ISPCs, one on March 17, 2003,<sup>18</sup> the second on March 17, 2010,<sup>19</sup> and the third on March 26, 2010.<sup>20</sup>

#### **B. China Telecom Americas Ownership**

6. China Telecom Americas is a Delaware corporation that is indirectly and ultimately owned and controlled by the government of the People's Republic of China (Chinese government).<sup>21</sup>

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<sup>12</sup> *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-214-20020716-00371, Public Notice, DA 02-2060, 17 FCC Rcd 16199, 16201 (2002).

<sup>13</sup> China Telecom USA Notification at Attach. 1; *International Authorizations Granted; Section 214 Applications (47 C.F.R. § 63.18); Section 310(b)(4) Requests*, File No. ITC-T/C-20070725-00285, Public Notice, DA 07-3632, 22 FCC Rcd 15266, 15268 (2007) (China Telecom USA Grant Public Notice).

<sup>14</sup> Department of Homeland Security, Department of Justice, Federal Bureau of Investigation, Petition to Adopt Conditions to Authorizations and Licenses, File No. ITC-T/C-20070725-00285 (filed Aug. 9, 2007) (August 9, 2007 Petition to Adopt Conditions); China Telecom USA Grant Public Notice, 22 FCC Rcd at 15268.

<sup>15</sup> August 9, 2007 Petition to Adopt Conditions at 1.

<sup>16</sup> China Telecom USA Grant Public Notice, 22 FCC Rcd at 15268. In the *pro forma* transaction, China Telecom, the direct 100% parent of China Telecom (USA) Corporation, transferred all of its outstanding shares of capital stock in China Telecom (USA) Corporation to CTL, and CTL became China Telecom (USA) Corporation's sole direct shareholder. *Id.* China Telecom held a 70.89% ownership interest in CTL and controlled CTL and China Telecom (USA) Corporation. *Id.*; China Telecom USA Notification, Attach. 1 at 3.

<sup>17</sup> See Foreign Carrier Affiliation Notice, Attach. 1 at 1, n.1.

<sup>18</sup> File No. SPC-NEW-20030314-00014 (ISPC 3-192-5); see ITU Listing (name in the ITU Listing is China Telecom (USA) Corporation).

<sup>19</sup> File No. SPC-NEW-20100314-00006 (ISPC 3-033-3); see ITU Listing (name in the ITU Listing is China Telecom (Americas) Corporation).

<sup>20</sup> File No. SPC-NEW-20100326-00007 (ISPC 3-027-3); see ITU Listing (name in the ITU Listing is China Telecom (Americas) Corporation).

<sup>21</sup> China Telecom USA Notification at Attach. 1; see also 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

China Telecom Americas is a direct, wholly owned subsidiary of CTL,<sup>22</sup> an entity that is listed on the Hong Kong Stock Exchange and New York Stock Exchange.<sup>23</sup> According to the Commission's records associated with the international section 214 authorizations, CTL is incorporated in the People's Republic of China.<sup>24</sup> China Telecom, a corporation organized under Chinese law,<sup>25</sup> holds a 70.89% voting and equity interest in CTL.<sup>26</sup> China Telecom is 100% directly owned by the State-owned Assets Supervision and Administration Commission of the State Council, a Chinese government organization.<sup>27</sup>

### C. China Mobile Order

7. 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.<sup>28</sup> 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.<sup>29</sup> The Commission determined that "in the current security environment, there is a significant risk that the Chinese government would use the grant of such

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the United States, Hong Kong, and Taiwan; The Hong Kong-Americas System, File No. SCL-LIC-20180711-00018, Attach. 1, Appx. B at 1-2 (filed July 11, 2018) (Edge Cable Application).

<sup>22</sup> China Telecom USA Notification at Attach. 1; China Telecom USA Grant Public Notice, 22 FCC Rcd at 15268.

<sup>23</sup> Edge Cable Application, Attach. 1, Appx. C at 2 (indicating CTL's shares trade publicly on the Hong Kong Stock Exchange); GU Holdings Inc., China Mobile International Limited, China Telecom Global Limited, Global Transit 2 Limited, KDDI Corporation, and Singapore Telecom USA Inc.; Application for a License to Construct, Land, and Operate an Undersea Fiber Optic Cable Connecting the U.S., Japan, and Taiwan, File No. SCL-LIC-20150626-00015, Attach. 1, Appx. D at 2 (filed June 26, 2015) (GU Holdings Inc. Application) (stating "China Telecom Corporation Limited (Stock Code: HK.00728, NYSE.CHA) went public in Hong Kong and New York in 2002"); China Telecom Corporation 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) (filed Apr. 29, 2019) at 19, 80, 98, <https://www.sec.gov/Archives/edgar/data/1191255/000119312519125555/d648641d20f.htm> (CTL Form 20-F); China Telecom Corporation Limited, *Overview*, [https://www.chinatelecom-h.com/en/company/company\\_overview.php](https://www.chinatelecom-h.com/en/company/company_overview.php) (last visited Apr. 21, 2020).

<sup>24</sup> China Telecom USA Notification, Attach. 1 at 3 (referring to "CTL, a [People's Republic of China] corporation controlled by CTC [China Telecommunications Corporation]"). In its annual Form 20-F, for the fiscal year ended December 31, 2018, CTL states, "[w]e were incorporated under [People's Republic of China] laws on September 10, 2002 as a joint stock company with limited liability under the name 'China Telecom Corporation Limited'." CTL Form 20-F at 18. A recent filing indicates CTL is incorporated in Hong Kong. Edge Cable Application, Attach. 1, Appx. C at 2 (identifying "Place of Organization" of CTL as "Hong Kong").

<sup>25</sup> China Telecom USA Notification, Attach. 1 at 2; Edge Cable Application, Attach. 1, Appx. B at 2.

<sup>26</sup> Edge Cable Application, Attach. 1, Appx. C at 2; CTL Form 20-F at 6.

<sup>27</sup> See Edge Cable Application, Attach. 1, Appx. B at 2 (China Telecommunications Corporation) (stating "CTC certifies that it 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')" and "SASAC holds a 100-percent voting and equity interest in CTC"); Microsoft Infrastructure Group, LLC, Microsoft Operations Pte Ltd, China Mobile International Limited, China Telecommunications Corporation, China United Network Communications Group Company Limited, Chunghwa Telecom Co. Ltd., and KT Corporation; Application for a License to Land and Operate a Private Fiber-Optic Cable System Connecting China, Japan, the Republic of Korea, Taiwan, and Oregon; The New Cross-Pacific ("NCP") Cable System, File No. SCL-LIC-20151104-00029, Attach. 2, Appx. D at 2 ("SASAC directly owns 100 percent of China Telecom"). 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](http://en.sasac.gov.cn/2018/07/17/c_7.htm) (last visited Apr. 21, 2020).

<sup>28</sup> *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*).

<sup>29</sup> *Id.* at 3365-66, para. 8.

authority to China Mobile USA to conduct activities that would seriously jeopardize the national security and law enforcement interests of the United States.”<sup>30</sup> 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 addressed through a mitigation agreement [and] grant of this application would not be in the public interest.”<sup>31</sup>

**D. Executive Branch Recommendation to Revoke and Terminate China Telecom Americas’ International Section 214 Authorizations**

8. On April 9, 2020, the National Telecommunications and Information Administration (NTIA) of the Department of Commerce filed a recommendation on behalf of the Executive Branch agencies requesting that the Commission revoke and terminate China Telecom Americas’ international section 214 authorizations.<sup>32</sup> In its filing, NTIA states that “[t]his recommendation reflects the substantial and unacceptable national security and law enforcement risks associated with [China Telecom Americas’] continued access to U.S. telecommunications infrastructure pursuant to its international Section 214 authorizations.”<sup>33</sup> The Executive Branch’s recommendation is based on 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; China Telecom Americas’ status as a subsidiary of a Chinese state-owned enterprise under the ultimate ownership and control of the Chinese government; China Telecom Americas’ inaccurate representations to U.S. government authorities and U.S. customers regarding its cybersecurity practices, and its apparent failure to comply with U.S. federal and state cybersecurity and privacy laws; and China Telecom Americas’ U.S. operations, which provide opportunities for increased Chinese state-sponsored cyber activities, including economic espionage and the disruption and misrouting of U.S. communications traffic.<sup>34</sup> NTIA adds that “[i]n the current environment, the national security and law enforcement risks associated with [China Telecom Americas’] international Section 214 authorizations cannot be mitigated.”<sup>35</sup>

**III. DISCUSSION**

9. The Commission’s findings in the *China Mobile Order* raise questions regarding China Telecom Americas’ vulnerability to the exploitation, influence, and control of the Chinese government through its status as a subsidiary of a Chinese state-owned enterprise. The Executive Branch Recommendation to Revoke raises similar concerns.<sup>36</sup> As a subsidiary of a Chinese state-owned enterprise, China Telecom Americas, like China Mobile USA, ultimately is owned and controlled by the Chinese government.<sup>37</sup> And China Telecom 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.<sup>38</sup>

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<sup>30</sup> *Id.* at 3366, para. 8.

<sup>31</sup> *Id.* at 3362, para. 1.

<sup>32</sup> See Executive Branch Recommendation to Revoke.

<sup>33</sup> *Id.* at 1.

<sup>34</sup> *Id.*

<sup>35</sup> *Id.* at 2.

<sup>36</sup> *Id.* at 1-3, 41.

<sup>37</sup> *China Mobile Order*, 34 FCC Rcd at 3363-64, para. 3; see also China Telecom USA Notification at Attach. 1; Edge Cable Application, Attach. 1, Appx. B at 1-2; GU Holdings, Inc. Application, Attach. 1, Appx. D at 2.

<sup>38</sup> *China Mobile Order*, 34 FCC Rcd at 3363-66, 3369-70, paras. 3, 8, 17-18; see also China Telecom USA Notification at Attach. 1; Edge Cable Application, Attach. 1, Appx. B at 1-2; GU Holdings, Inc. et al. Application, Attach. 1, Appx. D at 2; State-owned Assets Supervision and Administration Commission of the State Council,

10. Moreover, the Commission's findings in the *China Mobile Order* raise questions as to China Telecom Americas' ongoing qualifications to hold domestic and international section 214 authorizations, whether retention of these authorizations and ISPC assignments by China Telecom Americas serves the public convenience and necessity, and whether its use of its ISPCs is consistent with the purpose for which they were assigned.<sup>39</sup> China Telecom 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.<sup>40</sup> The changes include the sophistication and resulting damage of the Chinese government's involvement in computer intrusions and attacks against the United States.<sup>41</sup> The Executive Branch Recommendation to Revoke echoes these concerns.<sup>42</sup>

11. Accordingly, we direct China Telecom Americas to explain why the Commission should not initiate a proceeding to revoke and terminate the domestic and international section 214 authorizations held by China Telecom Americas.<sup>43</sup> We also direct China Telecom Americas to explain why the Commission should not reclaim China Telecom Americas' ISPCs. This Order affords China Telecom Americas notice and an opportunity to respond to the Executive Branch Recommendation to Revoke.<sup>44</sup> We direct China Telecom Americas 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 authorizations<sup>45</sup> and to hold ISPCs,<sup>46</sup> thereby demonstrating that the public convenience and necessity would be served by its retention of the authorizations and assignments.

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

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Directory, <http://en.sasac.gov.cn/directorynames.html> (last visited Apr. 21, 2020); 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](http://en.sasac.gov.cn/2018/07/17/c_7.htm) (last visited Apr. 21, 2020).

<sup>39</sup> See 47 U.S.C. § 214; ITU-T Q.708.

<sup>40</sup> *China Mobile Order*, 34 FCC Rcd at 3372-73, paras. 20-22.

<sup>41</sup> *Id.* at 3372, para. 20.

<sup>42</sup> Executive Branch Recommendation to Revoke at 1-7, 41.

<sup>43</sup> See 47 U.S.C. §§ 154(i), 154(j), 154(o), 403; 47 CFR § 1.1.

<sup>44</sup> On April 13, 2020, counsel for China Telecom Americas filed a letter in response to the Executive Branch Recommendation to Revoke asking the Commission to provide notice to China Telecom Americas and an opportunity to respond to the allegations against it, including an opportunity for a hearing before an Administrative Law Judge with respect to any disputed issues. Letter from Andrew D. Lipman, Morgan, Lewis & Bockius LLP, to Ajit Pai, Chairman, FCC (Apr. 13, 2020) (on file in ITC-214-20010613-00346, ITC-214-20020716-00371, ITC-T/C-20070725-00285).

<sup>45</sup> See 47 U.S.C. § 214.

<sup>46</sup> See ITU-T Q.708.

- (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;<sup>47</sup>
  - (2) a description of the ownership and control of the company when it was assigned international section 214 authorization, ITC-214-20010613-00346, effective June 7, 2002 and when it was granted international section 214 authorization, ITC-214-20020716-00371, on August 21, 2002;
  - (3) a detailed description of its corporate governance;
  - (4) an identification of China Telecom 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;
  - (5) an identification of all CTL and China Telecom officers, directors, and other senior management, their employment history (including prior employment with the Chinese government), and their affiliations with the Chinese Communist Party and the Chinese government;
  - (6) a description of the services that China Telecom 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;
  - (7) an identification of the equipment used to provide telecommunications service, including the manufacturer, and the location of the equipment;
  - (8) a description and listing of China Telecom Americas' subscribers and other customers for domestic and international services;
  - (9) a detailed description regarding the nature of the use of China Telecom 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 Telecom Americas uses the ISPCs in its PSTN network;
  - (10) a statement regarding the physical addresses where China Telecom Americas' ISPCs are located;
  - (11) a network diagram that shows how China Telecom Americas' ISPCs are used;
  - (12) a list of all physical points of interconnection between China Telecom Americas and other carriers as well as the names of each carrier with which China Telecom Americas interconnects;
  - (13) a list and copies of all interconnection agreements that China Telecom Americas has with other carriers;
  - (14) an explanation as to why the Commission should not reclaim China Telecom Americas' ISPCs;
  - (15) a description of the extent to which China Telecom Americas is or is not otherwise subject to the exploitation, influence, and control of the Chinese government; and
  - (16) a detailed response to the allegations raised in the Executive Branch Recommendation to Revoke, requesting that the Commission revoke and terminate China Telecom Americas' international section 214 authorizations.
13. China Telecom 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

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<sup>47</sup> See China Telecom USA Notification, Attach. 1 at 3 (referring to "CTL, a [People's Republic of China (PRC)] corporation controlled by CTC [China Telecommunications Corporation]"); Edge Cable Application, Attach. 1, Appx. C at 2 (identifying "Place of Organization" of CTL as "Hong Kong").

Commission's rules.<sup>48</sup> Failure to respond or submit a response providing a reasonable basis for why China Telecom Americas should retain its domestic and international section 214 authorizations and ISPC assignments may result in revocation and termination of the domestic and international section 214 authorizations held by China Telecom Americas and in the Commission reclaiming China Telecom Americas' ISPCs.

#### IV. ORDERING CLAUSES

14. 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,<sup>49</sup> and ITU Recommendation Q.708, China Telecom Americas **SHALL FILE** a written response to this Show Cause Order **within thirty (30) calendar days** from the release date of this Order.

15. **IT IS FURTHER ORDERED** that copies of this Order shall be sent by registered mail, return receipt requested, to: (1) Andrew Lipman, Catherine Wang, and Ulises Pin, Morgan, Lewis & Bockius LLP, attorneys for China Telecom (Americas) Corporation, 1111 Pennsylvania Ave, NW, Washington, DC 20004; (2) Luis Fiallo, Vice President, China Telecom (Americas) Corporation, 607 Herndon Parkway, No. 201, Herndon, VA 20170; and (3) Jonathan Marashlian, D.C. Agent for Service of Process, The Compliance Group, Inc., 1300 I Street, NW, Suite 400E, Washington, DC 20005.

FEDERAL COMMUNICATIONS COMMISSION

Thomas Sullivan  
Chief  
International Bureau

Kris Monteith  
Chief  
Wireline Competition Bureau

Rosemary Harold  
Chief  
Enforcement Bureau

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<sup>48</sup> 47 CFR § 0.459.

<sup>49</sup> 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).