

NOTICE OF PROPOSED CHANGE IN CONTROL OF SPEEDCAST CARIBBEAN LIMITED

pursuant to
SECTION 75(2)(a)
of the
COMMUNICATIONS ACT, 2009

1. The Utilities Regulation and Competition Authority (URCA) hereby gives notice that, on 15 December 2020, a Basic Notification (the Notification) for the proposed change in control between Speedcast Caribbean Limited (“the Licensee”) and Centerbridge Partners, L.P. (“the Acquirer”) was submitted to URCA for approval.

DETAILS OF THE TRANSACTION

2. The Licensee was granted an Individual Spectrum Licence (ISL) to use Assigned Radio Spectrum to provide point-to-point microwave link communication services in the Berry Islands, Bahamas.
3. The Licensee is a Bahamian limited liability company owned by Speedcast International Limited (SIL), which along with certain of its subsidiaries, is undergoing voluntary internal restructuring under Chapter 11 of the United States Bankruptcy Code. The Licensee currently provides cruise ships with electronic communications services in the Berry Islands.
4. The Acquirer is a U.S. private investment management firm employing a flexible approach across investment disciplines, from private equity to credit and related strategies, as well as real estate. It has experience in investing in telecommunications companies.
5. The Licensee has entered an Equity Commitment Agreement (ECA) with the Acquirer under which, and subject to URCA’s approval, will result in the change in control of the Licensee.
6. Under the proposed change in control, the Acquirer proposes to inject capital into the SIL operations to enable it to successfully emerge from bankruptcy and continue in business, along with the Licensee. Under the transaction, the Acquirer will acquire 100% equity interest in the Licensee thereby allowing the Acquirer to make all day-to-day management decisions of the Licensee.

ISSUES TO BE DETERMINED

7. Under section 72 of the Communications Act, 2009, on receiving the Notification URCA shall form an opinion on: (i) whether the proposed change in control would have or be likely to have the effect of substantially lessening competition in a market in The Bahamas; and (ii) whether it would have an effect or would be likely to have an effect contrary to the public interest.
8. Having regard to the Licensee not being a media enterprise and that the transaction between the Parties does not involve a media public interest, the issue of whether the change in control would have an effect contrary to the public interest is not germane to the instant application and will not be considered by URCA.

INVITATION FOR COMMENTS

9. Under section 75(2) of the Communications Act, 2009 (Comms Act), URCA shall give any interested persons a reasonable opportunity to make representations and consider the representations before forming any opinion or issuing any adjudication.
10. Under section 78 of the Comms Act, URCA is required to issue an Adjudication within thirty (30) calendar days of receiving the Notification, unless there is a need to open an in-depth investigation. It is necessary for URCA to receive representations from interested persons in a timely manner in order to ensure that such representations can be considered, analyzed and incorporated into URCA's Adjudication within the statutory timeline.
11. **URCA will consider all representations on the proposed change in control received by 5:00 p.m. on Thursday, 31 December 2020.**
12. Should URCA determine to open an in-depth investigation, it will issue its Adjudication within ninety (90) calendar days of receiving the Notification.
13. URCA now invites interested persons to submit written representations regarding the proposed change in control for consideration to the Acting Director of Electronic Communications either:
 - a. by hand, to the office of the Utilities Regulation and Competition Authority (URCA) situated at Frederick House, Frederick Street, Nassau, Bahamas; or
 - b. by mail, to URCA at P.O. Box N – 4860 Nassau, Bahamas; or
 - c. by fax, to (242) 393-0153; or
 - d. by email, to info@urcabahamas.bs.

EXPLANATORY NOTE TO POTENTIAL RESPONDENTS

14. The Licensee has entered an ECA with the Acquirer that, subject to URCA's approval, will effectively transfer 100% of the equity interest in the Licensee to the Acquirer. If there are any objections to this proposed change in control of the Licensee, URCA is required

under the Comms Act to allow the public reasonable opportunity to comment on the proposed change and to consider the public's responses as part of its Adjudication.

15. **Therefore, URCA is requesting comments from the public prior to determining whether the proposed change in control potentially reduces sustainable competition in the relevant market in The Bahamas.**
16. Respondents should state their position clearly and provide written comments to URCA as quickly as possible, **but no later than 31 December 2020.**

21 December 2020