



**NOTICE OF PROPOSED CHANGE IN CONTROL OF THE
BAHAMAS TELECOMMUNICATIONS COMPANY LTD. (BTC) and
COLUMBUS COMMUNICATIONS LIMITED (CCL)**

PURSUANT TO SECTION 75(2)(a) OF THE COMMUNICATIONS ACT, 2009

1. The Utilities Regulation and Competition Authority (URCA) hereby gives notice that on November 23, 2015, it received from Liberty Global plc (Liberty Global) and Cable and Wireless Communications Plc. (CWC) jointly (collectively referred to as “the Parties”), a Full Notification of a transaction between the Parties which will result in the acquisition of all of the issued and to be issued shares of CWC (“the Transaction”) for approval in accordance with section 70(3) of the Communications Act, 2009 (“Comms Act”).

DETAILS OF THE TRANSACTION

2. On November 16, 2015 the Parties issued a Recommended Acquisition Announcement under which Liberty Global plans to purchase the entire issued and to be issued ordinary share capital of CWC, which will result in a change in ownership of CWC Bahamas Holdings Limited, the holder of 49% of the outstanding and issued shares of BTC. Liberty Global will also acquire 100% of the issued and outstanding share capital of CWC, thereby becoming the voting controller of all of the shares of Columbus Communications Limited (CCL). CCL is a wholly-owned subsidiary of Columbus Communications Inc. (CCI). CWC became the ultimate parent company of the Columbus group of companies when CWC acquired 100% of the shares of CCI.¹
3. BTC is the holder of an Individual Operating Licence (IOL) and an Individual Spectrum Licence (ISL), both issued by URCA on November 23, 2009. CCL is the holder of an IOL issued by URCA on March 17, 2011.
4. As Liberty Global will become the beneficial owner and voting controller of more than thirty percent of the voting shares of both BTC and CCL, the Transaction will constitute a “change in control” of both BTC and CCL within the meaning of section 71 of the Comms

¹ URCA granted its consent to the indirect change in control of CCL on July 28, 2015.

Act and, as both BTC and CCL are holders of individual licences granted by URCA pursuant to the Comms Act, requires URCA's approval before it can be implemented.

5. Liberty Global is a publicly-listed company incorporated under the laws of England and Wales. Liberty Global is an international provider of video, broadband internet, fixed-line telephony and mobile services with operations in 14 countries including the United Kingdom, Germany, Belgium, the Netherlands, Chile and Puerto Rico.
6. CWC is a publicly owned telecommunications provider incorporated in the United Kingdom. CWC operates across the Caribbean, serving customers in Anguilla, Antigua & Barbuda, The Bahamas, British Virgin Islands, Cayman Islands, Dominica, Grenada, Jamaica, Montserrat, St. Kitts & Nevis, St. Lucia, St. Vincent & the Grenadines, Trinidad & Tobago and the Turks & Caicos Islands. CWC also owns a 49% stake in The Bahamas Telecommunications Company (BTC), which it acquired in 2011.² The remaining 51% of BTC is owned by the Government of The Bahamas (49%) and the BTC Foundation (2%). BTC provides mobile and fixed line voice telephony and data services to customers across The Bahamas. It also provides sub-sea cable capacity through ownership in three (3) cables (BDSNi, Bahamas-II and ARCOS) which connect to The Bahamas. Independent of BTC, CWC provides a small amount of international wholesale capacity (IWC) into The Bahamas to non-Bahamian customers through its 0.51% interest in the Bahamas-II consortium and leased capacity on the ARCOS.

ISSUES TO BE DETERMINED BY URCA

7. The questions to be determined by URCA in relation to a change in control are set out in section 72 of the Comms Act. As neither of the Parties to the Transaction, nor BTC or CCL, is involved in broadcasting or publishing newspapers, **the sole question to be determined by URCA is whether the Transaction would have or is likely to have the effect of a substantial lessening of competition in a market in The Bahamas.** For a further explanation of the approach to be used by URCA, respondents should be guided by URCA's *Competition Guidance: Merger Control – Substantive* (ECS COMP. 2) which can be downloaded from its website (www.urbahamas.bs).³

² The original notification concerned the acquisition of a 51% shareholding. CWC's shareholding in BTC as of August 2014 was 49%.

³ <http://www.urbahamas.bs/download/066325100.pdf>

8. In assessing the competition effects of the Transaction, URCA's assessment will include the review of issues such as the definition of the relevant market, what would happen in the absence of the Transaction (known as "the counterfactual"), the potential efficiencies and consumer benefits.

INVITATION FOR COMMENTS

9. Under section 75(2) of the Comms Act, before forming any opinion or issuing its adjudication on the proposed change in control, URCA is required to give any interested persons a reasonable opportunity to make representations and shall consider any such representations made. In view of the ubiquity of the services provided by BTC to persons in The Bahamas, URCA considers that all members of the public should be considered "interested" persons for the purposes of this proposed change in control.
10. Having notified the Parties that URCA intends to provide such interested persons a reasonable opportunity to make representations prior to issuing its adjudication in this matter, URCA hereby invites interested parties to submit written representations regarding the change in control by no later than 5:00 p.m. on Friday, February 12, 2016 in order to ensure that such representations can be considered, analysed and incorporated into URCA's deliberations. It should be noted that URCA will only consider and take into account representations that relate to the matters upon which URCA is empowered to adjudicate, that is, whether the Transaction would have or is likely to have the effect of a substantial lessening of competition in a market in The Bahamas.
11. Interested parties should submit written representations regarding the proposed change in control for consideration to the Director of Policy and Regulation, either:
 - a. by hand, to the office of 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.