



PACIFIC CARRIAGE LIMITED
Suite No 781
48 Par La Ville Road
Hamilton HM11
Bermuda

VIA CERTIFIED MAIL RETURN RECEIPT REQUESTED

July 13, 2015

Washington Utilities and Transportation Commission
PO Box 47250
Olympia, Washington 98504-7250

Penalty Assessment UT-150835

To Whom it May Concern,

Pacific Carriage Limited ("PCL") has received Penalty Assessment UT-150835 and respectfully requests the mitigation of the penalty assessed for not filing the Washington Telecommunication 2014 Annual Report in a timely fashion pursuant to RCW 80.04.405.

PCL has successfully filed the Washington Telecommunications Company Annual Report with the Washington Utilities and Transportation Commission in a timely fashion for as long as the company has operated in Washington. This year, the report was signed on March 6, 2015 and mailed shortly thereafter. PCL's regulatory functions are carried out in New Zealand, and as such, all documents requiring an original signature must be sent by courier from New Zealand because certified mail via the United States Postal Service is not available. Although timely filed, we have been unable to locate the tracking documents of the shipment. In addition, the signed Annual Report was also attached to the Washington Property Tax Return which was filed with Washington State on April 10, 2015.

We received Penalty Assessment UT-150835 on June 9, 2015. Our representative in the United States contacted Zuber, Lawler & Del Duca on June 10, 2015 to discuss the non-filing and provided the law firm with the Annual Report at this time. On June 12, 2015, our representative also contacted the Washington Utilities and Transportation Commission and spoke with Pam Callea. The Annual Report was sent to Pam. Pam suggested that we request mitigation of the penalty pursuant to the instructions in the Penalty Assessment.

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COMMISSION

Because we have timely filed in all previous years and we have attempted to comply with Penalty Assessment UT-150835, we respectfully request that all penalties be waived. In addition, no fees were originally due on the Annual Report, nor have fees been due in past years.

If any further information is required, please inform us and we will send it to you as soon as possible. Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read 'RNATHU', written in a cursive style.

Ronnie Nathu
Finance Director, PCL

CC: Matthew Mandel, PricewaterhouseCoopers LLP
Michelle Secor, PricewaterhouseCoopers LLP

June 9, 2015

Email: ronnie.nathu@sccn.co.nz

Ronnie Nathu, Finance Director
Pacific Carriage Limited
PO Box 5340
Wellington
New Zealand

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STATE OF WASH.
UTIL. AND TRANSP.
COMMISSION

Re: Washington State, penalty assessment

Dear Ronnie:

The Washington Utilities and Transportation Commission has asserted a \$1,000 penalty against Pacific Carriage Limited for failure to file the annual report and pay fees by May 1, 2015.

Attached is the Notice of the Penalty (Exhibit A), and the form required to be filed (Exhibit B).

I have no direct news of the matter from your communication of March 28, 2015, in which you took up the matter, until the present penalty assessment. When are some convenient windows of time to discuss next steps?

Regards,


ZUBER, LAWLER & DEL DUCA LLP

Patrick Del Duca

Exhibit A – Notice of Penalty

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

**NOTICE OF PENALTIES INCURRED AND DUE
FOR VIOLATIONS OF LAWS AND RULES**

**SERVICE DATE
JUN 04 2015**

**PENALTY ASSESSMENT: UT-150835
PENALTY AMOUNT: \$1,000**

**PACIFIC CARRIAGE LIMITED
777 S. FIGUEROA STREET, 37TH FLOOR
LOS ANGELES, CA 90017**

**STATE OF WASH.
UTIL. AND TRANSP.
COMMISSION**

2015 JUL 20 PM 3:07

**RECEIVED
RECORDS MANAGEMENT**

According to Washington Utilities and Transportation Commission (Commission) records, you have violated Washington Administrative Code (WAC) 480-120-382, which requires telecommunications companies to file your annual report and pay regulatory fees each year by May 1. You did not file an annual report or pay regulatory fees by May 1, 2015.

Revised Code of Washington (RCW) 80.04.080 authorizes the Commission to assess a penalty of \$100 for each violation of a Commission rule. In the case of a continuing violation, every day's continuance is a separate and distinct violation. The Commission interprets noncompliance with WAC 480-120-382 beyond May 1 as a continuing violation, and assesses penalties of \$100 for each day a company fails to file its report or pay its regulatory fees after that date.

As a result, the Commission has assessed penalties against you in the amount of \$1,000 on the following basis:

On February 27, 2015, the Commission mailed the 2014 annual report forms and the 2015 regulatory fee packets to all telecommunications companies registered in Washington. The instructions page for the annual report form instructed these companies to file annual reports and pay regulatory fees by May 1, 2015. The instructions page also stated that failure to file the annual report by May 1 would result in penalties. The deadline for requesting an extension to file your annual report was April 15. You did not request an extension.

As of May 15, 2015, Pacific Carriage Limited has not filed its 2014 annual report or paid its 2015 regulatory fee. May 15 is 10 business days from May 1, resulting in a total penalty of \$1,000.

Your penalty is due and payable now. If you believe the violation did not occur, you may request a hearing to contest the penalty assessment. The Commission will grant that request only if material issues of law or fact require consideration of evidence and resolution in a hearing. A request for a hearing must include a written statement of the reasons supporting that request. Failure to provide such a statement will result in denial of the request.

If there is a reason for the violation that you think should excuse or reduce the penalty, you may ask for mitigation (reduction) of this penalty through evidence presented at a hearing or in writing. The Commission will grant a request for a hearing only if material issues of law or fact require consideration of evidence and resolution in a hearing. Any request for mitigation must include a written statement of the reasons supporting that request. Failure to provide such a statement will result in denial of the request. See RCW 80.04.405.

If you properly present your request for a hearing and the Commission grants that request, the Commission will review the evidence supporting your dispute of the violation or application for mitigation in a Brief Adjudicative Proceeding, before an administrative law judge. The administrative law judge will consider the evidence and will notify you of his or her decision.


You must act within 15 days after receiving this notice to do one of the following:

- Pay the amount due.
- Request a hearing to contest the occurrence of the violations.
- Request mitigation to contest the amount of the penalty.

Please indicate your selection on the enclosed form and send it to the Washington Utilities and Transportation Commission, Post Office Box 47250, Olympia, Washington 98504-7250, within **FIFTEEN (15) days** after you receive this notice.

If you do not act within 15 days, the Commission may refer this matter to the Office of the Attorney General for collection, which may file suit in state court to collect the penalty. The Commission may also initiate proceedings under WAC 480-121-060 to revoke your authority to provide telecommunications services in Washington.

DATED at Olympia, Washington, and effective June 4, 2015.



GREGORY J. KOPTA
Administrative Law Judge

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

PENALTY ASSESSMENT UT-150835

PLEASE NOTE: You must complete and sign this document, and send it to the Commission within 15 days after you receive the penalty assessment. Use additional paper if needed.

I have read and understand RCW 9A.72.020 (printed below), which states that making false statements under oath is a class B felony. I am over the age of 18, am competent to testify to the matters set forth below and I have personal knowledge of those matters. I hereby make, under oath, the following statements.

1. Payment of penalty. I admit that the violations occurred. I have:
- Enclosed \$ _____ in payment of the penalty
 - Submitted my payment of \$ _____ online at www.utc.wa.gov. My confirmation number is _____.
2. Request for a hearing. I believe that one or more of the alleged violations did not occur, for the reasons I describe below, and I request a hearing based on those reasons for a decision by an administrative law judge:
3. Application for mitigation. I admit the violations, but I believe that the penalty should be reduced for the reasons set out below:
- a) I ask for a hearing to present evidence on the information I provide above to an administrative law judge for a decision
 - OR b) I ask for a Commission decision based solely on the information I provide above.

I declare under penalty of perjury under the laws of the State of Washington that the foregoing, including information I have presented on any attachments, is true and correct.

Dated: _____ [month/day/year], at _____ [city, state]

Name of Respondent (company) -- please print

Signature of Applicant

RCW 9A.72.020:

"Perjury in the first degree. (1) A person is guilty of perjury in the first degree if in any official proceeding he makes a materially false statement which he knows to be false under an oath required or authorized by law. (2) Knowledge of the materiality of the statement is not an element of this crime, and the actor's mistaken belief that his statement was not material is not a defense to a prosecution under this section. (3) Perjury in the first degree is a class B felony."

Exhibit B – Form required

TELECOMMUNICATIONS COMPANIES
2014
ANNUAL REPORT
FOR

(NAME UNDER WHICH CORPORATION, PARTNERSHIP, OR INDIVIDUAL IS DOING BUSINESS)

(OFFICIAL MAILING ADDRESS)

(CITY) (STATE) (ZIP)

Please check if address listed above is an updated address

Report Year Ended: December 31, 2014

Inquiries concerning this Annual Report should be addressed to:

Name/Title: _____
Address: _____
City: _____
State/Zip: _____
Telephone: _____
Email: _____

SUBMIT TO:
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION
PO Box 47250
Olympic, WA 98504-7250

File online: www.utc.wa.gov



REPORT MUST BE RECEIVED NO LATER THAN MAY 1, 2015
Please refer to the instructions for Completing the Annual Report on Page 2

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STATE OF WASH.
UTIL. AND TRANSP.
COMMISSION

Commission Authority

The purpose of this form is to collect financial and operational information from telecommunications companies regulated by the Washington Utilities and Transportation Commission (UTC). The commission's authority for requiring this report is found in RCW 80.04.080. This report is a non-confidential public use form.

Certification

The Annual Report Certification must be signed by an authorized officer, partner or owner.

Regulatory Fees

Regulatory fees are set by commission order A-140188.

Deadlines and Penalties

All telecommunications companies regulated by the UTC are required to complete this form, including all schedules. Failure to complete all schedules will result in the report being considered incomplete and subject to penalties. Completed forms and regulatory fee payments must be received by the UTC no later than **May 1, 2015**. Failure to file the annual report by the above deadline will result in a financial penalty of \$100 for each business day after May 1. Failure to pay the regulatory fees by the above deadline will result in a 2 percent penalty on the amount due and a 1 percent monthly interest charge on the unpaid balance.

Extension Requests

You may file a written request for an extension to file the completed annual report; however, the commission will not extend the deadline for paying regulatory fees. Any extension request must be filed with the commission by April 15, 2015, and must state a valid reason for why the extension is needed and identify a specific date which the report will be filed with the commission. The commission will notify you by April 30 whether your request is approved or denied. Even if your request is approved, you will still be liable for penalties and interest payments if you fail to pay your regulatory fees by May 1. To file your extension request online visit:

<http://www.utc.wa.gov/docs/Pages/ElectronicFiling.aspx>

No Longer Operating in Washington

You may cancel your registration or permit by using the Voluntary Cancellation Form available at:

www.utc.wa.gov/regulatedindustries/utlites/telcom/pages

However, if your company operated in Washington at any time during the 2014 calendar year, you must pay regulatory fees and file a closing annual report based on the months of operation during 2014.

Confidential Status

Telecommunications companies may file annual reports as confidential. You must follow the steps for filing confidential documents in WAC 480-07-180. The regulatory fee sheet portion of your report is not a confidential document and will not be accorded confidential treatment under the rule.

To view the confidential requirements in WAC 480-07-180, please visit the following site:

apps.leg.wa.gov/WAC/default.aspx?cite=480-07-180

Electronic Filing and Payment

To obtain an electronic format of the report, submit a report online or pay your regulatory fees online visit:

www.utc.wa.gov/regulatedindustries/pages/annualreports

Staff Contact

Pam Colles at (360) 864-1182 or pcalles@utc.wa.gov

TTY Toll-Free phone number 1-800-416-8289

ANNUAL REPORT CERTIFICATION

(PLEASE VERIFY THAT ALL SCHEDULES ARE ACCURATE AND COMPLETE BEFORE SIGNING)

I, the undersigned _____
Responsible Account Officer (Please Print)

of _____
Name of Company

have examined the foregoing report; that, to the best of my knowledge and belief, all statement of fact contained in said report are true and said report is a correct statement of the business and affairs of the above-named respondent in respect to each and every matter set forth therein during the period from January 1, 2014, to December 31, 2014, inclusive.

Title
(please print)

Signature
(please type if filing electronically)

Telephone Number

Date

GENERAL INFORMATION

Washington Unified Business Identifier (UBI) No.: _____
(If you do not know your UBI No. please contact Business Licensing Service at 1-800-451-7966 or BLB@dcf.wa.gov)

Business Structure (please check the appropriate designation):
 Individual / Sole Proprietor Partnership Other (S.P., LLP, LLC) Corporation Nonprofit Corporation

SCHEDULE 1

Telecommunications Company Financial & Operational Data

Part A. Financial: Please include the following information (as applicable below) along with this report.

Required Information	LEOs (under 48,000 lines)	All Other Companies
<input type="checkbox"/> Balance Sheet	RCW 80.04.530(2)	WAC 480-120-382
<input type="checkbox"/> Income Statement	RCW 80.04.530(2)	Attach copies <or> provide URL to 2013 - S.E.C. Form 10-k: INSERT HYPERLINK HERE
<input type="checkbox"/> Regulatory Fee Schedule	See attached Schedule	See attached Schedule

Washington State Data
(All companies must provide)

Part B. Services

Does your company provide local exchange services in WA? YES NO

Part C. Access Lines in service as of December 31, 2014

1 The total number of voice grade equivalent lines
This should be the same as the FCC Form 477 Part B, A, 1. _____

2 How many of the lines listed in C.1. above, have access to E-911 _____

Part D. Revenue Confirmation

	Total Company	Total WA	WA Interstate
Annual Revenue for the twelve months ended December 31, 2014			

REGULATORY FEE CALCULATION SCHEDULE
Due May 1, 2015

Company Name _____ Annual Report Year 2014

In accordance with RCW 80.34.010 "Regulatory Fees", the Commission requires Telecommunication companies to file reports of gross interstate operating revenue and pay fees on that revenue. Every company subject to regulation shall file with the Commission a statement under oath showing its gross interstate revenue for the preceding year and pay to the Commission a fee as instructed below.

Regulatory Fee Calculations

1 Total Gross Interstate Operating Revenue**	_____		
2 Less Non Fee-Paying Revenue (include details on separate page for non-paying revenue)	_____		
3 Balance-Adjusted Gross Interstate Operating Revenue (Line 1 minus Line 2)	_____		
4a If Line 3 is UNDER \$50,000, enter ZERO (skip to Line 5)	_____		
4b If Line 3 is BETWEEN \$50,000 and \$50,000 enter amount from Line 3 x 0.1% (skip to Line 5)	_____	x	0.001
4c If Line 3 is OVER \$50,000 enter amount from Line 3	_____		
4d First \$50,000 is subject to .1% regulatory fee	_____	x	0.001
4e Remainder of gross interstate revenue subject to .2% (Line 4c minus Line 4d)	_____	x	0.002
5 Total Regulatory Fees owed (enter Line 4b, or add 4d and 4e)	_____		

Agency Use Only 801-411-6289-70-01

Penalty & Interest Calculations

6 Penalties on Regulatory Fees being paid after May 1			
6a Total Penalties on Regulatory Fees owed (enter amount from Line 5 x 2%)	_____	x	0.02
7 Interest on Regulatory Fees being paid after May 31			
7a Amount from Line 5 x Number of months past May 31 x 1%	_____	x	_____
7b Total Penalties and Interest owed (Line 6a plus Line 7a)	_____		
8 Total Regulatory, Penalties and Interest Fees Due (Line 5 plus Line 7b)	_____		

Agency Use Only 801-411-6289-70-11

**Note: The revenues subject to the Commission's regulatory fees are gross Washington interstate operating revenues before deductions for uncollectibles, unbillables, subscriber/aggregator commissions or the payment of site charges and state and federal taxes, i.e. "Gross Revenues" means before any deductions from Revenue Receipts.

COMMISSION USE ONLY	
Receipts In Reference	_____
Payment (Due)	_____
	801-411-6289-170-01 _____
	801-411-6289-170-01 _____
	801-411-6289-010-01 _____
	Total Paid _____

**TELECOMMUNICATIONS COMPANIES
2014
ANNUAL REPORT**

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JUL 20 2015
WASH. UT & TR. COMM

FOR

Pacific Carriage Limited

(NAME UNDER WHICH CORPORATION, PARTNERSHIP, OR INDIVIDUAL IS DOING BUSINESS)

PO BOX 5340, WELLINGTON 6145, NEW ZEALAND

(OFFICIAL MAILING ADDRESS)

WELLINGTON

(CITY)

6145

(STATE)

(ZIP)

Report Year Ended: December 31, 2014

Inquiries concerning this Annual Report should be addressed to:

Name/Title: RONNIE NATHU
Address: P O BOX 5340
City: WELLINGTON 6145
State/Zip: NEW ZEALAND
Telephone: 6444963246
Email: RONNIE.NATHU@SCCN.CO.NZ

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STATE OF WASH.
UTILITIES AND TRANSP.

SUBMIT TO:
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION
PO Box 47250
Olympia, WA 98504-7250

File online: www.utc.wa.gov

WASHINGTON



UTILITIES AND TRANSPORTATION
COMMISSION

REPORT MUST BE RECEIVED NO LATER THAN MAY 1, 2015

Please refer to the instructions for Completing the Annual Report on Page 2

ANNUAL REPORT CERTIFICATION

(PLEASE VERIFY THAT ALL SCHEDULES ARE ACCURATE AND COMPLETE BEFORE SIGNING)

I, the undersigned RONNIE NATHU
Responsible Account Officer (Please Print)

of PACIFIC CARRIAGE LIMITED
Name of Company

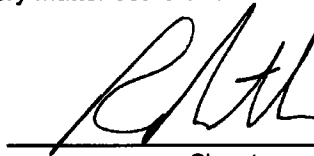
have examined the foregoing report; that, to the best of my knowledge and belief, all statement of fact contained in said report are true and said report is a correct statement of the business and affairs of the above-named respondent in respect to each and every matter set forth therein during the period ry 1, 2014, to December 31, 2014, inclusive.

FINANCE DIRECTOR

Title
(please print)

6444963246

Telephone Number



Signature
(please type if filling electronically)

3/06/2015

Date

GENERAL INFORMATION

Washington Unified Business Identifier (UBI) No.: 603-213-389
(If you do not know your UBI No. please contact Business Licensing Service at 1-800-451-7985 or BLS@dor.wa.gov)

Business Structure (please check the appropriate designation):

Pacific Carriage Limited
Revenue Statement
for the 12 months ending December 31, 2014

	Total Company	Washington
Revenue		
Revenue	40,713,652	
Pop Revenue	360,000	360,000
O&M	8,198,821	
Total Revenue	<u>49,272,473</u>	<u>360,000</u>
Expenses		
Operating Expenses	503,956	
Pop Expenses	119,791	119,791
O&M	8,198,828	
Total Expenses Before Depreciation and Interest	<u>8,822,575</u>	<u>119,791</u>
Intercompany		
Interco Interest Received (PCL/SCCL)	(2,449,787)	
Interco Interest Paid (PCL/SCCL)	209,707	
Interco Mgmt Fees Paid (PCL/CML)	1,193,200	
SCCL / PCL Expense Allocations	149,851	
Total Intercompany	<u>(897,029)</u>	<u>-</u>
EBITDA	41,346,927	240,209
Depreciation, Interest Costs and Foreign Exchange		
Depreciation & Amortization	42,133,433	175,139
Total Depreciation, Interest Costs and Foreign Exchange	<u>42,133,433</u>	<u>175,139</u>
Net Surplus/(Deficit)	<u><u>(786,506)</u></u>	<u><u>65,070</u></u>

Balance Sheet
Pacific Carriage Limited
As at December 31, 2014.

December 2014
Total Company

Current Assets

Bank	707,639
Accounts Receivable	(32,850)
Total Current Assets	<u>674,789</u>

Fixed Assets

Intercompany	109,430,232
Total Non Current Assets	<u>61,671,776</u> <u>171,102,008</u>

Total Assets

171,776,797

Current Liabilities

Accounts Payable	2,576,236
Revenue in Advance	351,617,221
Total Current Liabilities	<u>354,193,457</u>

Shareholders Equity

Share Capital	30,000,000
Shareholders Equity	(212,416,659)
Total Shareholders Equity	<u>(182,416,659)</u>

Total Liabilities & Shareholders Equity

171,776,798

SCHEDULE 1

Telecommunications Company Financial & Operational Data

Part A. Financial: Please include the following information (as applicable below) along with this report.

Required Information	ILECs (under 40,000 lines)	All Other Companies
Balance Sheet	RCW 80.04.530(2)	WAC 480-120-382
Income Statement	RCW 80.04.530(2)	Attach copies <or> provide URL to 2013 - S.E.C. Form 10-k: INSERT HYPERLINK HERE
Regulatory Fee Schedule	See attached Schedule	See attached Schedule

Washington State Data

(All companies must provide)

Part B. Services

Does your company provide local exchange services in WA? No.

Part C. Access Lines in service as of December 31, 2014

- 1 The total number of voice grade equivalent lines 0
This should be the same as the FCC Form 477 Part II, A. 1.
- 2 How many of the lines listed in C.1. above, have access to E-911 0

Part D. Revenue Confirmation

	Total Company	Total WA	WA Intrastate
Annual Revenue for the twelve months ended December 31, 2014	\$49,272,473	\$360,000	\$0

Company Name PACIFIC CARRIAGE LIMITED

Annual Report Year
2014

In accordance with RCW 80.24.010 "Regulatory Fees", the Commission requires Telecommunication companies to file reports of gross intrastate operating revenue and pay fees on that revenue. Every company subject to regulation shall file with the Commission a statement under oath showing its gross intrastate revenue for the preceding year and pay to the Commission a fee as instructed below.

1 Total Gross Intrastate Operating Revenue**			\$0.00
2 Balance-Adjusted Gross Intrastate Operating Revenue (Line 1 minus Line 2)			\$0.00
3 Balance-Adjusted Gross Intrastate Operating Revenue (Line 1 minus Line 2)			\$0.00
4b If Line 3 is BETWEEN \$20,000 and \$50,000 enter amount from Line 3 x 0.1% (skip to Line 8)	x	0.001	\$0.00
4d First \$50,000 is subject to .1% regulatory fee	x	0.001	\$0.00
5 Total Regulatory Fees owed (enter Line 4b, or add 4d and 4e)			\$0.00
6 Penalties on Regulatory Fees being paid after May 1			
7 Interest on Regulatory Fees being paid after May 31			
8 Total Penalties and Interest owed (Line 6a plus Line 7a)			\$0.00
9 Total Regulatory, Penalties and Interest Fees Due (Line 5 plus Line 8)			\$0.00

****Note:** The revenues subject to the Commission's regulatory fees are gross Washington intrastate operating revenues before deductions for uncollectibles, unbillables, subscriber/aggregator commissions or the payment of site charges and state and federal taxes, i.e. "Gross Revenues" means before any deductions from Revenue Receipts.

Commissioner's Office

Date

Signature

PricewaterhouseCoopers LLP
Scott Alvord
Three Embarcadero Center
20 FL
San Francisco CA 94111-4004
Southern Cross Cables
Limited

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PO Box 47250
Olympia WA 98504-7250



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