



GLOBAL CROSSING LIMITED

Corporate Governance Principles

The overarching objective of the Board of Directors is the enhancement of Shareholder value. In pursuing this goal, the Board assumes accountability for the success of Global Crossing by selecting an appropriately qualified corporate management team, overseeing corporate strategy and performance, and acting as a resource for management in matters of planning and policy. The Board has adopted the following Corporate Governance Principles in order to clarify the fundamental policies and procedures that the Board believes will most effectively enable it to fulfill these responsibilities. These Principles are intended merely to serve as guidelines and not to limit the Board's flexibility. The Board may revise these Principles from time to time.

Board Composition

Size of Board

Global Crossing's bye-laws provide that the Board shall consist of 10 members. The Board believes that this is an appropriate number of Directors and allows for a variety of perspectives while enabling the Board to function effectively as a body.

Board Independence

A majority of the members of the Board should not be employees of Global Crossing and should otherwise qualify as independent directors under Nasdaq rules.

Conflicts of Interest

In accordance with their fiduciary duties, at the first opportunity at a Board meeting or in a writing delivered to the Board, a Director must declare the nature and extent of his or her interest in any transaction or arrangement involving Global Crossing. Directors are subject to Global Crossing's Ethics Policy, including the provisions therein regarding actual or apparent conflicts of interest.

Position of Chairman

It is the policy of the Board that the position of Chairman of the Board not be held by a member of Company management, except in unusual circumstances.

Director Selection and Orientation

The Board is responsible for selecting its own members and for recommending them for election by the Shareholders, subject to applicable provisions of Global Crossing's bye-laws and the Network Security Agreement with the U.S. Government. The Nominating and Corporate Governance Committee is responsible for establishing the standards and process for the selection of individuals to serve on the Board and for recommending director nominees to the Board, including nominees for reelection. Consideration should be given to professional experience, personal character, diversity, independence from Global Crossing, other commitments and particular areas of expertise – all in the context of the perceived needs of the Board at that time. As of the date of the adoption

of these Principles, all directorships are subject to the designation rights provided for in the by-laws.

New Directors participate in an orientation program that includes reviewing background material, meeting with Senior Management and attending an appropriate corporate governance course for board members offered by an educational institution or professional group.

Change in Principal Employment

Directors not appointed pursuant to contractual or bye-law designation rights are required to submit their resignation promptly after retirement from or other change in principal employment. While such Directors should not necessarily leave the Board, the Board should have the opportunity to review the appropriateness of continued membership under the changed circumstances.

Board Duties, Performance and Compensation

Board Duties

Global Crossing's business is managed under the direction of the Board of Directors. Directors are expected to invest the time and effort necessary to understand Global Crossing's business and financial strategies and challenges. The basic duties and responsibilities of the Directors include attending Board meetings, preparing for meetings by advance review of any meeting materials and actively participating in Board discussions. Directors are also expected to make themselves available outside of Board meetings for advice and consultation.

Assessing Board Performance

The Board evaluates its performance in executive session at least annually.

Board Compensation Review

The competitiveness of non-employee Director compensation is periodically reviewed by the Nominating and Corporate Governance Committee or the Compensation Committee based on a peer group market analysis. The Board may change the amount and components of such compensation from time to time based on the recommendations of these committees.

Employee Directors receive no compensation for service on the Board.

Board Meetings

Scheduling of Meetings

At the time of adoption of these Principles, six regular Board meetings are scheduled each year. Special meetings, which are generally held telephonically, are scheduled when the Chairman deems prompt Board action or advice to be in the best interests of Global Crossing.

Meeting Agenda and Board Materials

The Chairman of the Board establishes the agenda for each Board meeting and may consult with appropriate members of Senior Management in that regard. Each Director is encouraged to suggest items for inclusion on the agenda.

Whenever practicable, information important to the Board's understanding of the business and of scheduled agenda items is distributed sufficiently in advance of the meeting to give the Directors a reasonable opportunity for review.

Executive Sessions

The Board regularly meets in executive session without members of management.

Board Committees

Delegation of Duties to Committees

It is the general policy of the Board that all major decisions be considered by the Board as a whole. As contemplated by Global Crossing's bye-laws, the Board may delegate certain responsibilities to its committees from time to time.

Number, Structure and Composition of Committees

Currently, the five standing committees of the Board are: Audit, Compensation, Government Security, Nominating and Corporate Governance, and Executive. From time to time, the Board may form new ad hoc or standing committees or disband an existing committee depending upon the circumstances. The membership of the Audit, Compensation, Government Security and Nominating and Corporate Governance Committees consists only of non-employee Directors. The Executive Committee may include members of Senior Management and non-Directors who possess professional experience, expertise or unique insight into Global Crossing deemed valuable by the Board.

Committee Meetings

The Committee Chairman establishes the agenda for Committee meetings and determines their length and frequency, and may consult with appropriate members of Senior Management regarding the agenda. Committee members are encouraged to suggest items for inclusion on the agenda. The Committees report regularly to the Board on their proceedings and deliberations.

Assessing Committee Performance

Each standing Committee evaluates its performance at least annually.

Board Relationship to Senior Management and Others

Management Attendance at Board Meetings

The Board welcomes the attendance at Board meetings of appropriate members of Senior Management, including the Chief Executive Officer, and may invite such members of Senior Management as it considers appropriate.

Board Access to Senior Management and Independent Advisors

The Board has free access to Global Crossing's Senior Management and other employees. The Board and its Committees may consult with independent legal, financial and other professional advisors as deemed necessary and appropriate.

Senior Management Compensation and Succession

All compensation decisions regarding the Chief Executive Officer and all Executive Vice Presidents are made by the Board based on the recommendations of the Compensation Committee, except where legal or regulatory reasons require or make it desirable that the Compensation Committee make such decisions directly. The Board periodically reviews succession planning for the Chief Executive Officer and other Senior Management positions as deemed necessary or desirable by the Board.

As adopted by the Board of Directors on December 15, 2004