

Lance J.M. Steinhart, P.C.
Attorneys At Law
1725 Windward Concourse
Suite 150
Alpharetta, Georgia 30005

Also Admitted in New York
Email: info@telecomcounsel.com

Telephone: (770) 232-9200
Facsimile: (770) 232-9208

November 11, 2021

VIA OVERNIGHT DELIVERY

Executive Secretary
Missouri Public Service Commission
200 Madison Street, Suite 100
Jefferson City, MO 65102

RECEIVED

NOV 12 2021

*Records
Public Service Commission*

Re: Transfer of Control of Network Innovations, Inc.

To Whom It May Concern,

Network Innovations, Inc. (“Network Innovations” or the “Company”) and NI Topco, Inc. (“NI Topco”) or its designee (collectively, the “Parties”) hereby notify the Missouri Public Service Commission (the “Commission”) of the proposed transfer of control of Network Innovations from its current equity holders to NI Topco, Inc. (the “Proposed Transaction”). For the Commission’s records, the Parties provide the following information:

I. THE PARTIES

A. Network Innovations, Inc.

Network Innovations, Inc. is an Illinois corporation located at 350 N. Orleans St., Suite 1300N, Chicago, Illinois 60654. Network Innovations provides fully integrated telecommunications solutions tailored to its customers’ needs. Network Innovations was approved by the Commission to provide interexchange and non-switched local exchange (Case No. XA-2009-0114) on November 17, 2008. The Company also currently provides interstate telecommunications services as a competitive carrier pursuant to blanket Section 214 authority granted pursuant to Section 63.01 of the Federal Communications Commission’s Rules. Additional information about Network Innovations, including executive summaries, can be found on its website at www.nitelusa.com.

B. NI Topco, Inc.

NI Topco, Inc. is a Delaware corporation that was formed for purpose of the Proposed Transaction and currently has no operations. NI Topco, through its affiliates, has considerable financial resources that will be available, as needed, to support Network Innovations in its operations and continuing growth. NI Topco is ultimately owned by investment funds affiliated with Cinven Capital Management (VII) General Partner Limited. Cinven¹ is a leading international private equity firm, founded in 1977. It has offices in London, Frankfurt, Guernsey, Luxembourg, Madrid, Milan, New York and Paris. Funds managed by Cinven acquire companies that will benefit from Cinven's expertise of growing and building companies globally and require an equity investment of typically €200 million or more. Cinven focuses on six business sectors, including Technology and Telecommunications. Additional information about Cinven, including executive summaries, can be found on its website at www.cinven.com.

II. DESIGNATED CONTACT

Questions, correspondence or other communications concerning this notice should be directed to:

Lance J.M. Steinhart, Esq.
Managing Attorney
Lance J.M. Steinhart, P.C.
1725 Windward Concourse, Suite 150
Alpharetta, Georgia 30005
(770) 232-9200 (Phone)
lsteinhart@telecomcounsel.com (E-Mail)

Attorneys for Network Innovations, Inc.

Wayne D. Johnsen
Wiley Rein LLP
1776 K Street, N.W.
Washington, D.C. 20006
(202) 719-7303 (Phone)
wjohnsen@wiley.law (E-Mail)

Attorneys for NI Topco, Inc.

¹ For purposes of this letter, references to "Cinven" means, depending on the context, any of or collectively, Cinven Partnership LLP, Cinven Holdings Guernsey Limited and their respective "associates" (as defined in the UK Companies Act 2006) and/or funds managed or advised by any of the foregoing, excluding, for the avoidance of doubt, any portfolio companies in which such funds have invested and their subsidiary undertakings.

III. DESCRIPTION OF THE TRANSACTION

The Proposed Transaction will be effectuated pursuant to a purchase agreement under which NI Topco or its designee, will acquire 100% of the equity interests of Network Innovations and certain of its affiliated entities by December 31, 2021. In addition, in connection with the Proposed Transaction, Network Innovations will be converted from a corporation into a limited liability company with the name "Network Innovations LLC". The purchase price will be paid in cash and through issuance of equity of a parent company of NI Topco. Pre-transaction and post-transaction corporate organizational charts are attached hereto as Exhibit A.

Network Innovations provides wholesale and/or retail VoIP, private-line, data, internet access, information, and managed network services in Alabama, Alaska, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, District of Columbia, Florida, Georgia, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin and Wyoming. Customers of Network Innovations will continue to be serviced by Network Innovations on substantially the same terms and conditions. The Proposed Transaction will not result in an interruption, reduction, loss or impairment of services to any customer.

IV. PUBLIC INTEREST ANALYSIS

The Parties respectfully submit that the Proposed Transaction described herein will serve the public interest. Network Innovations currently offers a broad range of managed network solutions that feature competitive pricing and high-quality service. The Proposed Transaction will permit Network Innovations to continue to provide superior customer service and customized solutions to existing consumers, as well as new customers in the future, and also to achieve measurable growth at the same time as it develops improved operating efficiencies. The Proposed Transaction will also allow Network Innovations to improve and expand its current offerings due to increased access to capital, technology and other resources.

Since the Buyer is a financial buyer, and not a strategic buyer, there are no immediate plans for changes for the management and performance of day to day operations. Network Innovations customers will not see any immediate change to their services as a result of the Proposed Transaction. Because the Transaction will expand competition and benefit consumers, the Parties submit that the Proposed Transaction is clearly in the public interest.

V. CONCLUSION

The Parties respectfully request that the Commission note the Proposed Transaction for its records.

I have also enclosed an extra copy of this letter to be date stamped and returned to me in the enclosed, self-addressed, postage prepaid envelope. Please contact the undersigned if there are any questions regarding this filing.

Respectfully submitted,

Network Innovations, Inc.

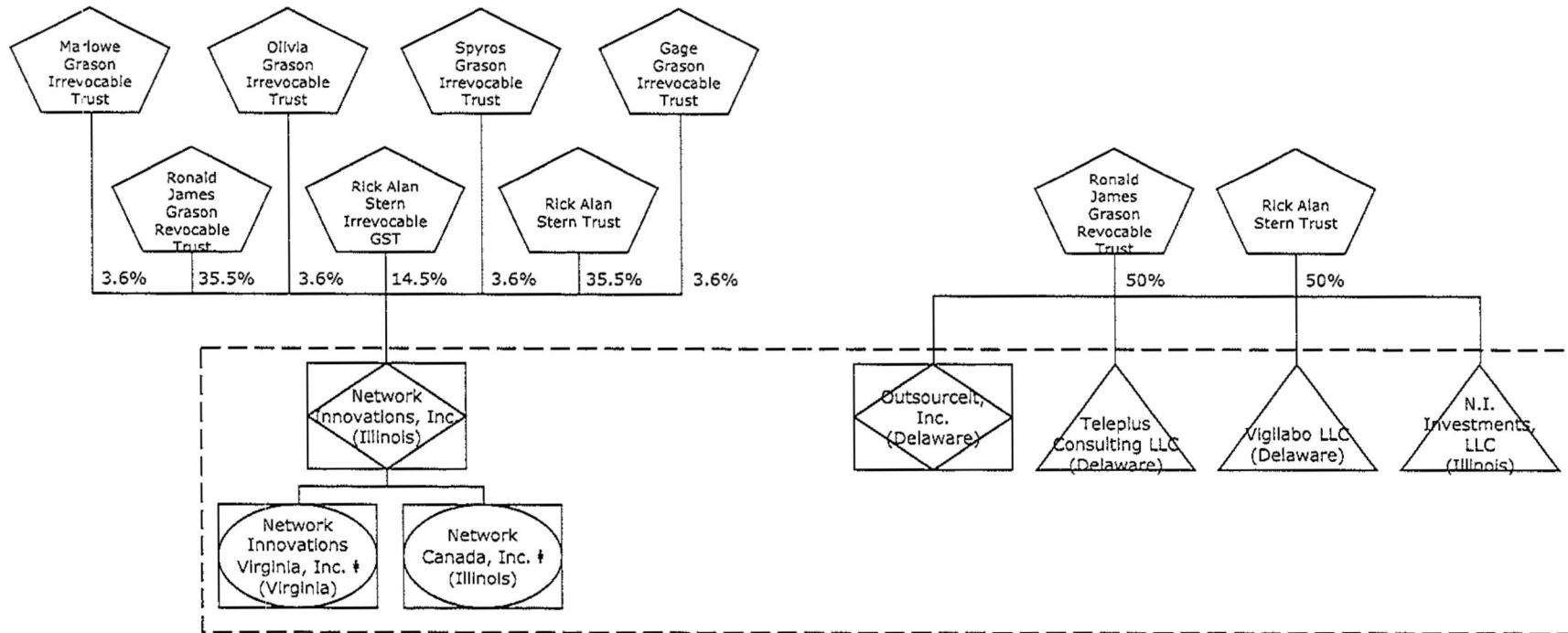


Lance J.M. Steinhart
Managing Attorney
Lance J.M. Steinhart, P.C.
1725 Windward Concourse, Suite 150
Alpharetta, Georgia 30005
Tel: (770) 232-9200
Fax: (770) 232-9208
Email: lsteinhart@telecomcounsel.com

Its Counsel

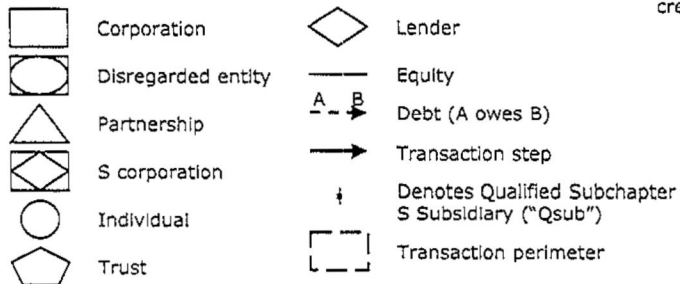
Exhibit A
Organizational Charts

Current legal entity structure



US income tax legend

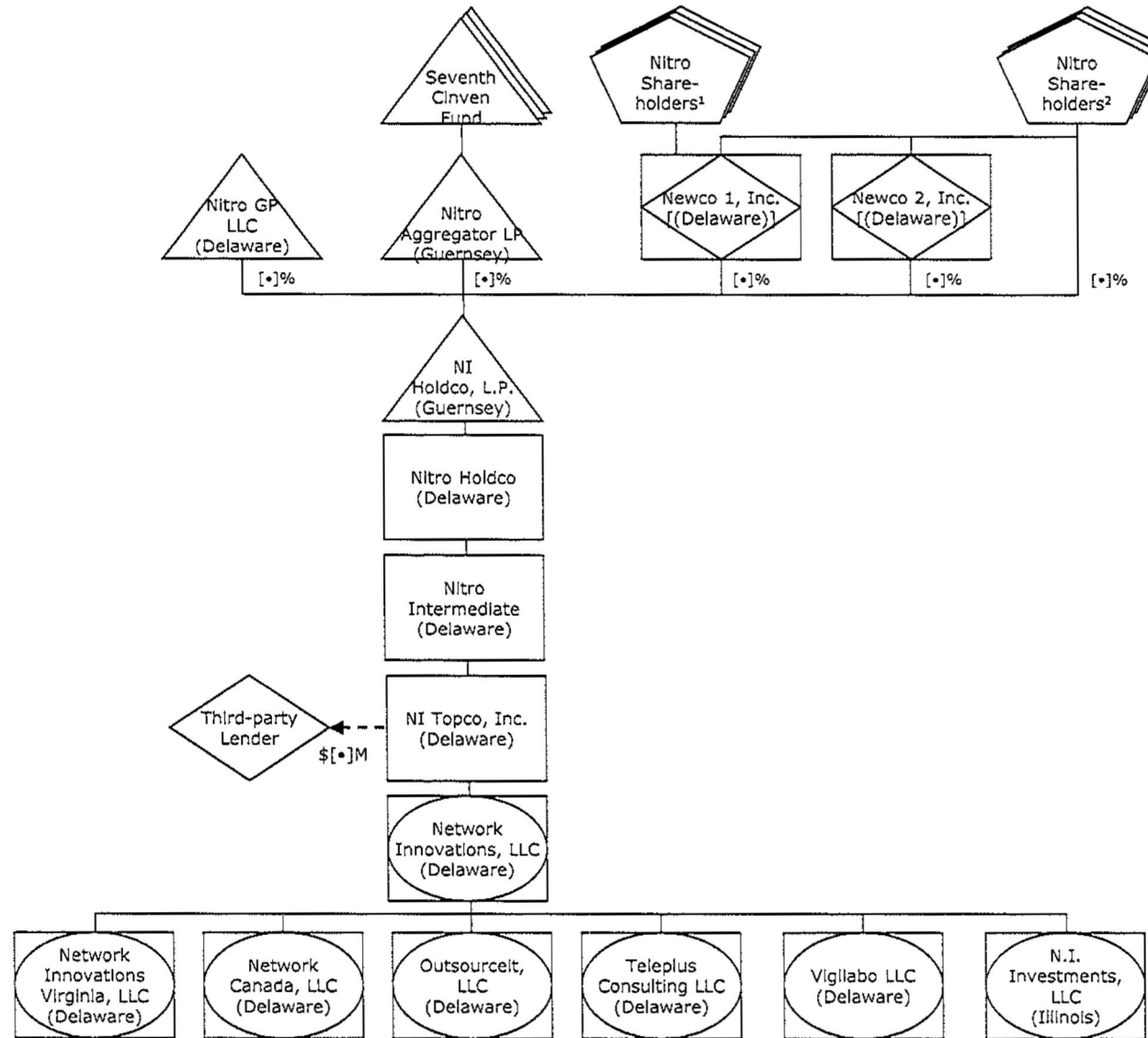
All entities are US and 100% owned, unless indicated otherwise.



Notes

- Source: Nitel Purchase Agreement; Corporate Organization Chart 09.09.2021; Nitel Legal Entity Listing
- We understand the Nitel Innovations, Inc. ("Nitel") (and related parties) does not have any third-party debt outstanding other than a credit line.

Post-closing structure



Footnotes:

1] Shareholders include the Grason children Irrevocable Trusts and Rick Alan Stern Irrevocable GST

2] Shareholders include Ronald James Grason Revocable Trust and Rick Alan Stern Trust