



Jason D. Topp
Assistant General Counsel
(651) 312-5364

October 21, 2021

RECEIVED
10/4/2022
Records
Missouri Public
Service Commission

Jim Busch
Director – Industry Analysis Division
John Van Eschen
Manager – Telecommunications Department
Missouri Public Service Commission
200 Madison Street, PO Box 360
Jefferson City, MO 65102-0360

RE: Undocketed – Notice Regarding the Transfer of Lumen ILECs and CenturyTel
Broadband Services, LLC

Dear Mr. Busch and Mr. Van Eschen:

Connect Holding, LLC (“Connect Holding”), an affiliate of Apollo Global Management, Inc., and Lumen Technologies, Inc. (“Lumen”) notify the Missouri Public Service Commission (the “Commission”) that the parties plan to consummate a transfer of ownership and control of the following Lumen ILEC subsidiaries: CenturyTel of Missouri, LLC d/b/a CenturyLink; CenturyTel of Northwest Arkansas, LLC d/b/a CenturyLink; Embarq Missouri, Inc. d/b/a CenturyLink; and Spectra Communications Group, LLC d/b/a CenturyLink (collectively, the “Acquired ILECs”). Additionally, the parties plan to transfer ownership and control of CenturyTel Broadband Services, LLC (“CTBS”), which is a competitive local exchange and interexchange carrier.

The proposed transaction will involve a change in the ultimate ownership of the Acquired ILECs and CTBS. As a result of the transaction, Connect Holding will acquire the Acquired ILECs and CTBS’s assets, operations, customers, and control of the ETC designations and related RDOF obligations and funding. However, the Acquired ILECs will continue to serve their existing customers in Missouri through their current authorizations under the same rates, terms and conditions. As such, for all practical purposes, the transaction will be transparent to customers other than a simple brand name change.

200 South 5th Street, Room 2200
Minneapolis, MN 55402

www.lumen.com

Connect Holding and Lumen understand that Commission approval is not required to complete the holding-company level transaction described herein, and no Commission action is requested.¹ The parties provide this Notice as a courtesy to inform the Commission about the proposed transaction and for the Commission's record keeping purposes. The parties intend to close the proposed transaction by mid-2022.

DESCRIPTION OF THE PARTIES

A. Connect Holding, LLC

Connect Holding, the transferee, is a Delaware limited liability company with its headquarters at 1 Manhattanville Road, Suite 201, Purchase, New York 10577. Connect Holding is an affiliate of Apollo Global Management, Inc. ("AGM"), a Delaware corporation, and a subsidiary of Connect Parent Corporation, a Delaware corporation that is in turn controlled by AP IX Connect Holdings, L.P., a Delaware limited partnership. Connect Holding, Connect Parent, and AP IX Connect Holdings are each holding companies created for the purposes of facilitating the proposed transaction, and each of these entities is ultimately controlled by Apollo Investment Fund IX, L.P., a Delaware limited partnership that is affiliated with AGM.

Founded in 1990, AGM is a publicly traded U.S. company and one of the largest alternative asset managers in the world, with over 1,000 employees, managing money for some of the largest endowments, educational institutions, and pension funds in the country. As of March 31, 2021, AGM managed \$461 billion in credit, private equity, and real assets funds. The principals of AGM and its subsidiaries (collectively, "Apollo") manage various funds, including the funds involved in this transaction, and provide strategic and financing advice to the Apollo funds' portfolio companies.

Apollo is an experienced investor in regulated communications companies. Apollo and its managed investment funds have a long, proven track record of successful investments in communications and technology companies stretching back nearly 15 years, including CableCom, Unitymedia, and Intelsat. Its current communications holdings consist of Intrado Corporation and its various operating subsidiaries, a provider of CLEC-based tandem, VoIP, E911 and related solutions, and international telecommunications services; and Cox Media Group, which owns and operates television and radio stations in 20 markets across the United States.

¹ See, *Application for Approval of the Transfer of Control of New Edge Network, Inc., d/b/a New Edge Networks, to EarthLink, Inc.*, Case No. TM-2006-0307, 2006 Mo. PSC WL 869997 (Feb. 23, 2006); *Merger of SBC Communications, Inc. and Ameritech Corp.*, Case No. TM-99-76, 1998 Mo. PSC WL 996180 (October 20, 1998); *Application of D2R2, Inc., for Authority to Acquire all of the Outstanding Stock of ExOp of Missouri, Inc.*, Case No. LM-2004-0063, 2003 Mo. PSC WL 22183885 (September 18, 2003); *Joint Application of Zenex Long Distance, Inc. Prestige Investments, Inc., Shareholders of Prestige Investments, Inc. and Lone Wolf Energy, Inc. for Approval of Merger and Acquisition of Prestige Investments, Inc.*, Case No. TM-2000-725, 2000 Mo. PSC LEXIS 910 (July 10, 2000).

B. Lumen, the Acquired ILECs and CTBS

Lumen is a publicly traded Louisiana corporation with its headquarters at 100 CenturyLink Drive, Monroe, Louisiana, with its common stock traded in the New York Stock Exchange under the symbol “LUMN.” Formerly known as CenturyLink, Inc., Lumen is an international facilities-based technology and communications company focused on providing business and residential customers with a broad array of integrated services and solutions necessary to fully participate in our rapidly evolving digital world. Through its various operating subsidiaries, Lumen provides broadband, voice and other services including IP and Data Services (VPN, Ethernet, IP and Content Delivery Networks), Transport and Infrastructure (Wavelength, Dark Fiber, Private Line, Colocation and Data Center Services, and Professional Services), Voice and Collaboration Services (Voice, VoIP), and IT and Managed Services. Lumen operates as a CLEC in all 50 states and as an ILEC in 37 states. In addition, Lumen currently serves customers in more than 60 countries around the globe.

Lumen does not offer services in Missouri and is not certificated by the Commission. Lumen is the ultimate parent of various Missouri operating subsidiaries as listed in the table below.

Broadwing Communications, LLC	CLEC and IXC	Remain with Lumen
CenturyLink Communications, LLC	CLEC and IXC	Remain with Lumen
CenturyTel Broadband Services, LLC d/b/a CenturyLink Broadband	CLEC and IXC	Transfer to Connect Holding
CenturyTel of Missouri, LLC d/b/a CenturyLink	ILEC	Transfer to Connect Holding
CenturyTel of Northwest Arkansas, LLC d/b/a CenturyLink	ILEC	Transfer to Connect Holding
Global Crossing Local Services, Inc.	CLEC	Remain with Lumen
Global Crossing Telecommunications, Inc.	IXC	Remain with Lumen
Embarq Missouri, Inc. d/b/a CenturyLink	ILEC	Transfer to Connect Holding
Level 3 Communications, LLC	CLEC and IXC	Remain with Lumen
Level 3 Telecom of Kansas City, LLC	CLEC and IXC	Remain with Lumen
Q Fiber, LLC	VOIP	Remain with Lumen
Spectra Communications Group, LLC d/b/a CenturyLink	ILEC	Transfer to Connect Holding
TelCove Operations, LLC	CLEC and IXC	Remain with Lumen
WilTel Communications, LLC	IXC	Remain with Lumen

As indicated in the above table, the proposed transaction only involves the Acquired ILECs and CTBS. All other entities will remain with Lumen.

DESCRIPTION OF THE TRANSACTION

On August 4, 2021, Apollo and Lumen entered into a Purchase Agreement² under which Apollo, through Connect Holding, will acquire all of the issued and outstanding equity interests in Lumen's ILEC subsidiaries and CTBS in 20 states ("Acquired Companies"),³ including Missouri, for a purchase price of \$7.5 billion. As a result of the transaction, Apollo will acquire the Acquired Companies' assets, operations, and customers, including: local fiber and copper networks (including connectivity to enabled buildings), broadband and voice customers (consumer, enterprise, and wholesale), connectivity to tower sites, central offices, and the operations and back-office support to meet the accelerating demand for high-bandwidth connectivity and fiber technology. The proposed transaction will also involve the transfer of control of the acquired companies' ETC designations and their related Rural Digital Opportunity Fund obligations and funding, subject to any necessary regulatory approvals.

In connection with the Purchase Agreement, Apollo has created Connect Holding, Connect Parent, and AP IX Connect Holdings. Under the terms of the agreement, Lumen will convey its equity interests in the acquired companies to Connect Holding. Lumen will retain its ILEC assets in 17 other states in its footprint, as well as its national fiber routes and CLEC networks. Lumen will continue to provide interexchange and CLEC service in the 20 states where its ILEC interests are being transferred to Connect Holding.

At present, the Acquired ILEC customers that also purchase international and domestic interexchange services from Lumen receive such services from a separate Lumen affiliate. Following closing, under the terms of the parties' agreement, CTBS will obtain international and domestic interexchange services from Lumen for resale to those Acquired ILEC customers.⁴

For the Commission's reference, pre- and post-Transaction organization charts are provided as Exhibit A. The charts demonstrate the indirect transfer of control of the Acquired Companies, with unregulated and non-Missouri jurisdictional entities removed except those intermediate non-carrier holding companies between the acquired companies and the ultimate parent.

² A copy of the Purchase Agreement can be accessed here:
<https://www.sec.gov/Archives/edgar/data/18926/000119312521236295/d151732dex21.htm>.

³ Alabama, Arkansas, Georgia, Illinois, Indiana, Kansas, Louisiana, Michigan, Mississippi, Missouri, New Jersey, North Carolina, Ohio, Oklahoma, Pennsylvania, South Carolina, Tennessee, Texas, Virginia, and Wisconsin.

⁴ The customer contracts will be assigned to CTBS prior to close.

CONTACT INFORMATION

For the purposes of this Notice, contacts for the Parties are as follows:

For Lumen	For Connect Holding
<p>Jason Topp Lumen Assistant General Counsel 200 S 5th St. Minneapolis, MN 55402 Tel: (651) 312-5364 Jason.topp@lumen.com</p> <p>Ted M. Hankins Lumen State Government & Regulatory Affairs Director 100 CenturyLink Drive Monroe, LA 71203 Tel.: (318) 388-9416 Ted.hankins@lumen.com</p>	<p>Howard J. Symons John L. Flynn Jenner & Block LLP 1099 New York Avenue, NW, Suite 900 Washington, D.C. 20001-4412 Tel.: (202) 639-6000 Fax: (202) 639-6066 hsymons@jenner.com</p>

Should you have any questions concerning this matter, please do not hesitate to contact me.

Very truly yours,

/s/ Jason D. Topp

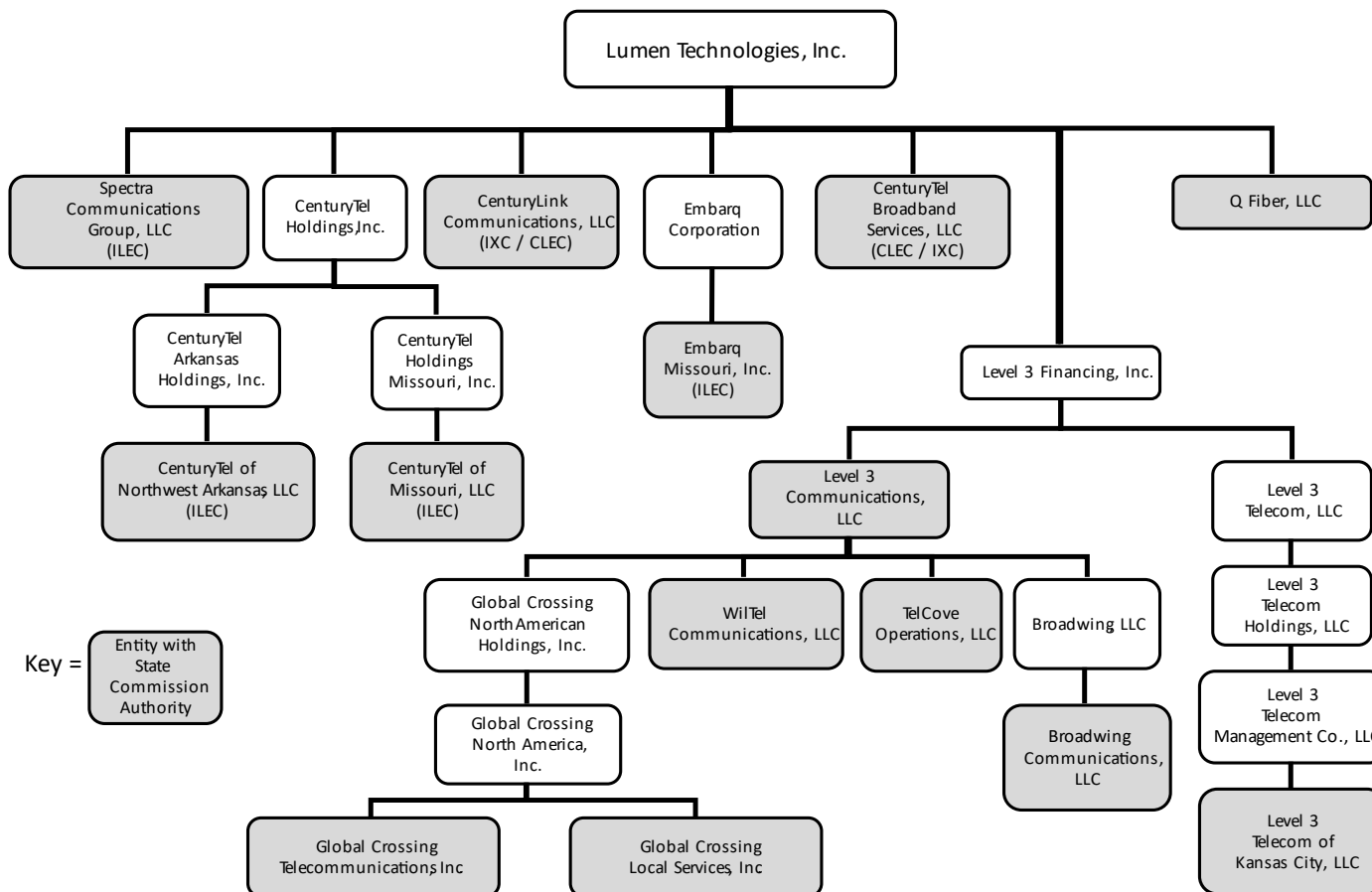
Jason D. Topp

JDT/bardm

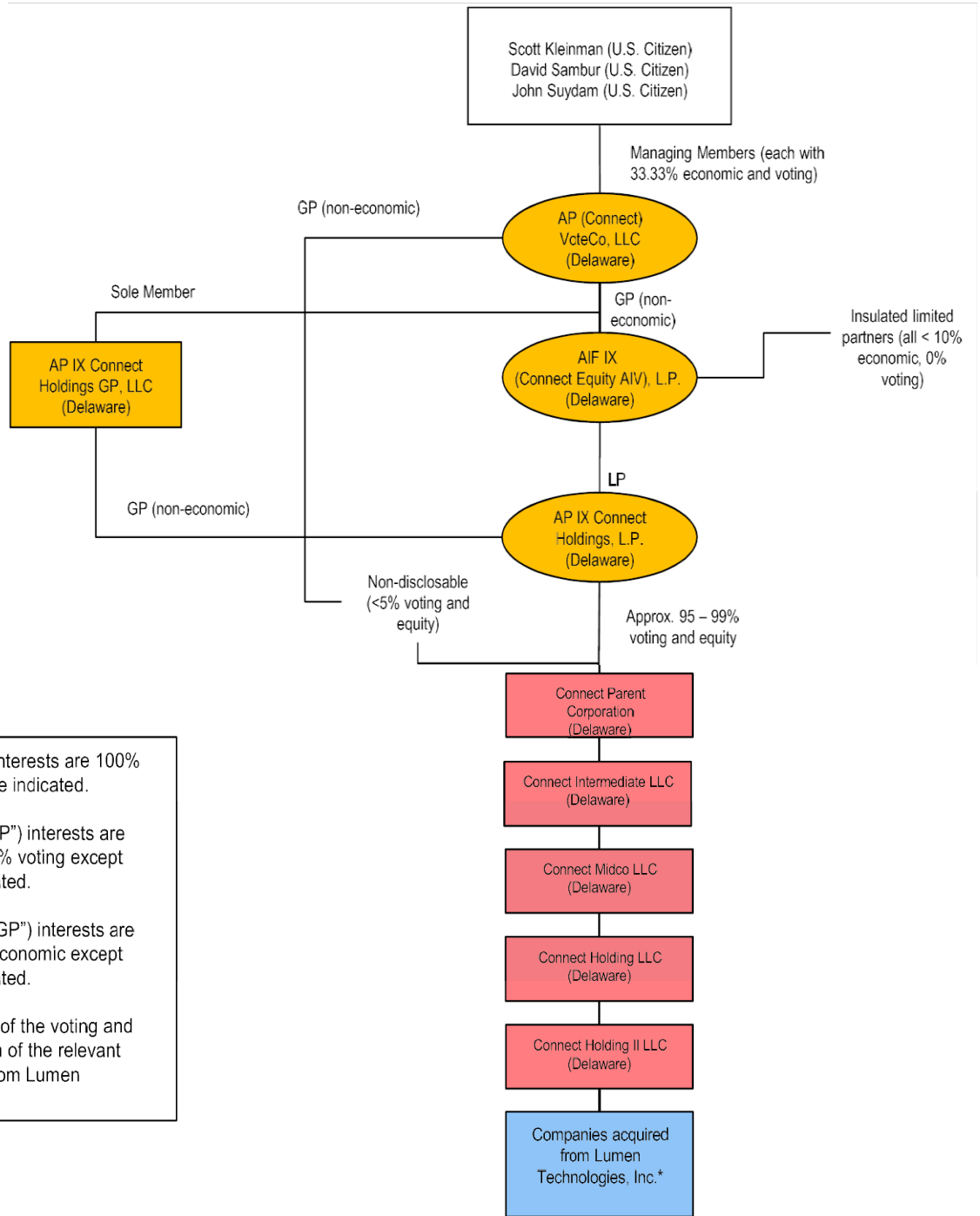
EXHIBIT A

Lumen Technologies, Inc.

Missouri Pre-Transaction Corporate Structure



Connect Holding Post Transaction Corporate Structure



Voting and economic interests are 100% except where otherwise indicated.

Limited partnership ("LP") interests are 100% economic and 0% voting except where otherwise indicated.

General partnership ("GP") interests are 100% voting and 0% economic except where otherwise indicated.

*Apollo will hold 100% of the voting and equity interests in each of the relevant companies acquired from Lumen Technologies, Inc.