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March 28, 2014

Kentucky Public Service Commission
211 Sower Blvd.
Frankfort, KY 40602-0615

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PUBLIC SERVICE
COMMISSION

RE: Notice of Transfer of Control of ALEC, LLC

Dear Sir or Madam:

I am writing on behalf of ALEC, LLC ("ALEC"), a competitive local exchange carrier authorized to provide telecommunications services in Kentucky pursuant to the Commission's Order in Case No. 97-260 (Aug. 6, 1997) and ALEC's new corporate parent, MBS Holdings, Inc. ("MBS"). On March 10, 2014 MBS acquired all of the equity of IBBS Holdings, LLC ("Holdings"), the ultimate corporate parent of ALEC. ALEC is now a subsidiary of MBS. ALEC's direct ownership remains unchanged, however, and the company will continue to provide services at the same rates, terms and conditions as it has previously. Additional information about the transaction is provided below.

Description of the Parties

ALEC is a Kentucky limited liability company with its principal place of business at 250 W. Main St., Suite 1920, Lexington, KY 40507. Prior to the transaction, ALEC was a wholly owned subsidiary (through several intermediaries) of Holdings. Holdings' operating subsidiary, Integrated Broadband Services, LLC ("IBBS"), is a provider of operational support software, back office support services, and wholesale voice over Internet protocol ("VoIP") solutions deployed by cable and broadband operators nationally. IBBS is a Georgia limited liability company with its principal place of business at 200 Chastain Center Blvd, Suite 200, Kennesaw, GA 30144. IBBS utilizes the telecommunications services provided by ALEC as an input to the services it provides its customers. A pre-transactional organizational chart is attached hereto as Exhibit 1.

MBS is a Delaware corporation with its principal place of business at 880 Montclair Rd, Suite 400, Birmingham, Alabama 35242. Through its operating affiliates, MBS provides wholesale VoIP solutions to residential and business customers of cable operators and municipalities, and is also a provider of residential, small business, and enterprise VoIP services, broadband monitoring, provisioning, and managed support services.

Description of the Transaction

On March 10, 2014, Pursuant to a Membership Interest Purchase Agreement executed on December 30, 2013, MBS and Holdings closed on a transaction in which, among other things,

MBS, through a wholly-owned subsidiary, acquired Holdings. A post-transaction organization chart showing the relationship between the companies is attached as Exhibit 2. As a result of the transaction, ALEC became an indirect, wholly-owned subsidiary of MBS. As Exhibit 2 reflects, however, ALEC's immediate corporate ownership remained unchanged.¹ Indeed, ALEC will continue to operate as ALEC, offering the same services at the same rates, terms and conditions as it does currently. There are currently no plans to merge ALEC into MBS's local exchange carrier affiliate (Momentum Telecom, Inc.). Accordingly, the transaction will be, and has been, seamless and transparent to ALEC's customers, who will continue to receive uninterrupted service from ALEC.

MBS's strategic acquisition of IBBS and its ALEC affiliate will enhance both companies' business strategy and position in a highly competitive market and will strengthen their ability to compete against other well-established and well-financed competitors. Accordingly, the proposed transaction is in the public interest.

In connection with this transaction, the parties filed an application for a domestic Section 214 License Transfer with the Federal Communications Commission, which was approved by the FCC on February 15, 2014. WC Docket No. 14-5.

* * * * *

Should you have any questions about this matter, please do not hesitate to contact me at (202) 973-4227 or via email at michaelsloan@dwt.com.

Very truly yours,



Michael C. Sloan
Counsel for ALEC, LLC

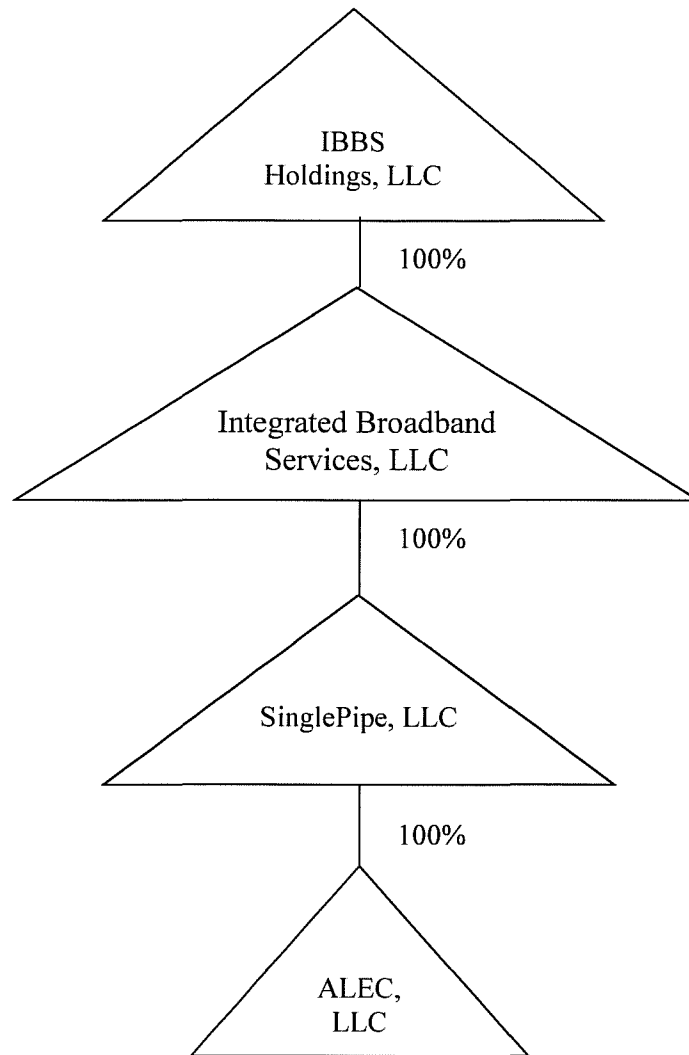
¹ As Exhibits 1 and 2 reflect, both before and after the transaction, ALEC was, and remains, 100 percent owned by SinglePipe, LLC which was, and remains, 100 percent owned by IBBS. That ownership structure remains unchanged.

LIST OF EXHIBITS

- | | |
|-----------|---------------------------------------|
| Exhibit 1 | Pre-Transaction Organizational Chart |
| Exhibit 2 | Post-Transaction Organizational Chart |

EXHIBIT 1

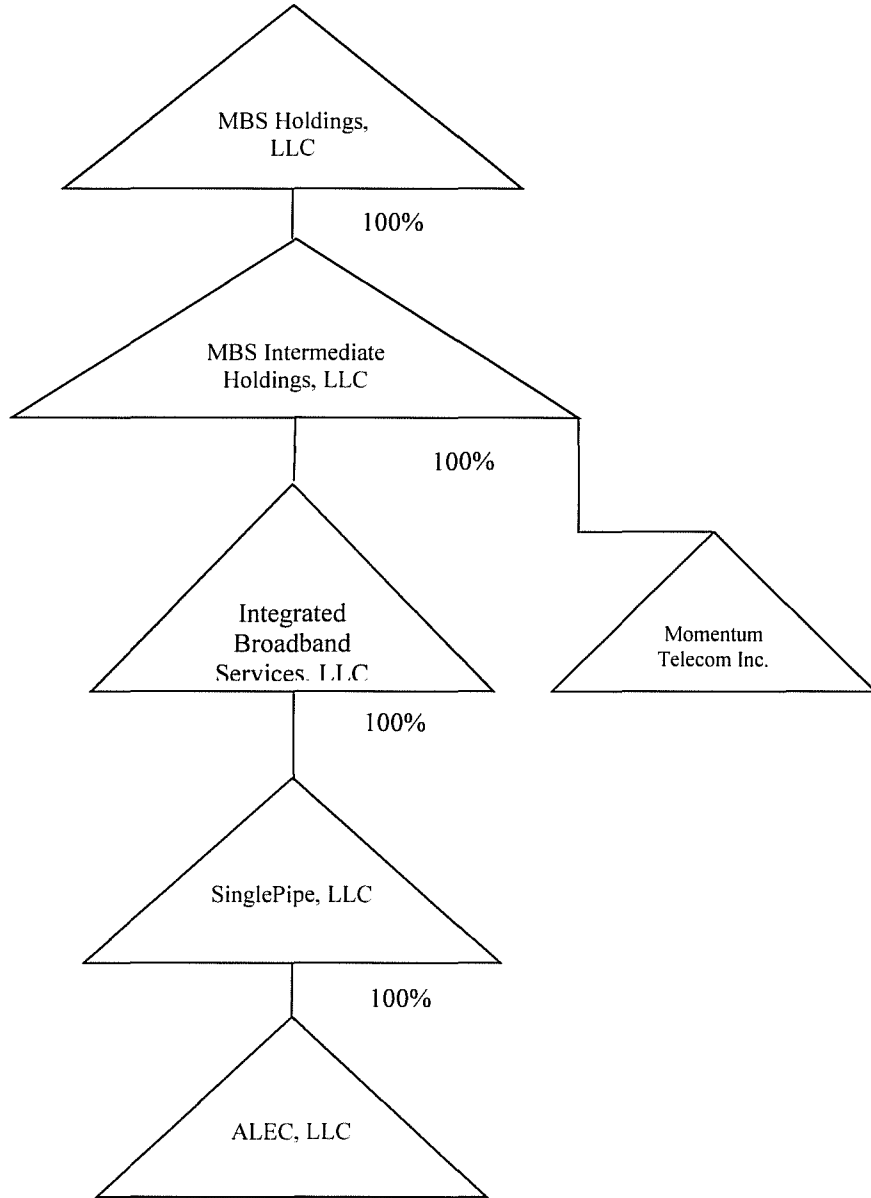
Pre-Transfer Organizational Chart



Affiliates and subsidiaries not relevant to the TRA's review of the transaction are omitted from this chart.

EXHIBIT 2

Post-Transfer Organizational Chart



Affiliates and subsidiaries not relevant to the TRA's review of the transaction are omitted from this chart.