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By Overnight Mail

December 16, 2022

Linda Bridwell
Executive Director
Kentucky Public Service Commission
P.O. Box 615
211 Sower Boulevard
Frankfort, KY 40602

RECEIVED

DEC 19 2022

PUBLIC SERVICE
COMMISSION

Re: Notice of Change of Control of Spectrotel of the South, LLC

Dear Ms. Bridwell:

Spectrotel, Inc. ("Spectrotel" or "Transferor") and Spectrotel Ultimate Holdings, LLC ("Spectrotel Ultimate" or "Transferee," and, together with Spectrotel, the "Parties"), hereby notify the Kentucky Public Service Commission ("PSC") of a transaction (the "Transaction") that will result in a change of the ultimate control of Spectrotel of the South, LLC ("Spectrotel of the South" or "Licensee").

The Transaction will not cause any change in the direct ownership or legal structure of Spectrotel of the South, nor will it affect the company's daily management or operations. Further, Spectrotel of the South will continue to provide high-quality communications services to its customers without interruption, and there are no plans to discontinue any service or to implement any changes in rates, terms, or conditions in connection with the Transaction. The transfer of control thus will be transparent to Spectrotel of the South's customer base.

In furtherance of this notice, the Parties provide the following information:

I. THE PARTIES

A. Spectrotel, Inc. and Spectrotel of the South, LLC

Transferor Spectrotel, Inc. is a Delaware corporation that maintains its headquarters at 3535 Route 66, Suite 7, Neptune, New Jersey 07753. Licensee Spectrotel of the South, LLC, a Delaware limited liability company and an indirect, majority-owned subsidiary of Spectrotel, maintains its headquarters at the same address. Spectrotel provides, including through Spectrotel of the South and various other subsidiaries, resold voice and IP-based data services to small and medium-sized businesses and enterprise customers across the United States. Spectrotel of the South is authorized by the Kentucky PSC to operate as a competitive local

exchange carrier (Utility ID No. 5053940), long-distance carrier (Utility ID No. 5179470), and cellular provider (Utility ID No. 4110150).

B. Spectrotel Ultimate Holdings, LLC

Transferee Spectrotel Ultimate Holdings, LLC is a limited liability company organized under the laws of the state of Delaware that maintains its headquarters at 1900 K Street NW, Suite 650, Washington, DC 20006. Spectrotel Ultimate is managed by Grain Management, LLC (“Grain Management”), which invests in and manages communications businesses in North America and South America. Grain Management’s private equity funds focus on investing in communications infrastructure and services, including fiber, towers, spectrum, small cells, satellites, and other telecommunications services. Collectively, Grain Management’s investment team has over 100 years of experience as industry operators and private equity professionals. Its founder and Chief Executive Officer, David Grain, has over 25 years of experience in industry and 15 years in private equity. Among other positions that he held prior to founding Grain Management, Mr. Grain served from 2002 to 2006 as President of Global Signal, Inc., the largest communication tower owner/operator at the time. Mr. Grain also has served as Senior Vice President of AT&T Broadband’s New England Region.

II. DESIGNATED CONTACTS

The designated contacts for all correspondence, notices, inquiries, and orders in relation to this notice are:

For Spectrotel, Inc. and Spectrotel of the South, LLC For Spectrotel Ultimate Holdings, LLC

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III. DESCRIPTION OF THE TRANSACTION

Pursuant to an Equity Purchase Agreement (“Agreement”) dated October 4, 2022, Transferee Spectrotel Ultimate will indirectly purchase all of the outstanding equity interests in Spectrotel, thereby acquiring indirect ownership and control of Spectrotel of the South. As part of the Transaction, Spectrotel will convert from a corporation to a limited liability company prior to closing.

Exhibit A and Exhibit B include pre- and post-Transaction organizational charts detailing the existing and proposed ownership structure of Spectrotel of the South.

IV. PUBLIC INTEREST CONSIDERATIONS

The Transaction will promote the public interest for multiple reasons.

First, the Transaction will provide Spectrotel of the South access to additional capital, enabling the company to continue to provide high-quality and innovative communications solutions to its customers, none of which will suffer any loss or impairment of service as a result of the Transaction. Moreover, following closing, Spectrotel of the South will enjoy access to financial resources that will allow the company to enhance and expand its service offerings. The Transaction thus will permit Spectrotel of the South to compete more effectively in the communications marketplace.

Second, the extensive managerial resources and expertise of Grain Management will supplement those of Spectrotel of the South's highly experienced and well-qualified management, technical, and operational teams, which—led by Ross Artale, Spectrotel's COO who is transitioning to the role of CEO—will continue to oversee the company's day-to-day operations following consummation of the Transaction. The decades of experience of these combined Grain Management and Spectrotel of the South teams will ensure that the company is able to continue providing high-quality communications services to its customers following the Transaction.

Third, while the Transaction will augment Spectrotel of the South's capabilities, it will not have any adverse effect on competition in any product or geographic market. Notably, the Transaction will not eliminate any telecommunications service provider, as neither Transferee nor Grain Management provide communications services. Moreover, as a pure reseller of services provided by carriers such as Verizon and AT&T, Spectrotel of the South necessarily competes with those nationwide carriers, among countless other, much larger resellers and facilities-based providers. By the same token, Spectrotel of the South's status as a reseller means that it cannot exert control over facilities to the detriment of competitors. Accordingly, the Transaction will not result in any competitive harms or negatively impact the company's customers. To the contrary, by enabling Spectrotel of the South to enhance and expand its service offerings and thereby compete more effectively with other service providers, the Transaction will enhance competition in the communications marketplace.

Fourth, the Transaction will be seamless for Spectrotel of the South's customers. In particular, the company will continue to provide the same high-quality and innovative communications solutions to its customers that they receive today, and Spectrotel of the South has no plans to discontinue any services or modify the rates or other terms and conditions for any services as a result of the Transaction.

* * *

An original and four (4) copies of this letter are enclosed for filing. Please date-stamp and return the extra copy in the envelope provided. Should you have any questions, please contact the undersigned.

December 16, 2022

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Respectfully submitted,

/s/ Matthew A. Brill

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EXHIBIT A

Pre-Transaction Corporate Ownership Chart

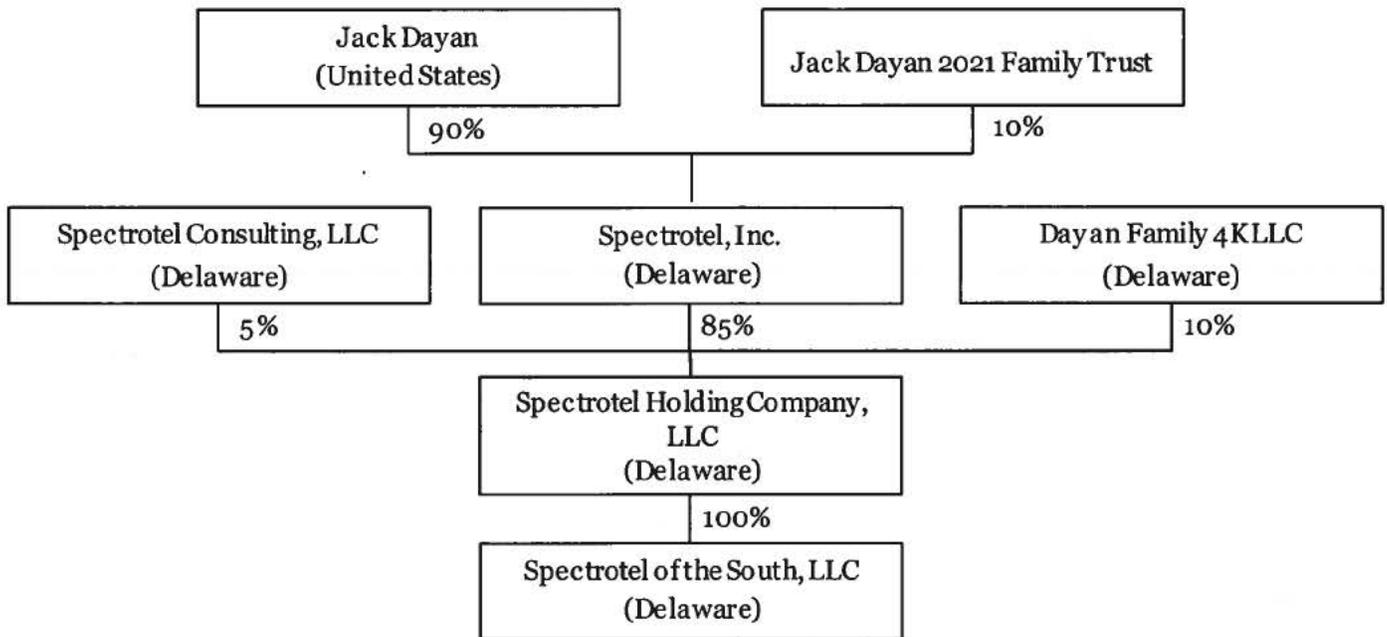
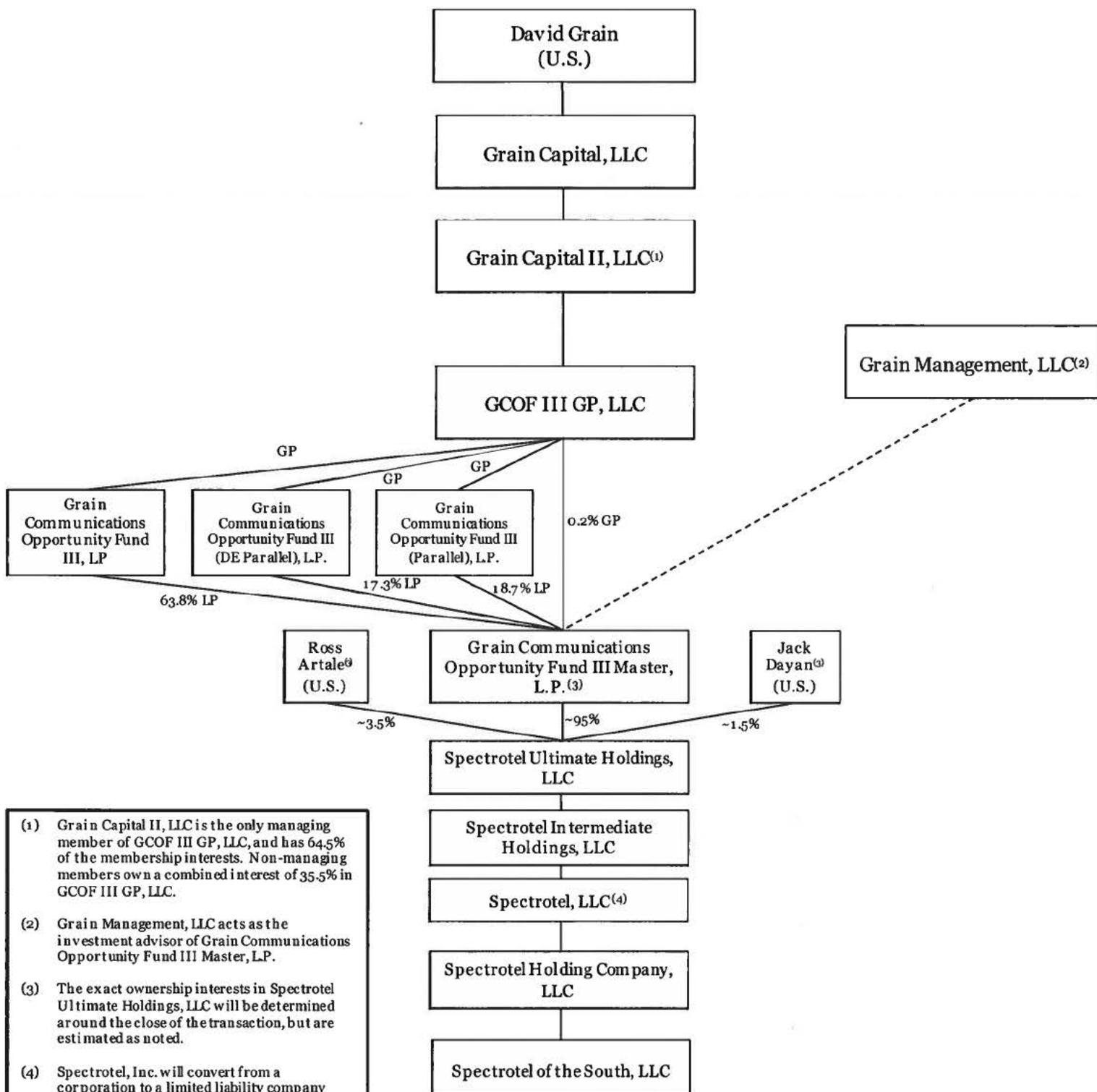


EXHIBIT B

Post-Transaction Corporate Ownership Chart



(1) Grain Capital II, LLC is the only managing member of GCOF III GP, LLC, and has 64.5% of the membership interests. Non-managing members own a combined interest of 35.5% in GCOF III GP, LLC.

(2) Grain Management, LLC acts as the investment advisor of Grain Communications Opportunity Fund III Master, L.P.

(3) The exact ownership interests in Spectrotel Ultimate Holdings, LLC will be determined around the close of the transaction, but are estimated as noted.

(4) Spectrotel, Inc. will convert from a corporation to a limited liability company prior to closing.

(5) All ownership percentages 100% unless otherwise noted.

GP participation is non-economic unless otherwise noted.