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PUBLIC SERVICE
COMMISSION

June 17, 2022

Via Federal Express

Linda C. Bridwell
Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, KY 40602-8294

**RE: Notification of Transaction Involving Transfer of Indirect Control of IPC
Network Services, Inc.**

Dear Director Bridwell:

CCP II Finco, LLC (“CCP II Finco” or “Transferor”), Hummingbird Circle, LLC (“Hummingbird Circle” or “Transferee”), a special purpose acquisition vehicle controlled by certain funds and accounts managed by Strategic Value Partners, LLC (“SVP”), and IPC Corp. hereby respectfully notify the Kentucky Public Service Commission (“Commission”) of a transaction resulting in the transfer of indirect control of IPC Network Services, Inc. (“IPC Network Services” or “Licensee”).

Pursuant to the Orders issued in Admin. Case No. 359 on June 21, 1996 and Admin. Case No. 370 on January 8, 1998 and 807 KAR 5:011, Section 11, prior action by the Commission is not required for the transaction described herein. Accordingly, the Parties submit this letter for informational purposes.

Description of the Parties

IPC Corp. and IPC Network Services

IPC Corp. is a Delaware corporation with its principal place of business located at 3 Second Street, 15th Floor, Jersey City, New Jersey 07311. IPC Network Services is a New York corporation and subsidiary of IPC Corp., sharing the same headquarters address as IPC Corp. IPC Network Services, together with parent company IPC Corp. and affiliates (collectively, “IPC” or the “IPC Companies”) primarily provide specialized technology solutions and associated maintenance to financial institutions and global enterprises. As a component of these services, IPC Network Services provides certain resold point-to-point private line or IP-based point-to-point connectivity to its enterprise customers. IPC Network Services does not serve any residential customers.

CCP II Finco

CCP II Finco is a Delaware limited liability company with its principal place of business located at 345 Park Avenue, 12th Floor, New York, New York 10152. CCP II Finco is affiliated with Centerbridge Partners, L.P., an investment management firm employing a flexible approach across investment disciplines – private equity, private credit, and real estate focused – whose

portfolio of companies include several technology industry leaders. More information regarding Centerbridge Partners, L.P., can be found on its website: <https://www.centerbridge.com/our-firm/>.

CCP II Finco is currently the majority equity holder of IPC Parent Holdings LLC (“IPC LLC”), holding approximately 53 percent of the voting and economic interest in IPC LLC and indirect control of the IPC Companies. Following the transaction’s close, CCP II Finco’s voting and economic interest in IPC LLC will be reduced to 40 percent. CCP II Finco does not provide telecommunications services.

Hummingbird Circle

Hummingbird Circle is a Delaware limited liability company with its principal place of business located at 100 West Putnam Avenue, Greenwich, Connecticut 06830. Hummingbird Circle has been established as a special purpose acquisition vehicle for purposes of the transaction. At closing, Hummingbird Circle will be controlled by certain funds and accounts managed by SVP. Operating as a global investment firm, SVP focuses on distressed debt and private equity opportunities globally, with a particular emphasis on the United States and European markets. It currently has over \$18 billion in assets under management and 127 employees operating out of offices in the United States, Europe, and Asia.

Currently, Hummingbird Circle holds an approximate 47 percent voting and economic interest in IPC LLC. Following the transaction’s close, Hummingbird Circle will hold a 60 percent voting and economic interest in IPC LLC and will indirectly control the IPC Companies. Neither Hummingbird Circle, the funds owning Hummingbird Circle, SVP, nor SVP’s portfolio of companies provide telecommunications services. More information regarding SVP can be found on its website: <https://www.svpglobal.com/firm-overview/>.

Designated Contacts

*For IPC Corp. and
IPC Network Services:*

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Description of the Transaction

The parties' transaction involves a restructuring at the holding company level, above the Licensee. To address significant financial obligations maturing against IPC, CCP II Finco and Hummingbird Circle are parties to a restructuring agreement that will result in Hummingbird Circle obtaining a 60 percent controlling interest in IPC LLC, the indirect parent of IPC Corp. and IPC Network Services, which will in turn provide Hummingbird Circle with indirect control of IPC Network Services. Following consummation of the transaction, CCP II Finco and Hummingbird Circle will continue to jointly hold 100 percent of the equity of IPC LLC, and Hummingbird Circle will become the new majority equity holder of IPC LLC, holding 60 percent of the equity. CCP II Finco will hold the remaining 40 percent. For the Commission's reference, diagrams depicting the pre- and post-closing ownership structure of Licensee are provided in **Attachment A**.

The parties' restructuring agreement is designed to unfold in two stages. The first stage, a *pro forma* transaction completed on October 1, 2021, resulted in the refinancing of first lien debt held by IPC, the injection of \$125 million of new capital into IPC, the conversion of IPC's existing second lien debt into reorganized equity, and the issuance of a convertible note (the "Note") to Hummingbird Circle. This *pro forma* transaction did not result in a change of control given that, as a result of the first stage, CCP II Finco maintained approximately 53 percent of the equity and voting interest in IPC LLC, while Hummingbird Circle acquired only the remaining approximate 47 percent equity and voting interest and the Note. Upon completion of the second

stage, Hummingbird Circle will convert the Note into equity, which, when combined with Hummingbird Circle's current equity, will result in Hummingbird Circle obtaining a 60 percent controlling interest in IPC LLC, which will in turn provide it with indirect control of IPC Network Services.

While the transaction will result in a change in the ultimate control of Licensee IPC Network Services, the transaction will not have any immediate effect on Licensee's operations in Kentucky (or elsewhere), nor will it adversely affect any of the customers who receive services in connection with Licensee's ongoing operations. The transaction is simply a restructuring of the controlling interest holder, meaning that after the transaction's consummation the Licensee's customers will continue to receive the same services under the same rates, terms, and conditions – and under the same IPC brand name – as existed prior to the transaction's close. The Licensee will retain the assets used in the provision of services to its customers. The parties have thus ensured the transaction will have no adverse effect on the Licensee's customers.

The transaction serves the public interest. The transaction injected much needed capital, which is necessary to ensure the continued operations of IPC and the uninterrupted provision of service to the Licensee's existing customers that rely on these services to conduct financial and trading business. Moreover, the transaction will further reduce IPC's outstanding debt obligations. Because of the transaction, IPC will be able to draw on Hummingbird Circle's (and SVP's) deep resources and management expertise, which in turn will create a more financially sound company with increased flexibility and an improved competitive position.

Additionally, having access to SVP's resources (through Hummingbird Circle) will allow the Licensee to expand its associations and increase its marketing potential, thereby bringing the Licensee's services to more customers in the financial services industry and promoting competition in this important market. The transaction will not adversely impact competition or Licensee's current customers as neither Hummingbird Circle, the funds owning Hummingbird Circle, SVP, nor SVP's portfolio of companies are telecommunications providers. The Licensee will continue offering services without change to existing customers, and there will be no loss of a competitive provider in the markets in which the Licensee currently operates.

* * *

Questions regarding this notification may be addressed to the undersigned.

Respectfully submitted,

By: CCP II Finco, LLC

/s/

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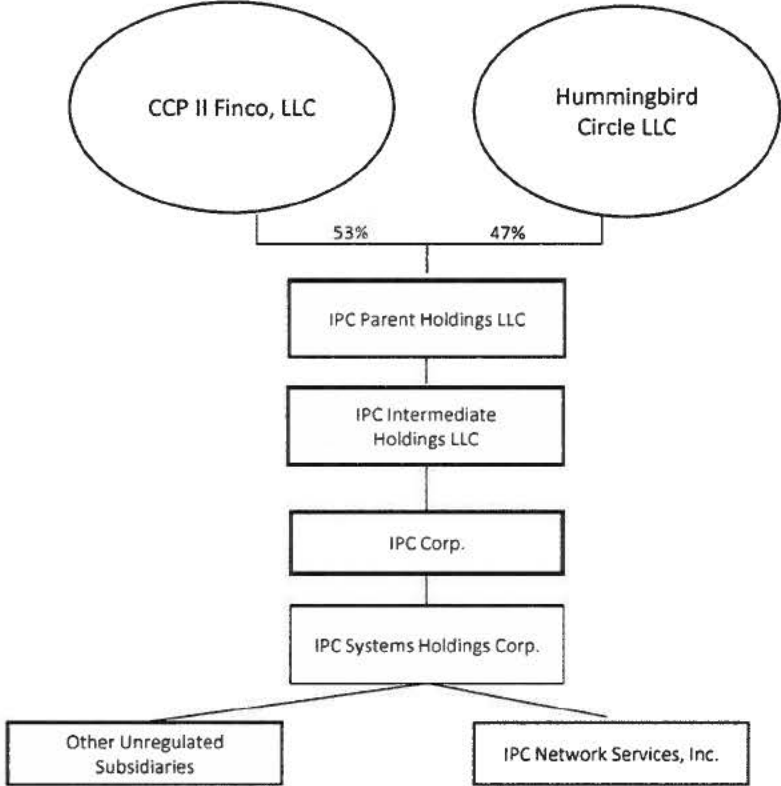
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EXHIBIT A
Current and Post-Transaction Structure

Pre-close Entity Structure Diagram



Post-close Entity Structure Diagram

