



PUBLIC NOTICE

Federal Communications Commission
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DA 17-303
March 30, 2017

**DOMESTIC SECTION 214 APPLICATION FILED FOR THE
TRANSFER OF CONTROL OF LUMOS NETWORKS CORP. TO
MTN INFRASTRUCTURE TOPCO, INC.**

NON-STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 17-60

Comments Due: April 13, 2017
Reply Comments Due: April 20, 2017

By this Public Notice, the Wireline Competition Bureau seeks comments from interested parties on an application filed by Lumos Networks Corp. (Lumos Parent) and MTN Infrastructure TopCo, Inc. (MTN Infrastructure) (collectively, Applicants) pursuant to section 214 of the Communications Act of 1934, as amended, and section 63.03 of the Commission's rules, requesting consent to transfer indirect control of the wholly owned subsidiaries of Lumos Parent to MTN Infrastructure.¹

Lumos Parent, a publicly traded Delaware corporation, through its subsidiaries, provides fiber-based services in Virginia, West Virginia, Maryland, Pennsylvania, Alabama, Georgia, Kentucky, North Carolina, Ohio, South Carolina, and Tennessee. Lumos Parent wholly owns two incumbent local exchange carriers (LECs), Lumos Telephone Inc. and Lumos Telephone of Botetourt Inc., both Virginia corporations, serving approximately 24,299 access lines rural Virginia. In addition, Lumos Parent wholly owns seven competitive LECs operating in several states: FiberNet of Ohio, LLC, an Ohio limited liability company; FiberNet of Virginia, Inc., a Virginia corporation; FiberNet Telecommunications of Pennsylvania, LLC, a Pennsylvania limited liability company; LMK Communications, LLC, a North Carolina limited liability company; Lumos Networks Inc., a Virginia corporation; Lumos Networks LLC, a West Virginia limited liability company; and Lumos Networks of West Virginia Inc., a Virginia corporation.

¹ See 47 U.S.C. § 214; 47 CFR § 63.03. Applicants also filed an application for authority to assign authorizations associated with international services and state that they will file for authorization associated with a receive-only earth station. Joint Application of MTN Infrastructure TopCo, Inc. and Lumos Networks Corp. for Authority Pursuant to Section 214 of the Communications Act of 1934, as Amended, to Transfer Indirect Control of Domestic and International Section 214 Authorization Holders to MTN Infrastructure TopCo, Inc., WC Docket No. 17-60 (filed Mar. 3, 2017) (Application). On March 29, 2017, Applicants filed a supplement to the Application. Letter from Joshua M. Bobeck, Counsel to Applicants, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 17-60 (filed Mar. 29, 2017) (Applicants' Supplement). Any action on this domestic section 214 application is without prejudice to Commission action on other related, pending applications.

MTN Infrastructure, a Delaware corporation, is a holding company created in connection with the proposed transaction to aggregate the ownership of various investment funds ultimately managed by an affiliate of the firm, EQT AB (EQT), a Sweden investment and holding company. Applicants state that, post consummation, a chain of various U.S. and foreign investment entities will own at least a 10 percent or greater interest in Lumos Parent.² They further state that EQT is controlled by EQT Holdings Coöperatief W.A. (EQT Coöperatief), a Netherlands entity that will indirectly own 81 percent of Lumos Parent, and Investor AB, a Swedish entity that will indirectly own 19 percent of Lumos Parent.³ Applicants affirm that MTN Infrastructure does not currently provide telecommunications services. Applicants do not request streamlined treatment for the domestic section 214 application pursuant to section 63.03 of the Commission's rules.⁴

The proposed transaction is a stock purchase in which MTN Infrastructure will acquire all of the outstanding common stock of Lumos Parent.⁵ Applicants state that the combined company will retain the name Lumos Networks Corp. and that Lumos Parent's existing management team and personnel will remain in place. Applicants claim that MTN Infrastructure will maintain and improve the quality of service of the Lumos Parent subsidiaries, all of which will continue to operate pursuant to existing service arrangements, thereby making the transaction transparent to customers.

Domestic Section 214 Application Filed for the Transfer of Control of
Lumos Networks Corp. to MTN Infrastructure Topco, Inc., WC Docket No. 17-60
(filed Mar. 3, 2017).

GENERAL INFORMATION

² Applicants provide a description of each of the U.S. and foreign entities in the chain of ownership that will hold a 10 percent or greater interest in Lumos Parent post-consummation, along with each of their respective citizenships, principal business, and ownership percentages in Lumos Parent. Application at 8-13. Applicants also attach as Exhibit B to their application the pre and post-transaction corporate ownership structure of these relevant entities. Applicants state that if any investment causes an entity or individual not already disclosed to obtain a 10 percent or greater interest in MTN Infrastructure, Applicants will update the information in the Application. *Id.* at 9 and n.7.

³ Applicants describe EQT Coöperatief as a Dutch cooperative and state that no single member owns 10 percent or more of its economic or voting rights. Applicants' Supplement at 3. Applicants note one exception, Conni Yngve Jonsson, a citizen of Sweden who, by voting agreement, indirectly holds 12.97 percent of the voting rights for operational issues of EQT Coöperatief (through 100 percent ownership of a Netherlands holding company, Qarlbo Netherlands B.V.). *Id.* at 3-4. Applicants state the managers of EQT Coöperatief are Victor Alexander de Roo and Martijn van der Schaaf, both citizens of the Netherlands. *Id.* at 4. Applicants describe Investor AB as a broadly held, publicly traded company on the Nasdaq Stockholm stock exchange and state that no single individual or entity owns or controls 50 percent or more of Investor AB. *Id.* at 2. Applicants further state no individual or entity will have a 10 percent or greater interest in EQT or Lumos Parent at the close of the proposed transaction, either by virtue of voting rights or economic interests in Investor AB. *Id.* Applicants also provide the current corporate officers and directors of Investor AB, along with their country of citizenship. *Id.* at 2-3.

⁴ 47 CFR § 63.03.

⁵ Specifically, Applicants state that MTN Infrastructure BidCo, Inc. (Merger Sub), a Delaware corporation, will merge with and into Lumos Parent, whereupon the separate existence of Merger Sub will cease and Lumos Parent will be the surviving corporation.

The transfer of control identified herein has been found, upon initial review, to be acceptable for filing as a non-streamlined application. The Commission reserves the right to return any transfer application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Pursuant to section 63.03(a) of the Commission's rules, 47 CFR § 63.03(a), interested parties may file comments **on or before April 13, 2017**, and reply comments **on or before April 20, 2017**. Pursuant to section 63.52 of the Commission's rules, 47 CFR § 63.52, commenters must serve a copy of comments on the Applicants no later than the above comment filing date.

Pursuant to section 63.03 of the Commission's rules, 47 CFR § 63.03, parties to this proceeding should file any documents in this proceeding using the Commission's Electronic Comment Filing System (ECFS): <http://apps.fcc.gov/ecfs/>.

In addition, e-mail one copy of each pleading to each of the following:

- 1) Myrva Freeman, Competition Policy Division, Wireline Competition Bureau, myrva.freeman@fcc.gov;
- 2) Gregory Kwan, Competition Policy Division, Wireline Competition Bureau, gregory.kwan@fcc.gov;
- 3) Jim Bird, Office of General Counsel, jim.bird@fcc.gov;
- 4) David Krech, International Bureau, david.krech@fcc.gov; and
- 5) Sumita Mukhoty, International Bureau, sumita.mukhoty@fcc.gov

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The proceeding in this Notice shall be treated as a "permit-but-disclose" proceeding in accordance with the Commission's *ex parte* rules. Persons making *ex parte* presentations must file a copy of any written presentation or a memorandum summarizing any oral presentation within two business days after the presentation (unless a different deadline applicable to the Sunshine period applies). Persons making oral *ex parte* presentations are reminded that memoranda summarizing the presentation must (1) list all persons attending or otherwise participating in the meeting at which the *ex parte* presentation was made, and (2) summarize all data presented and arguments made during the presentation. If the presentation consisted in whole or in part of the presentation of data or arguments already reflected in the presenter's written comments, memoranda or other filings in the proceeding, the presenter may provide citations to such data or arguments in his or her prior comments, memoranda, or other filings (specifying the relevant page and/or paragraph numbers where such data or arguments can be found) in lieu of summarizing them in the memorandum. Documents shown or given to Commission staff during *ex parte* meetings are deemed to be written *ex parte* presentations and must be filed consistent with rule 1.1206(b), 47 CFR § 1.1206(b). Participants in this proceeding should familiarize themselves with the Commission's *ex parte* rules.

For further information, please contact Myrva Freeman at (202) 418-1506 or Gregory Kwan at (202) 418-1191.

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