Before the
FEDERAL COMMUNICATIONS COMMISSION Washington,
D.C. 20554

In the Matter of

Southwest Oklahoma Telephone Company,
Transferor

Hilliary Acquisition Oklahoma, LLC,
Transferee

For the Transfer of Control of Southwest Oklahoma Telephone Company, a provider of interstate interexchange and exchange access services in Oklahoma pursuant to blanket domestic Section 214 authorization

WC Docket No. __________

To: Wireline Competition Bureau

APPLICATION FOR TRANSFER OF CONTROL OF DOMESTIC BLANKET SECTION 214 AUTHORIZATION

Southwest Oklahoma Telephone Company (“SWOT” or “Transferor” FRN 0023037328) and Hilliary Acquisition Oklahoma, LLC (“Hilliary” or “Transferee”; FRN 0030225627) hereby request Federal Communications Commission (“FCC” or “Commission”) authorization for the transfer of control of SWOT and the blanket domestic 214 authorization held by SWOT, from Transferor to Hilliary. SWOT is a rural incumbent local exchange carrier (“ILEC”) that provides local exchange telephone services and interstate exchange access services in the State of Oklahoma pursuant to a blanket domestic Section 214 authorization.

SWOT is an Oklahoma corporation that provides local exchange telephone services (including interstate exchange access) as an ILEC as well as broadband Internet services to residential consumers and business customers in Harmon, Greer, and Jackson Counties, Oklahoma
SWOT holds five certificates of convenience and necessity ("CCNs") from the Oklahoma Corporation Commission and provides local exchange telephone services (including interstate exchange access) in Harmon, Greer, and Jackson Counties, Oklahoma.

SWOT’s wholly-owned subsidiary, Southwest Oklahoma Telecommunications, Inc. d/b/a Southwest Oklahoma Internet (in either case, “SWOI”), also an Oklahoma corporation, holds an International 214 Authorization under file number ITC-214-2005012800037. A separate application is being submitted to the Commission’s International Bureau through the IBFS concurrently herewith.

SWOT is a privately held Oklahoma corporation. There are presently 6,443 shares of Common Stock issued and outstanding of SWOT owned by three shareholders. The present application seeks FCC consent for the transfer of control of SWOT and the Domestic 214 authorization held by SWOT and SWOI to Hilliary, an Oklahoma limited liability holding company that was newly formed to acquire SWOT.

Hilliary is an Oklahoma holding company with its principal office in Lawton, Oklahoma. Hilliary is owned by Edward E. Hilliary, Jr. (FRN 0017195116), Dustin J. Hilliary (FRN 0017195173), Michael J. Hilliary (FRN 0017195207), and Douglas J. Hilliary (FRN 0017195132) with each holding a 25 percent membership interest. Each member is a United States citizen. Hilliary, and its members, directly or indirectly, hold ownership interests in the following entities that provide local exchange and domestic interexchange services in Oklahoma: (1) Medicine Park Telephone Company, Inc.; (2) Oklahoma Western Telephone Company, Inc.; (3) Phoenix Long Distance, Inc.; (4) Wichita Online, LLC; (5) Southern Plains Cable, LLC; and (6) Texhoma Fiber, LLC. Hilliary, and its owners, directly or indirectly hold ownership interests in the following entities that provide local exchange and domestic interexchange services in Texas: (1) Tatum Telephone Company, Inc. ("Tatum"); (2) Electra Telephone Company, Inc. ("Electra"), and (3)
Border to Border Communications, Inc. Hilliary, and its owners, directly or indirectly hold ownership interests in the one entity that provides local exchange and domestic interexchange services in Iowa—Prairieburg Telephone Company, Inc. (“Prairieburg”).

The proposed transaction would be effectuated by a stock purchase pursuant to a Stock Purchase Agreement being contemplated by the parties. The proposed transaction involves the purchase of all 6,433 outstanding shares of SWOT stock from the shareholders of SWOT. Upon consummation of the proposed stock purchase, SWOT will be a wholly-owned subsidiary of Hilliary, and SWOI, will continue to be a wholly owned subsidiary of SWOT. Dustin J. Hilliary, a United States citizen, is the Managing Member of Hilliary.

In accordance with the requirements of Section 63.04(a) of the Commission's Rules, the Applicants submit the following information:

1. **Name, address and telephone number of each applicant:**

   **Transferor:**

   Southwest Oklahoma Telephone Company  
   P.O. Box 220  
   Duke, OK 73532  
   Phone: 580-679-3345

   **Transferee:**

   Hilliary Acquisition Oklahoma, LLC  
   22937 St Hwy 58  
   Lawton, OK 73507  
   Phone: (580) 529-5000

2. **Government, state or territory under the laws of which each corporate or partnership applicant is organized:**

   SWOT, the domestic Section 214 holder, is a domestic corporation organized under the laws of the State of Oklahoma.

   Hilliary Acquisition Oklahoma, LLC (Hilliary), is an Oklahoma limited liability company.
3. Name, title, post office address, and telephone number of the officer or contact person to whom correspondence concerning the application is to be addressed:

**Transferor and Applicant (SWOT):**

Rana Womack  
Southwest Oklahoma Telephone Company  
P.O. Box 220  
Duke, OK 73532  
Phone: 580-679-3345  
Email: ranawomack@gmail.com

**Legal Counsel**

Len Cason  
Hartzog Conger Cason, LLP  
201 Robert S. Kerr Ave, Suite 1600  
Oklahoma City, Oklahoma 73102  
Facsimile: 405-996-3403  
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Ron Comingdeer  
Crowe & Dunlevy  
324 N. Robinson Ave., Suite 100  
Oklahoma City, OK 73102  
Phone: 405-848,5534  
Email: ron.comingdeer@crowedunlevy.com

**Transferee:**

Dustin J. Hilliary, Manager  
Hilliary Acquisition Oklahoma, LLC  
22937 St Hwy 58  
Lawton, OK 73507  
Phone: (580) 529-5000  
E-mail: dustin.hilliary@hillcom.net

**Legal Counsel**

Carri Bennet  
Robert Silverman  
Womble Bond Dickinson (US) LLP  
2001 K Street, NW
Applicant, SWOT is owned 100 percent by its three shareholders (before the Transaction).

<table>
<thead>
<tr>
<th>Name &amp; Address</th>
<th>Ownership %</th>
<th>Citizenship</th>
<th>Principal Business</th>
</tr>
</thead>
<tbody>
<tr>
<td>George Wycoff, FRN 0031366735, P.O. Box 220, Duke, OK 73532</td>
<td>48.9%</td>
<td>US</td>
<td>Telecommunications, Manager</td>
</tr>
<tr>
<td>Rana Womack, FRN 0031366792, P.O. Box 220, Duke, OK 73532</td>
<td>28.8%</td>
<td>US</td>
<td>Attorney</td>
</tr>
<tr>
<td>Green’s Farms and Enterprises, Inc., FRN 0031366818, P.O. Box 220, Duke, OK 73532</td>
<td>22.3%</td>
<td>US</td>
<td>Farm/Ranch</td>
</tr>
</tbody>
</table>

The ownership of Green’s Farms and Enterprises, Inc. is Rana Womack (64%) and George Wycoff (36%).

Applicant, SWOT will be 100 percent owned by Hilliary (after the Transaction). The ownership of Hilliary is set forth below:

<table>
<thead>
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<th>Ownership %</th>
<th>Citizenship</th>
<th>Principal Business</th>
</tr>
</thead>
<tbody>
<tr>
<td>Edward E. Hilliary, Jr., FRN 0017195116, 931 NE Brown, Elgin, OK 73538</td>
<td>25%</td>
<td>US</td>
<td>Telecommunications, Manager</td>
</tr>
</tbody>
</table>
5. Certification pursuant to 47 C.F.R. §§1.2001 through 1.2003 that no party to the application is subject to denial of Federal benefits pursuant to section 5301 of the Anti-Drug Abuse Act of 1988.

The parties hereby certify, pursuant to 47 C.F.R. §§1.2001 through 1.2003, that no party to the present application is subject to denial of Federal benefits pursuant to section 5301 of the Anti-Drug Abuse Act of 1988.

6. Description of the transaction:

The proposed transaction would be effectuated by a stock purchase pursuant to a Stock Purchase Agreement being contemplated by the parties. The proposed transaction involves the purchase of all 6,433 outstanding shares of SWOT stock from the shareholders of SWOT. Upon consummation of the proposed stock purchase, SWOT will be a wholly-owned subsidiary of Hilliary, and SWOI, will continue to be a wholly owned subsidiary of SWOT. Dustin J. Hilliary, a United States citizen, is the Managing Member of Hilliary.

7. Description of the geographic areas in which the transferor and transferee (and their affiliates) offer domestic telecommunications services, and what services are provided in each area:

Transferors:

SWOT provides local exchange telephone services (including interstate exchange access) as an ILEC and broadband Internet services to residential consumers and business customers in SAC 432025 in
Harmon, Greer, and Jackson Counties, Oklahoma. SWOT receives model-based support based on the Alternative Connect America Cost Model (A-CAM).

SWOI also provides Internet services throughout Harmon, Greer, Jackson, Kiowa and Tillman Counties, Oklahoma, and is the FCC licensee of Call Sign WQXS552, a millimeter wave license in the 70/80/90 GHz bands; and numerous microwave licenses.

Transferee:

Transferee, Hilliary, is an Oklahoma holding company. Hilliary does not offer domestic telecommunications services. Hilliary is affiliated with the following companies that provide local exchange and domestic interexchange services in Oklahoma, Texas, and Iowa:

Medicine Park Telephone Company, Inc. (“Medicine Park”) is 100 percent owned by Hilliary Family First, LLC (“HFF”), which is owned by two family trusts, 50 percent owned by the Alice Jo Hilliary (AFH) Revocable Trust Dated April 16, 2014, and 50 percent owned by the Edward A. Hilliary, Jr. (EAH) Revocable Trust. Douglas J. Hilliary and Edward E. Hilliary Jr. are co-managers of HHF and co-managers and Trustees of both the AFH and EAH Trusts. The following U.S. citizens each hold a 14.29 percent equity interest in, and are beneficiaries of, both the EAH Trust and the AFH Trust and, therefore, each hold a 14.29 percent interest in Medicine Park: Douglas J. Hilliary, Edward E. Hilliary, Jr., Michael J. Hilliary, Dustin J. Hilliary, Dacia N. Hilliary, Cody K. Hilliary, and Edward E. Hilliary. Medicine Park is a rural ILEC providing local exchange telephone service in SAC 432008 in South Western Oklahoma. Medicine Park receives high cost-based support.

Oklahoma Western Telephone Company, Inc. (“Oklahoma Western”) is 100 percent owned by Hilliary Acquisition Corp 2016, LLC. Douglas J. Hilliary, Dustin J. Hilliary, Michael J. Hilliary, and Edward E. Hilliary, Jr. each hold a 25 percent interest in Hilliary Acquisition Corp 2016, LLC. Oklahoma Western is an ILEC providing local exchange service in SAC 432014 in Oklahoma. Oklahoma Western receives model-based support based on the A-CAM.

Oklahoma Western is also the FCC licensee of the Cellular Radio Service Station KNKN972 in Oklahoma 10 – Haskell, and PCS Broadband Station KNLH307 in BTA267, McAlester, Oklahoma. Oklahoma Western also holds Broadband Radio Service and Common Carrier Fixed Point-to-Point microwave licenses.

Phoenix Long Distance, Inc. is 100 percent owned by Oklahoma Western and provides domestic interexchange service in southwest Oklahoma.

Wichita Online, LLC (“Wichita Online”) is owned by Douglas J. Hilliary, Dustin J. Hilliary, Michael J. Hilliary, and Edward E. Hilliary, Jr. who each hold a 25 percent interest. Wichita Online provides local exchange and domestic interexchange services in southwest Oklahoma.
Oklahoma Fiber Network, LLC (“OFN”) is owned by Douglas J. Hilliary, Dustin J. Hilliary, Michael J. Hilliary, and Edward E. Hilliary, Jr. who each hold a 25 percent interest. OFN provides domestic interexchange services in southwest Oklahoma.

Southern Plains Cable, LLC (“Southern Plains”) is owned by Douglas J. Hilliary, Dustin J. Hilliary, Michael J. Hilliary, and Edward E. Hilliary, Jr. who each hold a 25 percent interest. Southern Plains is a CLEC and provides local exchange and domestic interexchange services in southwest Oklahoma.

Texhoma Fiber, LLC (“Texhoma”) is owned by Douglas J. Hilliary, Dustin J. Hilliary, Michael J. Hilliary, and Edward E. Hilliary, Jr. who each hold a 25 percent interest. Texhoma provides domestic interexchange services in southwest Oklahoma.

Hilliary Acquisition Corp. Texas, LLC (“HACT”), is an Oklahoma holding company owned by Edward E. Hilliary, Jr., Dustin J. Hilliary, Michael J. Hilliary, and Douglas J. Hilliary with each holding a 25 percent interest. HACT owns 100 percent of Tatum Telephone Company, Inc. (“Tatum”) and Electra Telephone Company, Inc. (“Electra”), both Texas corporations.

Electra is an ILEC providing local exchange telephone services in SAC 442069 in Wichita County in North Central Texas. Electra receives high cost-based support.

Tatum is an ILEC providing local exchange telephone services in SAC 442150 in Rusk and Panola Counties, in North East Texas. Tatum receives high cost-based support.

Hilliary Acquisition B2B, LLC (“Hilliary B2B”), is an Oklahoma holding company owned by Edward E. Hilliary, Jr., Dustin J. Hilliary, Michael J. Hilliary, and Douglas J. Hilliary with each holding a 25 percent interest. Hilliary B2B owns 100% of Border to Border Communications, Inc. (Border), a Texas corporation. Border provides Internet services and is an ILEC providing local exchange services in SAC 442073 in Zapata County South West Texas. Border receives high cost-based support. Border also holds wireless licenses.

Prairieburg Telephone Company, Inc. (“Prairieburg”) is an ILEC in the Prairieburg, Iowa Exchange in SAC 351275 Linn County, Iowa. Prairieburg receives average schedule high-cost support.

This transaction involves companies that receive high-cost universal service support under different support mechanisms of fixed model-based support and cost-based support (a “mixed support transaction”). Hilliary acknowledges the Commission’s concern that mixed support transactions can provide economic incentives to cost shift, and how such cost-shifting risk could potentially impact the efficient use of limited universal services resources. \(^1\) Accordingly, Hilliary affirms that it will

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\(^1\) Domestic Section 214 Applications Granted Subject to Condition, WC Docket Nos. 20-275 and 20-355, Public Notice, DA 21-346, at 3-5 (WCB 2021) (citing Joint Application of W. Mansfield Jennings Limited Partnership and Hargray Communications Group, Inc. for Consent to the Transfer of Control of ComSouth Corporation Pursuant to Section 214 of the Communications Act of 1934, WC Docket 18-52, Memorandum Opinion and Order, 33 FCC Rcd 4780, 4784, para. 19 (2018) (Hargray/ComSouth)). See also Domestic Section 214 Application Granted for the Transfer of Control of Hargray Acquisition Holdings, LLC and its Subsidiaries to Cable One, Inc., WC Docket No. 21-69, Public Notice, DA
not engage in any such cost shifting, and acknowledges and accepts that grant of this transaction may be conditioned upon capping the cost-based operating expenses of Transferee post-consummation consistent with *Hargray/ComSouth*.

8. **Statement as to how the application fits into one or more of the presumptive streamlined categories in section 63.03 or why it is otherwise appropriate for streamlined treatment.**

The parties request streamlined treatment for the transfer of control of SWOT to Hilliary. The acquisition of SWOT will not result in any changes to the operations of, including the geographic areas served and services offered by SWOT. This transaction qualifies for streamlined treatment under Section 63.03(b)(2)(iii) of the Commission’s Rules. Hilliary and its affiliates together have a market share in the interstate, interexchange market of substantially less than 10 percent; (b) together have less than two percent of the nation’s subscriber lines installed in the aggregate nationwide; and (c) do not overlap or abut the telecommunications service areas of any other company in which any of the equity holders have any cognizable interest.

9. **Identification of all other Commission applications related to the same transaction:**

The parties will be filing an application with the Wireless Telecommunications Bureau through ULS seeking Commission consent to the transfer of control of SWOT’s FCC millimeter wave and microwave licenses to Hilliary. The parties will also be concurrently filing through the IBFS an application for consent to the transfer of control of SWOI’s International 214 authorization (File No. ITC-214-20050128-00037).

10. **Statement of whether the applicants are requesting special consideration because either party to the transaction is facing imminent business failure:**

No party to the transaction is facing imminent business failure at this time. Therefore, the Applicants are not requesting special consideration because a party to the transaction is facing imminent business failure.

11. **Identification of any separately filed waiver requests being sought in conjunction with the transaction:**

No separately filed waivers or waiver requests are being sought in conjunction with the proposed transaction.

12. **A statement showing how grant of the application will serve the public interest, convenience and necessity, including any additional information that may be necessary to show the effect of the proposed transaction on competition in domestic markets:**

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21-502, at 3-4 (WCB 2021) (granting the application subject to the continued application of the *Hargray/ComSouth* condition to the applicants).
This transaction will have no impact on competition in domestic telecommunications markets. The proposed transaction entails the transfer of control of SWOT, and its wholly-owned subsidiary SWOI, to Hilliary, an established and financially secure rural telephone organization that has long owned ILEC subsidiaries and affiliates that serve rural portions of Oklahoma, Texas, and Iowa. Hilliary has a proven record of investing in rural networks and communities of its subsidiaries and affiliates and of providing high quality telecommunications services to rural areas. Hilliary plans to invest in southwest Oklahoma and expand the services currently being offered. Accordingly, the proposed transaction will benefit the residents of southwestern Oklahoma who will have access to expanded high quality communications offerings.
CONCLUSION

In light of the foregoing facts and public interest considerations, the parties respectfully request that the Commission consent to the transfer of control of SWOT and its blanket domestic Section 214 authorization that will result from the acquisition of a controlling interest in SWOT by Hilliary. Consistent with precedent, the proposed transaction will serve the public interest, convenience, and necessity by ensuring that SWOT will continue to be controlled and managed by individuals with extensive knowledge of local telephone operations and the needs of the communities it serves, thereby directly benefitting all area consumers.

Respectfully submitted,

By: /s/ Caressa D. Bennet

________________________________________
Caressa D. Bennet
Robert Silverman

Counsel for Hilliary Acquisition Oklahoma, LLC

Womble Bond Dickinson (US) LLP
2001 K Street, NW
Suite 400 South
Washington, DC 20006
(202) 857-4538

By: /s/ Len Cason

________________________________________
Len Cason

Counsel for Southwest Oklahoma Telephone Company

Hartzog Conger Cason, LLP
201 Robert S. Kerr Ave, Suite 1600
Oklahoma City, Oklahoma 73102
405-235-7000

Dated: September 28, 2021
Declaration of Rana Womack

I, Rana Womack, do hereby declare under penalty of perjury the following:

1. I am the Secretary-Treasurer of Southwest Oklahoma Telephone Company and Transferor.

2. The foregoing filing was prepared under my direction and supervision and that the contents of the filing and certifications therein are true and correct to the best of my knowledge I have personal knowledge of the facts set forth therein, and believe them to be true and correct to the best of my knowledge, information and belief.

[Signature]
Rana Womack

9/24/21
Date
Declaration of Dustin J. Hilliary

I, Dustin J. Hilliary, do hereby declare under penalty of perjury the following:

1. I am the Manager of Transferee Hilliary Acquisition Oklahoma, LLC.

2. The foregoing filing was prepared under my direction and supervision and that the contents of the filing and certifications therein are true and correct to the best of my knowledge I have personal knowledge of the facts set forth therein, and believe them to be true and correct to the best of my knowledge, information and belief.

Dustin J. Hilliary

9-28-21

Date