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December 11, 2017

Via ECFS

Marlene H. Dortch, Secretary
Federal Communications Commission
Wireline Competition Bureau Applications
P.O. Box 979091
St. Louis, MO 63197-9000

Re: In the Matter of Sunset Digital Communications, Inc.; WC Docket No. 17-273

Dear Ms. Dortch:

Sunset Digital Communications, Inc. ("Applicant") hereby provides supplemental information with respect to the application to transfer of control of Sunset Digital to Sunset Digital Holdings, Inc. ("Sunset Digital Holdings"). Applicant originally filed a hard copy of the application with the Wireline Competition Bureau on September 22, 2017 and filed the application electronically via ECFS on October 11, 2017. Applicant filed supplements to its application on September 29, 2017 and November 7, 2017. Applicant is hereby filing an additional supplementation to summarize and clarify its previous submissions. The attached supplementation is intended to replace Sections Four and Section Six of the original application in their entirety.

Please do not hesitate to contact me at 202.659.6674 with any additional questions concerning this filing.

Sincerely,

/s/ Robert J. Gastner

Robert J. Gastner

Attachment

cc: Dennis Johnson
Gregory Kwan
Adrienne McNeil

4. Ownership Interest – 47 C.F.R. § 63.04(a)(4).

i. Transferors

Sunset Digital Communications, Inc. (“Sunset Digital”) is a corporation organized under the laws of the Commonwealth of Virginia. Sunset Digital is a next-generation fiber-optic company based in Duffield, Virginia providing broadband, private data, fiber-optic television and telephone services to residents, businesses, medical facilities, banks, and other Internet service providers. The company has branch offices in Kingsport, Tennessee, and Tazewell, Tennessee, with an additional office planned for Danville, Virginia. In Virginia, Sunset Digital’s area of service includes the County of Lee, County of Wise, and County of Scott, as well as the City of Norton and City of Danville. In Tennessee, Sunset Digital’s area of service includes the County of Claiborne, County of Hancock, City of Kingsport, City of Johnson City, and the County of Washington.

The shareholders that currently own ten percent (10%) or more of the issued and outstanding stock of Sunset Digital are provided below:

Name	Occupation	Citizenship	Ownership Percent
Paul Elswick	Telecommunications	USA	50%
Ryan Elswick	Telecommunications	USA	50%

Paul Elswick’s address is 342 Elswick Drive, Jonesville, Virginia 24263. Ryan Elswick’s address is 2120 St. Erics Court, Kingsport, Tennessee 37660.

Sunset Fiber, LLC (“Sunset Fiber”) is currently a wholly owned subsidiary of Sunset Digital. Sunset Fiber is a limited liability company organized under the laws of the Commonwealth of Virginia. Sunset Fiber currently holds a CLEC certificate from the Virginia

State Corporation Commission.¹ However, it is not at this time providing telecommunications service in its own name or servicing any customers.

ii. Transferee

The transferee, Sunset Digital Holdings, Inc. (“Sunset Holdings”), is a newly formed corporation organized under the laws of the state of Delaware. It is merely a holding company and will not provide telecommunications service in its own name. Sunset Holdings does not have any interlocking directorates with a foreign carrier,² nor will it have any such directorates or managers after consummation of this transaction. The shareholders that will own ten percent (10%) or more of the issued and outstanding stock of Sunset Digital Holdings, Inc. upon consummation of the transfer of control are provided below:

Name	Occupation	Citizenship	Ownership Percent
Paul Elswick	Telecommunications	USA	15%
Ryan Elswick	Telecommunications	USA	15%
H.I.G. Capital Partners V, L.P.	Finance	USA	70%

H.I.G. Capital Partners V, L.P. (“H.I.G. V”) is a limited partnership organized under the laws of the state of Delaware. H.I.G. V’s headquarters is located at 1450 Brickell Avenue, 31st Floor, Miami, Florida 33131. H.I.G. V is a private equity investment fund that specializes in buyouts and equity-related investments in lower middle-market companies. H.I.G. V does not have any direct or indirect ownership interest in any entity that provides telecommunications service or holds a license to provide telecommunications service. No person has Ten Percent (10%) or greater direct or indirect ownership interest in H.I.G. V.

¹ VA SCC Case No. 2015-00013 (Jun. 26, 2015).

² As defined by 47 C.F.R. § 63.09(d).

Because H.I.G. V is organized as a limited partnership, it does not have a board of directors. However, H.I.G. V has a general partner, H.I.G. Advisors V, LLC (“H.I.G. Advisors”). H.I.G. Advisors is a limited liability company organized under the laws of the state of Delaware. H.I.G. Advisors provides investment advisory services to H.I.G. V. No person has Ten Percent (10%) or greater direct or indirect ownership interest in H.I.G. Advisors. H.I.G. Advisors does not have any direct or indirect ownership interest in any entity that provides telecommunications service or holds a license to provide telecommunications service.

Like H.I.G. V, H.I.G. Advisors does not have a board of directors. However, H.I.G. Advisors’s manager is H.I.G.-GP II, Inc. (“H.I.G.-GP II”). H.I.G.-GP II, Inc. is the entity formed to serve as the governing entity to, and the manager of, the various general partners of the private investment funds affiliated with H.I.G. Capital. H.I.G.-GP II is a corporation incorporated under the laws of the state of Delaware. H.I.G.-GP II is controlled by Sami Mnaymneh and Anthony Tamer. Mr. Mnaymneh and Mr. Tamer are co-presidents, directors and sole shareholders of H.I.G.-GP II. H.I.G.-GP II does not have any direct or indirect ownership interest in any entity that provides telecommunications service or holds a license to provide telecommunications service.

Anthony Tamer and Sami Mnaymneh are the Founders and Co-CEOs of H.I.G. Capital, a leading global private equity investment firm. Mr. Mnaymneh is a citizen of the United States. Mr. Tamer is a citizen of the United States. With respect to their management role with H.I.G.-GP II, Mr. Mnaymneh and Mr. Tamer do not have any direct or indirect ownership interest in any entity that provides telecommunications service or holds a license to provide telecommunications service.

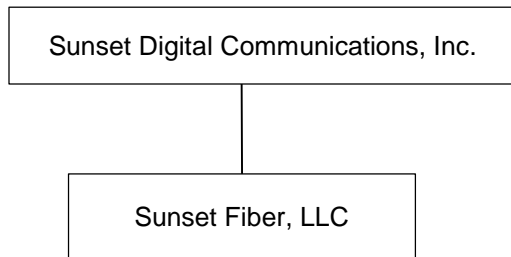
6. Description of the Transaction – 47 C.F.R. § 63.04(a)(6).

The subject matter of this application is one of two related transactions. The first transaction was initiated on February 5, 2016, when Sunset Digital and Bristol Virginia Utilities Authority (“BVU”) entered into an Asset Purchase Agreement (the “Agreement”) to allow Sunset Digital to acquire BVU’s telecommunications assets (the “OptiNet System”). The OptiNet System consists of an extensive network of facilities that provides broadband Internet, private data, fiber optic television and telephone services to residents, businesses, medical facilities, banks, and other Internet service providers in Virginia and Tennessee. Under terms of the Agreement, the newly incorporated entity, Sunset Holdings, will provide the necessary funding for Sunset Fiber to acquire the OptiNet System assets. Sunset Fiber will in turn make a payment of \$50 million to BVU for said assets. After the transaction, Sunset Fiber will own and operate the OptiNet System assets on behalf of Sunset Holdings. A separate Section 214 application is being filed with respect to Sunset Holding’s acquisition of the OptiNet System.³

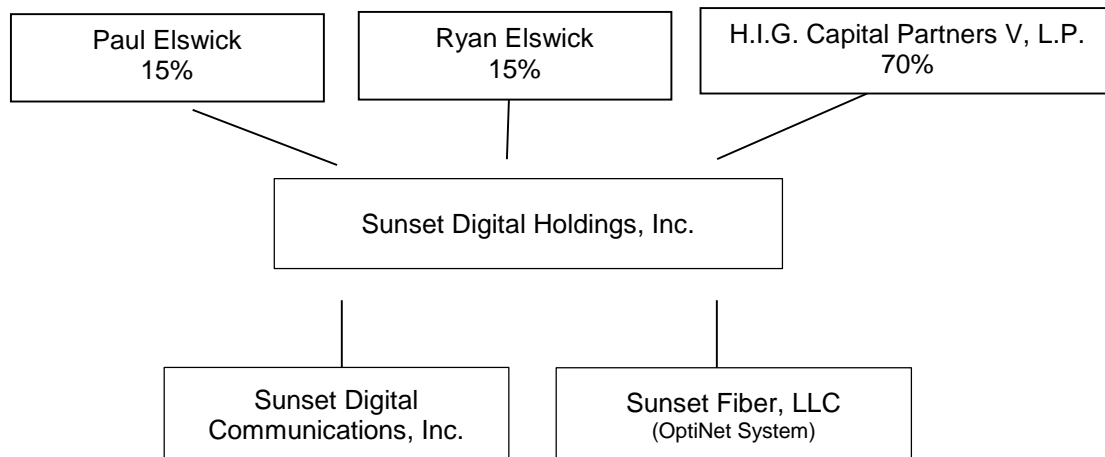
Prior to the closing of the above transaction, Sunset Fiber will no longer be a wholly owned subsidiary of Sunset Digital. Instead, Sunset Holdings will become the parent company of both Sunset Digital and Sunset Fiber. This is the transaction that is the subject of this Application. Going forward, Sunset Digital will continue to provide the same telecommunications service that it currently provides to the same base of customers. Sunset Fiber in turn will only be involved with the operation of the newly acquired OptiNet System assets. For the Commission’s convenience, pre- and post-transaction organizational charts are as follows.

³See WC Docket No. 17-268; IBFS File No. ITC-ASG-20170914-00173.

Pre-Closing Chart:



Post-Closing Chart:



Sunset Digital and Sunset Fiber's officers and key personnel will remain the same as before the change in ownership structure. As a result, the same personnel who are currently providing telecommunications services to Sunset Fiber's customers will provide telecommunications services to the newly acquired OptiNet customers after Sunset Digital Holdings, Inc. completes its acquisition.