

APR 08 2022

PUBLIC SERVICE
COMMISSION

April 8, 2022

VIA E-MAIL

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

Re: Notification of Proposed Transfer of Control of OpenFiber Kentucky Company, LLC d/b/a Accelecom (Utility ID 5057990)

Dear Ms. Bridwell:

OpenFiber Kentucky Company, LLC ("OFKY") and GVC Marshall Holdings, LLC ("Transferee," and together with OFKY, the "Parties") respectfully notify the Kentucky Public Service Commission ("Commission") of changes in OFKY's ownership. Since Commission action is not required for the transaction,¹ the Parties submit this letter for informational purposes.

Description of the Parties**A. OpenFiber Kentucky Company, LLC**

OFKY is a limited liability company formed under the laws of Delaware. OFKY's business headquarters is located at 1700 Eastpoint Parkway, Suite 230, Louisville, KY 40223. OFKY is a wholly owned, direct subsidiary of Macquarie Communications Infrastructure Holdings, LLC ("MCIH"), a Delaware limited liability company, which in turn is a wholly owned, direct subsidiary of Macquarie Holdings (U.S.A.) Inc. a Delaware corporation with its headquarters at 125 West 55th Street, Level 22, New York, NY 10019. Macquarie Holdings (U.S.A.) Inc. is a wholly owned, indirect subsidiary of Macquarie Group Limited ("MGL"), a publicly traded company incorporated in Australia. MGL is a diversified financial group providing clients with asset management and finance, banking, advisory and risk and capital solutions across debt, equity and commodities.

OFKY offers services including special access, private line, Ethernet, Dark and Lit Fiber, dedicated Internet Access and other specialty telecommunications services in the states of Kentucky and Ohio. In Kentucky, OFKY is authorized to provide competitive local exchange services under Utility ID 5057990 through an application submitted on November 27, 2019.

B. GVC Marshall Holdings, LLC

Transferee is a newly-formed entity formed under the laws of Delaware located with an address at c/o Golden VinzClortho, LLC, c/o UBS Asset Management (Americas) Inc., 787 7th Avenue, 14th Floor New York, NY 10019. Transferee is directly owned by Golden VinzClortho, LLC ("GVC"), a Delaware limited liability company formed in July 2019 by the California State

¹ 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.

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Teacher's Retirement System ("CalSTRS") and UBS Asset Management (Americas) Inc. ("UBS") as a global infrastructure partnership with capital commitments funded 99% by CalSTRS and 1% by UBS. GVC is managed by a Management Committee including three members, two of whom are appointed by CalSTRS and one by UBS.

CalSTRS was established by law in 1913 to provide retirement benefits to California's public-school educators. Today CalSTRS is the largest educator-only pension fund in the world and the second largest pension fund in the United States. CalSTRS' portfolio has a net asset value totaling approximately \$322 billion, including \$12.9 billion within its inflation sensitive asset class that includes infrastructure.

UBS acts as the investment manager of GVC, utilizing the services of the Infrastructure Equity team within UBS Real Estate and Private Markets ("UBS REPM"). UBS REPM is a business division of UBS Asset Management which is a large-scale asset manager with around 3,400 employees in 22 countries. Funds managed by UBS REPM currently hold investments in power generation, renewables, toll roads, utilities and telecommunications globally.

Designated Contacts

Questions, correspondence or other communications concerning this filing should be directed to:

For OFKY to:

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Danielle Burt
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with copies to:

David Flessas
OpenFiber Kentucky Company, LLC
1700 Eastpoint Parkway, Suite 230
Louisville, KY 40223

For Transferee to:

Simon Clark
Allen & Overy LLP
1221 Avenue of the Americas
New York, NY 10020
Tel: 212 610 6300
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with copies to:

Danny Mills
GVC Marshall Holdings, LLC
c/o Golden VinzClortho, LLC
c/o UBS Asset Management (Americas) Inc.
787 Seventh Avenue
New York, NY 10019
Phone: 212-821-6546

Description of the Transaction

The Parties are notifying the Commission of changes in ownership for OFKY. Pursuant to Contribution and Exchange Agreements, (i) MCIH will contribute 100% of the issued and outstanding Class A Units of OFKY and (ii) the other Members of OFKY will contribute 100% of the issued and outstanding Incentive Units of OFKY to Accelecom Holdings LLC ("Holdings"), a Delaware limited liability company, in exchange for newly-issued equity interests in Holdings (the "Contribution Transfer"). Upon completion of the Contribution Transfer, MCIH will control both Holdings and OFKY.

Immediately following the Contribution Transfer and pursuant to a Subscription Agreement, Transferee, a wholly owned subsidiary of GVC, will subscribe for newly issued Class A Units of Holdings representing approximately 50% of the outstanding equity interests of Holdings (the "Subscription"). Upon completion of the Subscription, Transferee and GVC will have an indirect, non-controlling interest of approximately 50% in OFKY.²

The following entities will hold indirect interests of 10% or more in OFKY upon completion of the Subscription:

MCIH – 50% (held directly in Holdings)

Macquarie Holdings (U.S.A.) Inc. – 50% (held indirectly through MCIH)

Macquarie Equities (US) Holdings Pty. Limited - 50% (held indirectly through Macquarie Holdings (U.S.A.) Inc.)

Macquarie Group (US) Holdings No. 1 Pty Ltd. - 50% (held indirectly through Macquarie Equities (US) Holdings Pty. Limited)

Macquarie Corporate International Holding Pty Limited - 50% (held indirectly through Macquarie Group (US) Holdings No. 1 Pty Ltd.)

Macquarie Corporate Holdings Pty Limited - 50% (held indirectly through Macquarie Corporate International Holding Pty Limited)

Macquarie Financial Holdings Pty Limited - 50% (held indirectly through Macquarie Corporate Holdings Pty Limited)

Macquarie Group Limited - 50% (held indirectly through Macquarie Financial Holdings Pty Limited)

² The Parties anticipate that each of MCIH and GVC will hold 50% of the governance interests of OFKY at closing of the Subscription. Further, as a result of outstanding and anticipated management incentive equity, each of MCIH and Transferee/GVC's economic interests are expected to be approximately 44% of OFKY.

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Transferee – 50% (held directly in Holdings)

GVC – 50% (held indirectly through Transferee)

CalSTRS – 50% (held indirectly through GVC)

Public Interest Considerations

The transactions are consistent with the public interest. The transactions are purely financial and will provide OFKY with additional financial resources to accelerate its strategic growth initiatives and strengthen OFKY. The transactions will not affect the technical or managerial qualifications of OFKY or any of the services provided by OFKY to customers. OFKY will continue to serve its existing customers pursuant to its respective authorization under the same rates, terms and conditions. Accordingly, the transactions will be transparent to the customers of OFKY.

* * * *

Please acknowledge receipt and acceptance of this electronic filing. Please do not hesitate to contact us if you have any questions.

Respectfully submitted,

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/s/ Danielle Burt
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Counsel for OpenFiber Kentucky Company, LLC

Verifications

VERIFICATION

I, David Flessas, state that I am Chief Executive Officer for Openfiber Kentucky Co., LLC (“Company”); that I am authorized to make this Verification on behalf of Company; that the foregoing filing was prepared under my direction and supervision; and that the statements with respect to Company in the foregoing filing are true and correct to the best of my knowledge, information and belief.

I declare under penalty of perjury that the foregoing is true and correct. Executed this 08 day of April, 2022.

DocuSigned by:

David Flessas

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Name: David Flessas

Title: CEO

Company: Open Fiber Kentucky Company LLC

VERIFICATION

I, Jonathan Steele, state that I am an Authorized Signatory for GVC Marshall Holdings, LLC (“Company”); that I am authorized to make this Verification on behalf of Company; that the foregoing filing was prepared under my direction and supervision; and that the statements with respect to Company in the foregoing filing are true and correct to the best of my knowledge, information and belief.

I declare under penalty of perjury that the foregoing is true and correct. Executed this 08 day of April, 2022.



Name: Jonathan Steele
Title: Authorized Signatory
Company: GVC Marshall Holdings, LLC