

Jean L. Kiddoo
Danielle C. Burt
jean.kiddoo@bingham.com
danielle.burt@bingham.com

October 11, 2011

Via Overnight Courier

Patricia Van Gerpen, Executive Director
South Dakota Public Utilities Commission
Capitol Building
500 East Capitol Avenue
Pierre, South Dakota 57501-5070

RECEIVED
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SOUTH DAKOTA PUBLIC
UTILITIES COMMISSION

Re: Notification Regarding the Transfer of Control of First Communications, LLC

Dear Ms. Van Gerpen:

First Communications, LLC ("FCL") and Gores AC Holdings, LLC ("Gores") (collectively, the "Parties"), notify the Commission of a transaction whereby Gores, an entity ultimately managed by The Gores Group, LLC ("The Gores Group"), will acquire control of First Communications, Inc. ("FCI"), the parent company of FCL, and indirectly acquire control of FCL.

Pursuant to the policies of the Commission, the Parties submit this letter for informational purposes only to ensure the continuing accuracy of the Commission's records.

Description of the Parties

A. First Communications, Inc. and First Communications, LLC

FCI is a Delaware corporation and its headquarters are located at 3340 West Market Street, Akron, Ohio 44333. FCI, through its operating subsidiaries FCL, Globalcom, Inc., Xtension Services, Inc., and First Telecom Services, LLC, provides local, private line, and/or long distance services to both business and residential customers in 49 states. Its services include, in addition to traditional local and long distance services, toll-free services, conference calling packages, calling cards, Internet access and dedicated and private line services.

FCL, an Ohio limited liability company, is authorized in South Dakota to provide interexchange telecommunications services pursuant to authorization granted in Docket No. TC06-147 on October 31, 2006. Further information regarding FCL and the services it provides has previously been submitted to the Commission and is therefore a matter of public record, and the Parties request that it be incorporated herein by reference.

B. Gores AC Holdings, LLC

Gores is a limited liability corporation formed in Delaware with its principal office located at 10877 Wilshire Boulevard, 18th Floor, Los Angeles, California 90024. Gores

Boston
Frankfurt
Hartford
Hong Kong
London
Los Angeles
New York
Orange County
San Francisco
Santa Monica
Silicon Valley
Tokyo
Washington

Bingham McCutchen LLP
2020 K Street NW
Washington, DC
20006-1806

T +1.202.373.6000
F +1.202.373.6001
bingham.com

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is ultimately managed by The Gores Group, and its manager, Alec E. Gores.¹ The Gores Group is a private investment firm whose investment focus includes opportunities in the technology and telecommunications sectors. The Gores Group currently acts as the manager of the general partner of certain investment funds that together hold non-controlling ownership of 13.1 percent of the voting stock of FCI through Gores FC Holdings, LLC ("Gores FC Holdings").

Gores is well-qualified managerially, technically and financially to own and control FCI and FCL. In particular, The Gores Group has created an internal operations team which has a history of enhancing the value and operations of its investment companies by focusing on customers and employees, supporting management with operational expertise and providing access to capital. In addition to the well-qualified management and operations teams of FCI and FCL that will remain with the companies following the transfer of control, The Gores Group and its affiliates also have an extensive background in acquiring and managing network services, software and computer hardware companies.

Gores is financially qualified to take control of FCI and FCL. In addition to its own capital resources, through an established network of debt financing sources and investment partners, The Gores Group also provides access to capital for its portfolio companies.

Contacts

Inquiries or copies of any correspondence, orders, or other materials pertaining to this Notice should be directed to:

Jean L. Kiddoo
Danielle C. Burt
BINGHAM MCCUTCHEN LLP
2020 K Street, N.W.
Washington, DC 20006-1806
Tel: (202) 373-6000
Fax: (202) 373-6001
Email: jean.kiddoo@bingham.com
danielle.burt@bingham.com

With copies to:

Sandi Murphy
Mary Cegelski
First Communications, LLC
3340 West Market Street
Akron, OH 44333

¹ A limited partnership, Gores Capital Partners III, L.P., owns 95% percent of Gores.

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Tel: (330) 835-2272
Fax: (330) 835-2330
Email: smurphy@firstcomm.com
mcegelski@firstcomm.com

Description of the Transaction

Gores will acquire control of FCI and FCL by a combination of the exercise of the right to appoint a majority of the Board of Directors and/or the purchase/acquisition of voting securities of FCI either directly or through Gores FC Holdings, as a result of which Gores will directly or indirectly hold more than 50 percent of the voting securities of FCI. For the Commission's convenience, pre- and post-transaction illustrative charts are provided as Exhibit A.

Because the proposed transaction will be completed at the holding company level, the Parties expect that the proposed transaction will be entirely transparent to customers of FCL. The proposed transaction will not result in any change to the day-to-day operations of FCL. Furthermore, FCL does not anticipate that the proposed transaction will have any effect on its rates, terms or conditions of service. As a result, the proposed transaction will not directly affect any end user customers of FCL or the services they currently receive.

Public Interest Considerations

The Parties submit that the transfer of control transaction described herein will serve the public interest. Following consummation of the proposed transaction, FCL will have access to the financial and managerial oversight and expertise of Gores. Such support will strengthen the competitive position of FCL to the benefit of the telecommunications marketplace. Moreover, no existing or potential competitors will be eliminated as a result of the proposed transaction. Instead, FCL will continue to provide service to their customers, furthering the Commission's policies favoring competition and diversity of services.

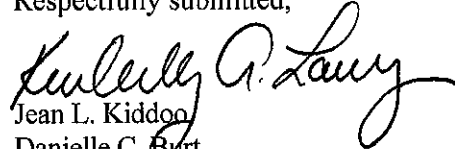
The proposed transaction will be conducted in a manner that will be transparent to customers of FCL. The transfer of control of FCL will not result in a change of carrier for customers or any assignment of authorizations. In addition, FCL will continue to provide high-quality communications services to their customers without interruption and without immediate change in rates, terms or conditions. Accordingly, the transaction will be virtually transparent to customers, and in no event will it result in the discontinuance, reduction, loss, or impairment of service to customers.

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An original and ten (10) copies of this letter are enclosed for filing. Please date-stamp the enclosed extra copy and return it in the envelope provided. Should you have any questions regarding this filing, please do not hesitate to contact Danielle C. Burt at 202-373-6039.

Respectfully submitted,

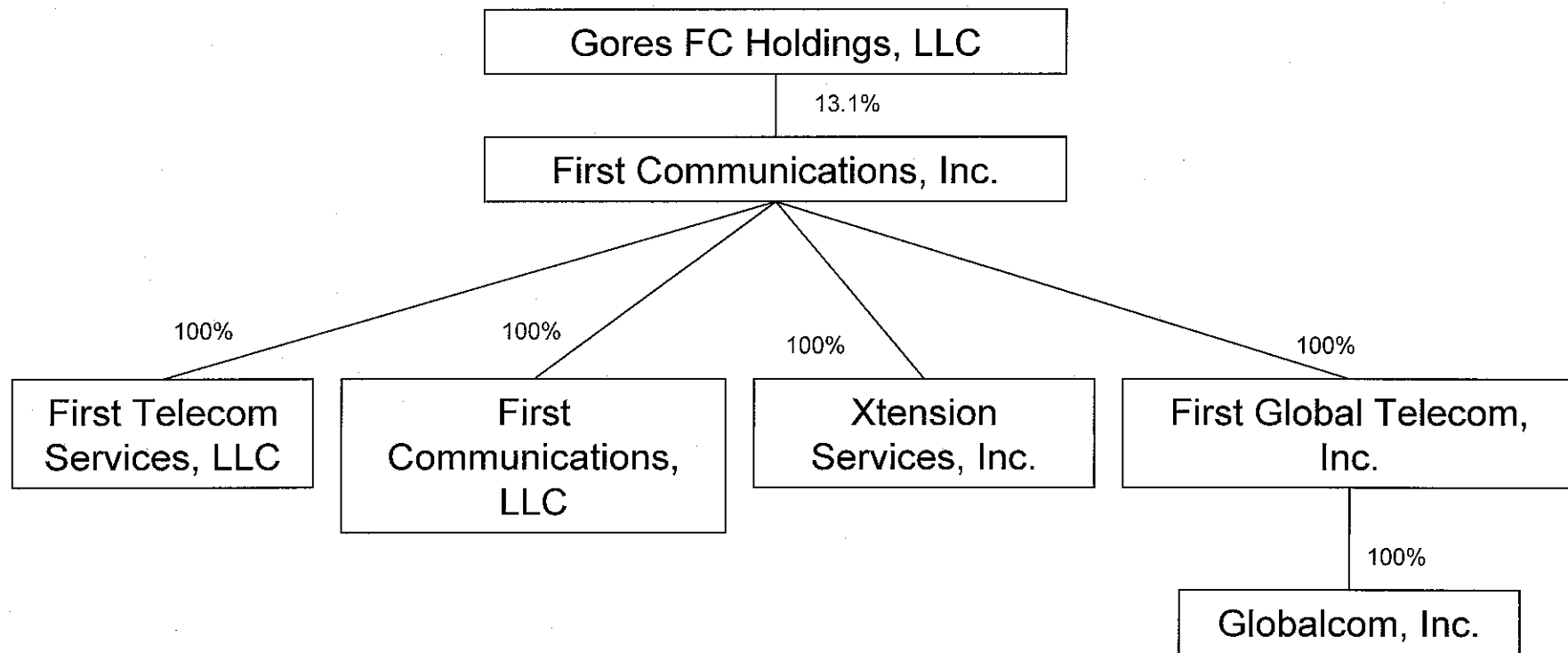


Jean L. Kiddoo
Danielle C. Burt
Kimberly A. Lacey

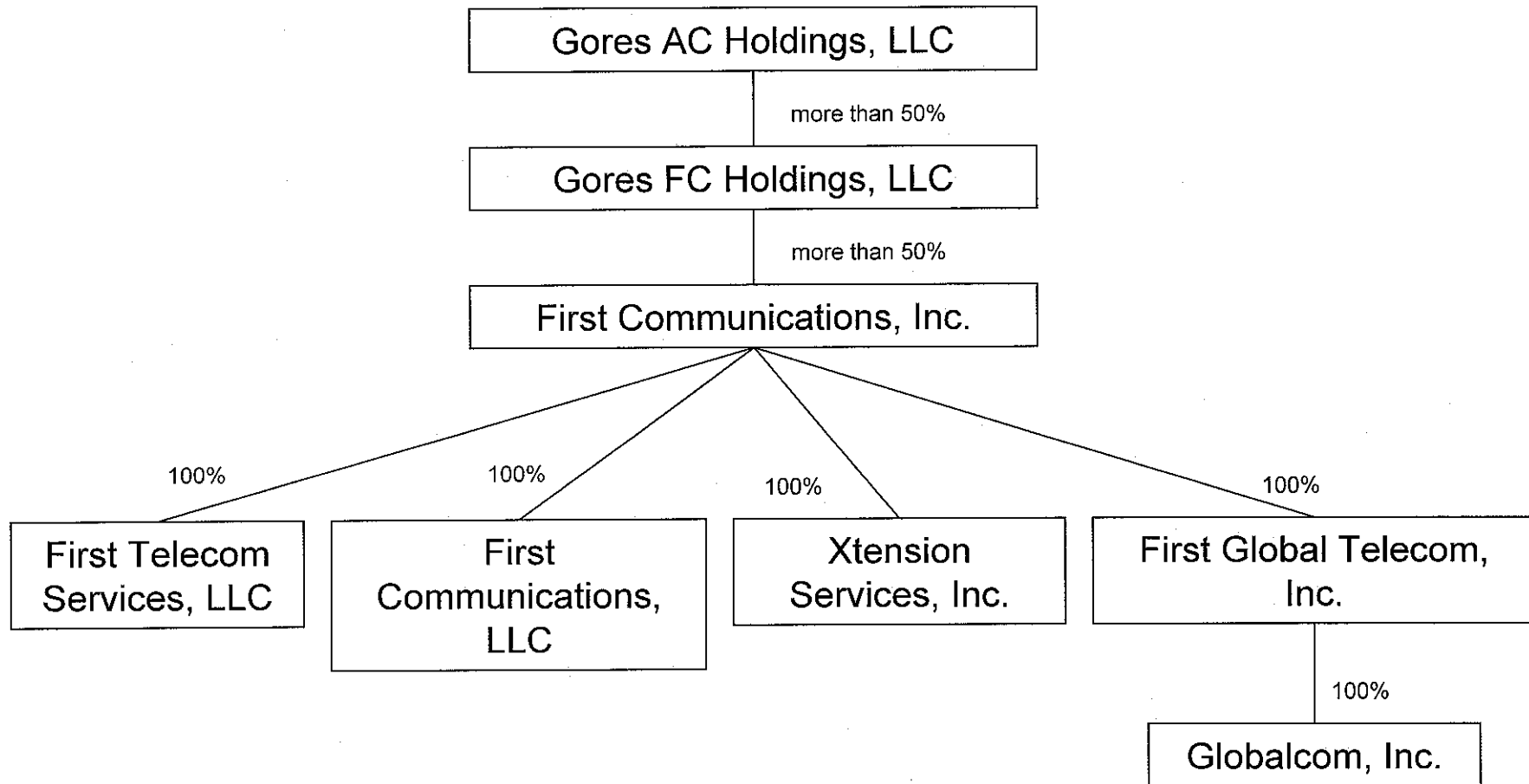
Exhibit A

Pre- and Post-Transaction Illustrative Charts

First Communications Pre-Transaction Illustrative Corporate Structure Chart



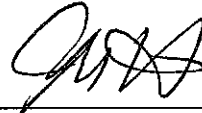
First Communications Post-Transaction Illustrative Corporate Structure Chart



VERIFICATION

I, Eric R. Hattler, state that I am Vice President for Gores AC Holdings, LLC; that I am authorized to make this Verification on behalf of Gores AC Holdings, LLC; that the foregoing filing was prepared under my direction and supervision; and that the statements in the foregoing document 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 11 day of October, 2011.




Name: Eric R. Hattler
Title: Vice President

VERIFICATION

I, Joseph R. Morris, state that I am President for First Communications, Inc.; that I am authorized to make this Verification on behalf of First Communications, Inc. and its subsidiaries; that the foregoing filing was prepared under my direction and supervision; and that the statements in the foregoing document 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 11 day of October, 2011.



Name: Joseph R. Morris
Title: President