

August 10, 2018

VIA ELECTRONIC FILING

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

**Re: Notification Regarding the Proposed Transfer of Indirect Control of
Matrix Telecom, LLC to Lingo Communications, LLC**

Dear Ms. Van Gerpen:

By this letter, Lingo Communications, LLC (“Transferee” or “Lingo”), Ionex Communications North, LLC (“Ionex”), TNCI Impact LLC (“Transferor”), and Matrix Telecom, LLC (“Matrix”) (collectively, the “Parties”) notify the Commission of the proposed transfer of indirect control of Matrix to Transferee (the “Transaction”) and related post-closing *pro forma* changes in ownership of Matrix. Pursuant to S.D. Codified Laws § 49-31-20, Commission approval is not required to complete the transactions described herein. Accordingly, the Parties submit this letter for informational purposes.

Description of the Parties

A. Lingo Communications, LLC and Ionex Communications North, LLC

Transferee is a Georgia limited liability company, with a principal office at 3060 Peachtree Road, NW, Suite 1065, Atlanta, Georgia 30305. Transferee is a wholly owned, direct subsidiary of GG Telecom Investors, LLC (“GG Telecom”), a Georgia limited liability company. GG Telecom is owned by Holcombe T. Green, Jr. (66.5%) and R. Kirby Godsey (33.5%).

Lingo is a holding company and does not provide telecommunications services or hold any Commission authorizations. Ionex, a Delaware limited liability company, is an indirect wholly owned subsidiary of Lingo and is authorized in South Dakota to provide local exchange and interexchange telecommunication services pursuant to a Certificate granted in Docket No. TC96-083 on October 22, 1996.¹ Ionex also holds authority from the Federal Communications Commission (“FCC”) to provide domestic interstate and international telecommunications services.

B. TNCI Impact LLC and Matrix Telecom, LLC

Matrix is a Texas limited liability company and wholly owned, indirect subsidiary of Transferor. Transferor is a Delaware limited liability company that is 90% owned by Garrison

¹ The Certificate of Registration was initially granted to Ionex Communications North, Inc., which was subsequently converted to an LLC.

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TNCI LLC and 10% owned by Impact Telecom Holdings, Inc. The corporate headquarters of Matrix and Transferor is located at 9000 E Nichols Ave., Suite 230, Englewood, Colorado 80112.

Matrix and its affiliates (collectively, "Impact Telecom") provides intrastate, interstate and international telecommunications services to residential, business and carrier customers throughout the United States. In South Dakota, Matrix is authorized to provide (1) local exchange services pursuant to a Certificate granted in Docket No. TC07-006 and (2) resold interLATA and intrastate services pursuant to a Certificate granted in Docket No. TC91-017. Matrix also holds authority from the FCC to provide domestic interstate and international telecommunications services.

Contacts

For the purposes of this filing, contacts are as follows:

For Transferor and Matrix to:

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With a copy to:

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For Transferee and Ionex to:

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With a copy to:

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Description of the Transaction

Pursuant to the terms of a Securities Purchase Agreement (the “Agreement”) dated as of July 3, 2018, by and between Transferor and Lingo, Lingo will acquire all issued and outstanding membership interests of Impact Acquisition, LLC, a Delaware limited liability company and an indirect parent of Matrix. Impact Acquisition, LLC and its subsidiaries, including Matrix, will be held by Lingo Management, LLC, which is a wholly owned subsidiary of Lingo. As a result, indirect ownership of Matrix will be transferred to Lingo.

After the closing of the Transaction, Lingo plans to eliminate Impact Telecom, LLC from the chain of ownership of Matrix (the “Post-Transaction *Pro Forma* Change”) resulting in Matrix becoming a wholly owned, direct subsidiary of Impact Acquisition, LLC. Since Matrix is currently a wholly owned, indirect subsidiary of Impact Acquisition, LLC, the Post-Transaction *Pro Forma* Change will not change the ultimate post-Transaction ownership of Matrix and is *pro forma* in nature. This Post-Transaction *Pro Forma* Change will have no effect on Matrix, its customers or its operations, but eliminating the additional intermediate holding company will streamline recordkeeping and reporting among other benefits.

For the Commission’s reference, Exhibit A depicts the current, post-closing and Post-Transaction *Pro Forma* Change entity ownership structure of the Parties.

The Transaction will bring together two enterprises that have demonstrated a long-standing commitment to excellence in a highly competitive marketplace. Customers of the combined company will benefit from the extensive telecommunications experience and expertise of the combined company. The financial, technical, and managerial resources that Transferee and Ionex will bring to Matrix (and Matrix to Transferee and Ionex) are expected to enhance their ability to compete in the telecommunications market-place. The proposed Transaction will have no adverse impact on customers of Matrix and Ionex. Following the Transaction, Matrix and Ionex will continue to provide high-quality communications services to their customers in South Dakota without interruption and without immediate change in rates, terms or conditions. The only change immediately following closing of the Transaction from a consumer’s perspective is that Lingo will be the new ultimate owner of Matrix.

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We would appreciate acknowledgement of receipt and acceptance of this filing, which is being submitted electronically. Should you have any questions, please do not hesitate to contact us.

Respectfully submitted,

***For: Lingo Communications, LLC and
Ionex Communications North, LLC***

/s/ *Angela F. Collins*

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***For: Impact Telecom LLC and
Matrix Telecom, LLC***

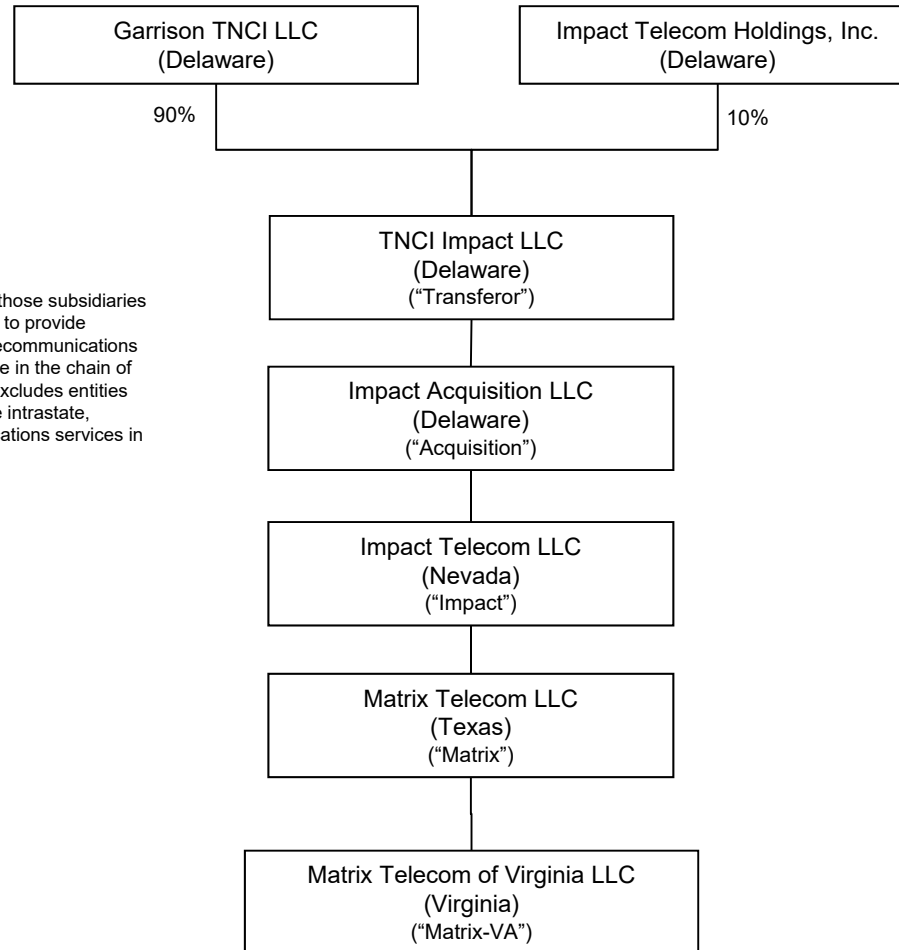
/s/ *Stephany Fan*

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EXHIBIT A

Current, Post-Closing and Post-Transaction *Pro Forma* Change Entity Structures

Current Organizational Structure of Matrix & Matrix-VA*

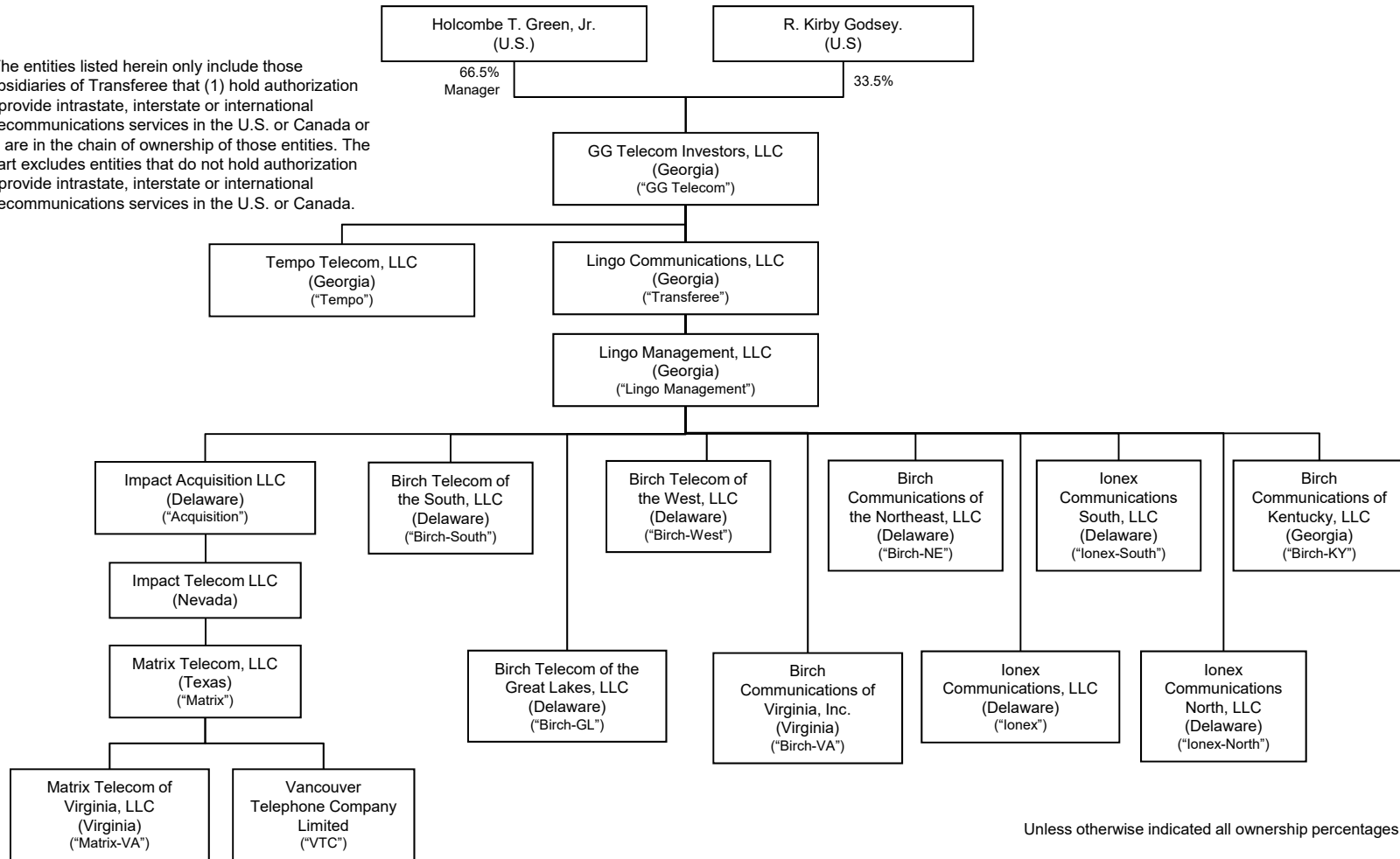


* The entities listed herein only include those subsidiaries of Transferor that (1) hold authorization to provide intrastate, interstate or international telecommunications services in the U.S. or Canada or (2) are in the chain of ownership of those entities. The chart excludes entities that do not hold authorization to provide intrastate, interstate or international telecommunications services in the U.S. or Canada.

Unless otherwise indicated all ownership percentages are 100%.

Post-Closing Organizational Structure of Matrix & Matrix-VA*

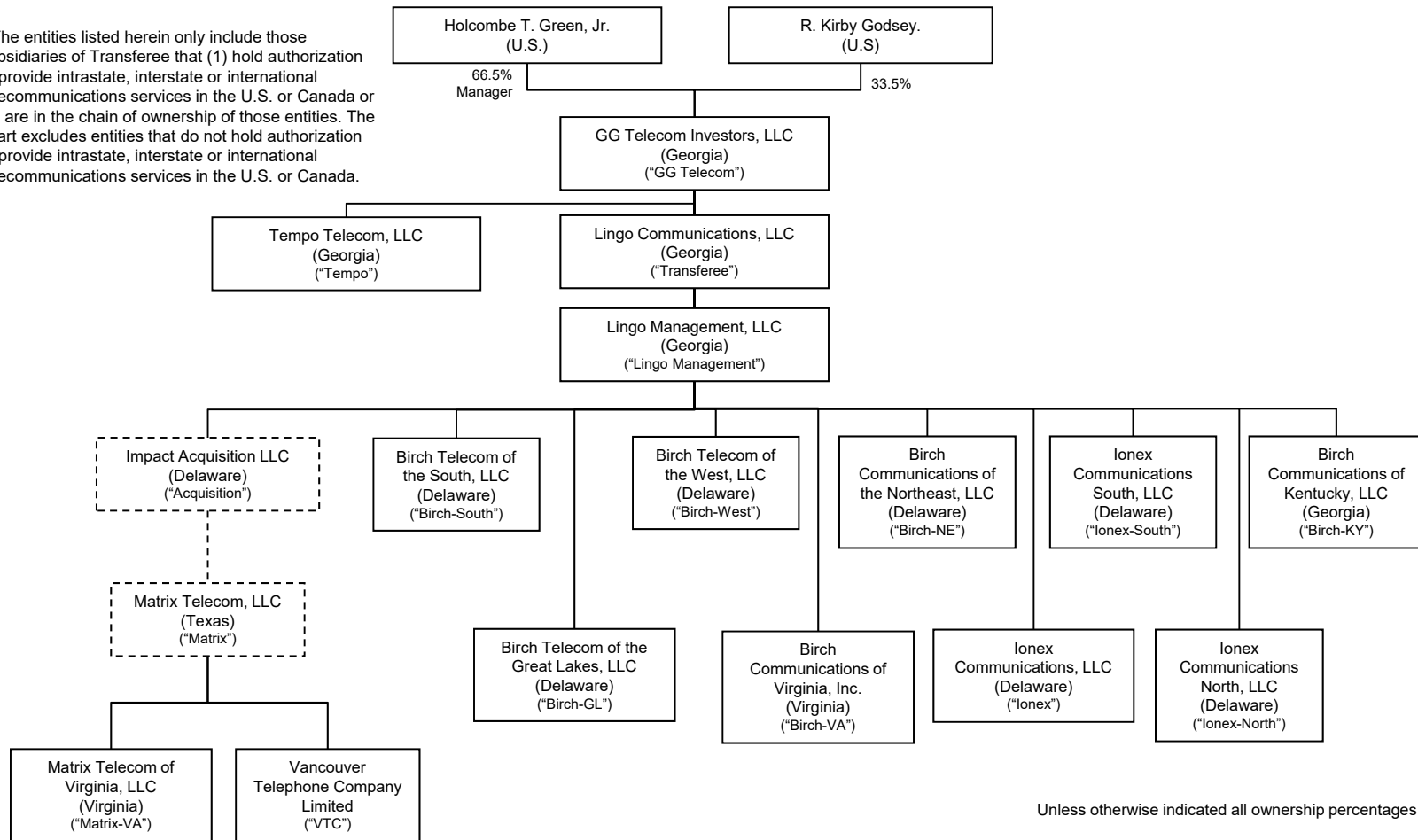
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Unless otherwise indicated all ownership percentages are 100%.

Organizational Structure of Matrix & Matrix-VA Post-Transaction Pro Forma Change*

* The entities listed herein only include those subsidiaries of Transferee that (1) hold authorization to provide intrastate, interstate or international telecommunications services in the U.S. or Canada or (2) are in the chain of ownership of those entities. The chart excludes entities that do not hold authorization to provide intrastate, interstate or international telecommunications services in the U.S. or Canada.



Unless otherwise indicated all ownership percentages are 100%.

Highlights Difference in Structure
Resulting from
Post-Transaction Pro Forma Change

VERIFICATIONS

STATE OF GEORGIA
COUNTY OF FULTON

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§ ss:
§

VERIFICATION

I, Vincent M. Oddo, state that I am the President and Chief Executive Officer of Lingo Communications, LLC (the “Company”); that I am authorized to make this Verification on behalf of the Company and its affiliates; that I have read the foregoing document; and that any statements in the foregoing document with respect to the Company and its affiliates, except as otherwise specifically attributed, are true and correct to the best of my knowledge, information, and belief.



Vincent M. Oddo
President and Chief Executive Officer
Lingo Communications, LLC

Sworn and subscribed before me this 16 day of July 2018.



Notary Public

My commission expires March 26, 2020



