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April 17, 2018

**VIA E-DOCKET**

Executive Director  
South Dakota Public Utilities Commission  
500 East Capitol Avenue  
Pierre, SD 57501-5070  
(605) 773-3201

Re: Mitel Cloud Services, Inc.  
Petition for Approval of Transfer of Control

To Whom It May Concern,

Attached please find for filing Mitel Cloud Services, Inc., Mitel Networks Corporation, Mitel US Holdings, Inc., Mitel (Delaware), Inc., and Mitel Networks, Inc.'s Joint Petition for Approval of Transfer of Control.

If you have any questions or require additional information please do not hesitate to contact Kali Reeves at [kreeves@telecomcounsel.com](mailto:kreeves@telecomcounsel.com) or (770) 232-9145.

Respectfully submitted,



Lance J.M. Steinhart  
Managing Attorney  
Lance J.M. Steinhart, P.C.  
*Attorneys for Mitel Cloud Services, Inc.*

Enclosures

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF SOUTH DAKOTA**

**Joint Petition of Mitel Cloud Services, Inc.**            )  
**Mitel Networks Corporation,**                            )  
**Mitel US Holdings, Inc., Mitel (Delaware), Inc.,**    )  
**And Mitel Networks, Inc.**                                )  
  )       **Docket No.**  
**for Approval of Transfer of Control of**                )  
**Mitel Cloud Services, Inc. to**                            )  
**Mitel Networks, Inc.**                                        )

**JOINT PETITION FOR APPROVAL OF TRANSFER OF CONTROL**

Mitel Networks Corporation ("Mitel Networks Corp."), Mitel US Holdings, Inc. ("Mitel US"), Mitel (Delaware), Inc. ("Mitel DE"), Mitel Networks, Inc., formerly ShoreTel, Inc. ("MNI") and Mitel Cloud Services, Inc. ("Mitel Cloud" or the "Company") (collectively, the "Parties" or "Petitioners"), by counsel, and the rules of the South Dakota Public Service Commission (the "Commission"), hereby respectfully request Commission approval for the transfer of control of Mitel Cloud from Mitel DE to MNI (the "Transaction").

The Parties are in the process of obtaining all required approvals for the proposed Transaction from both the Federal Communications Commission ("FCC") and all applicable state regulatory authorities. In support of this Joint Petition, the Petitioners provide the following information:

**I. THE PARTIES**

**A. Mitel Networks Corporation, Mitel US Holdings, Inc., Mitel (Delaware) Inc.**

Mitel DE, is a Delaware corporation and a direct wholly owned subsidiary of Mitel US. Mitel US is a Delaware corporation and direct wholly owned subsidiary of Mitel Networks Corp. Mitel Networks Corp. is a publicly traded (NASDAQ and TSX) Canadian

corporation that, to its knowledge, does not have any 10% or greater owners other than institutional investor: NWQ Investment Management Company, LLC, which publicly reported that it held 12.3% of Mitel Networks Corp. common shares as of February 3, 2017. NWQ Investment Management Company, LLC does not have board representation or any right to board representation and has publicly reported that it holds the Mitel Networks Corp. common shares for investment purposes. Accordingly, it does not hold a controlling interest in Mitel Networks Corp.

Mitel Networks Corp. has its executive offices at 350 Legget Drive, Ottawa, Ontario, Canada K2K 2W7. Mitel Networks Corp. is a leading provider of integrated communications solutions and services for business customers. Mitel Networks Corp.'s internet protocol-based communications offerings consist of a combination of telephony hardware products, such as communications platforms and desktop devices, and software applications that integrate voice, video, and data communications with business applications and processes. Mitel Networks Corp. also offers a range of other services, including the design of communications networks and implementation, maintenance, training and support services. In addition, Mitel Networks Corp. sells packaged software applications that are designed to solve particular business communications challenges, including applications for contact centers, mobility, teleworking, messaging, and collaboration. Mitel Networks Corp. operates from over 40 locations world-wide.

**B. Mitel Networks, Inc.**

Mitel Networks Corporation and Mitel US Holdings, Inc. entered into an Agreement and Plan of Merger with Shelby Acquisition Corporation, dated July 27, 2017, for the purchase of MNI (which was formerly ShoreTel, Inc.) and its subsidiaries. On December 29,

2017, the former Mitel Networks, Inc. (the “Former Mitel Networks”) and MNI (which was formerly ShoreTel, Inc.), both Delaware corporations, merged and the surviving company, MNI, was renamed Mitel Networks, Inc., the same name previously held by the Former Mitel Networks. The Former Mitel Networks was dissolved during the merger into MNI. Assets of the Former Mitel Networks now belong to MNI. MNI is not a regulated utility.

**C. Mitel Cloud Services, Inc.**

Mitel Cloud, is certificated to provide competitive local exchange, interexchange, voice over internet protocol (“VOIP”), and commercial mobile radio (“CMRS”) services nationwide.<sup>1</sup> Mitel Cloud was approved by the Commission to provide interexchange services on March 7, 2003 (RC02-120) and to provide competitive local exchange services on January 9, 2009 (TC08-130). Mitel Cloud also provides VOIP services and CMRS within the state. Mitel Cloud is a provider of interstate telecommunications services as a competitive carrier pursuant to Federal Communications Commission (“FCC”) regulations.

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<sup>1</sup> Mitel Cloud is certificated to provide competitive local exchange and interexchange services in Alabama, Alaska, Arizona, Arkansas, California, Canada, Colorado, Connecticut, Delaware, Georgia, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Washington, West Virginia, Wisconsin, and Wyoming. Mitel Cloud is certificated to provide competitive local exchange services in the District of Columbia, Florida, and Virginia. Mitel Cloud is certificated to provide CMRS services in California, Colorado, Delaware, Hawaii, Illinois, Indiana, Louisiana, Michigan, Montana, Nebraska, Nevada, North Dakota, South Dakota, Vermont, and West Virginia. Mitel is certificated to provide VOIP services in Arizona, California, Connecticut, Illinois, Indiana, Iowa, Michigan, Montana, Nebraska, and North Dakota.

## **II. DESIGNATED CONTACT**

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

Lance J.M. Steinhart, Esq.  
Managing Attorney  
Lance J.M. Steinhart, P.C.  
1725 Windward Concourse  
Suite 150  
Alpharetta, Georgia 30005  
(770) 232-9200 (Phone)  
lsteinhart@telecomcounsel.com (E-Mail)

## **III. DESCRIPTION OF THE TRANSACTION**

Pursuant to the terms of Common Stock Issuance Agreement, dated December 29, 2017, MNI agreed to issue Mitel DE 100 shares of common stock in exchange for the transfer by Mitel DE of 1,000 shares of common stock of Mitel Cloud. As a result of this Transaction, MNI is wholly owned by Mitel DE. The direct ownership of Mitel Cloud is therefore transferred from Mitel DE to MNI. However, Mitel Cloud remains indirectly owned by Mitel DE.

The Transaction was seamless and communicated to Mitel Cloud's customers, and in no event will it result in the discontinuance or material reduction, loss, or impairment of service to customers, except as otherwise previously agreed by the parties under contract. All existing customers of Mitel Cloud will continue to be served by Mitel Cloud pursuant to its existing authorizations, at existing rates, terms and conditions. For the Commission's reference, charts depicting the current and post-closing entity ownership structure of the Parties are provided as Exhibit A.

Due to important and compelling tax and business considerations, Mitel Cloud, Mitel DE, and MNI closed the Transaction before January 1, 2018. Tax savings of several million dollars resulted and it was in the best interest of the business and its shareholders to choose

this course of action. These business and tax benefits were primarily the result of the previous Agreement and Plan of Merger with Shelby Acquisition Corporation. In addition, the closing of the Transaction did not materially prejudice the rights of regulatory bodies, including this Commission, since it was promptly reported and was an internal reorganization that included no outside third parties and clearly was in the best interest of the companies and its shareholders, although the companies take very seriously their regulatory commitments and obligations.

#### **IV. PUBLIC INTEREST ANALYSIS**

The Transaction is part of internal restructuring due to the previous purchase and transfer of ShoreTel, Inc. The Transaction aims to serve the public interest in that it was designed to strengthen the Mitel entities overall, while maintaining the managerial, technical, and financial resources available to the Parties. The Transaction was structured to have no material adverse impact on Mitel Cloud's current customers, who will continue to receive their existing services at the same rates, terms and conditions as at present, except as otherwise previously agreed by the parties under contract. It is currently intended that Mitel Cloud's present management team remain with the Company, continuing to direct day-to-day operations.

**V. CONCLUSION**

Based on the foregoing, the Petitioners respectfully submit that the Transaction will further the public interest. Accordingly, Petitioners respectfully request that the Commission grant approval of the Joint Petition, waive public notice and hearing on this Petition and any other formal filing requirements, and grant such other relief as the Commission deems necessary and appropriate.

Respectfully Submitted,



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*Counsel for Petitioners*

Dated: April 17, 2018

**CERTIFICATION**



Province of Ontario

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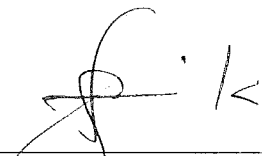
City of Ottawa

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## Certification

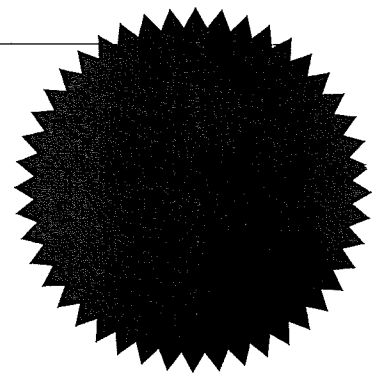
Personally appeared before the undersigned, an officer duly authorized to administer oaths, Gregory J. Hiscock, who first being duly sworn, deposes and states that he is the Secretary of Officer of Mitel Networks, Inc. and Mitel Cloud Services, Inc. Applicants in this Application, and has read the same and knows the contents thereof, and confirms that the statements made herein are true to the best of his knowledge and belief.

  
\_\_\_\_\_  
Gregory J. Hiscock, Secretary

Subscribed and sworn to before me this 31st day of January, 2018.

  
\_\_\_\_\_  
Sandra Lee Felskie  
A Notary Public in and for the  
Province of Ontario, CANADA

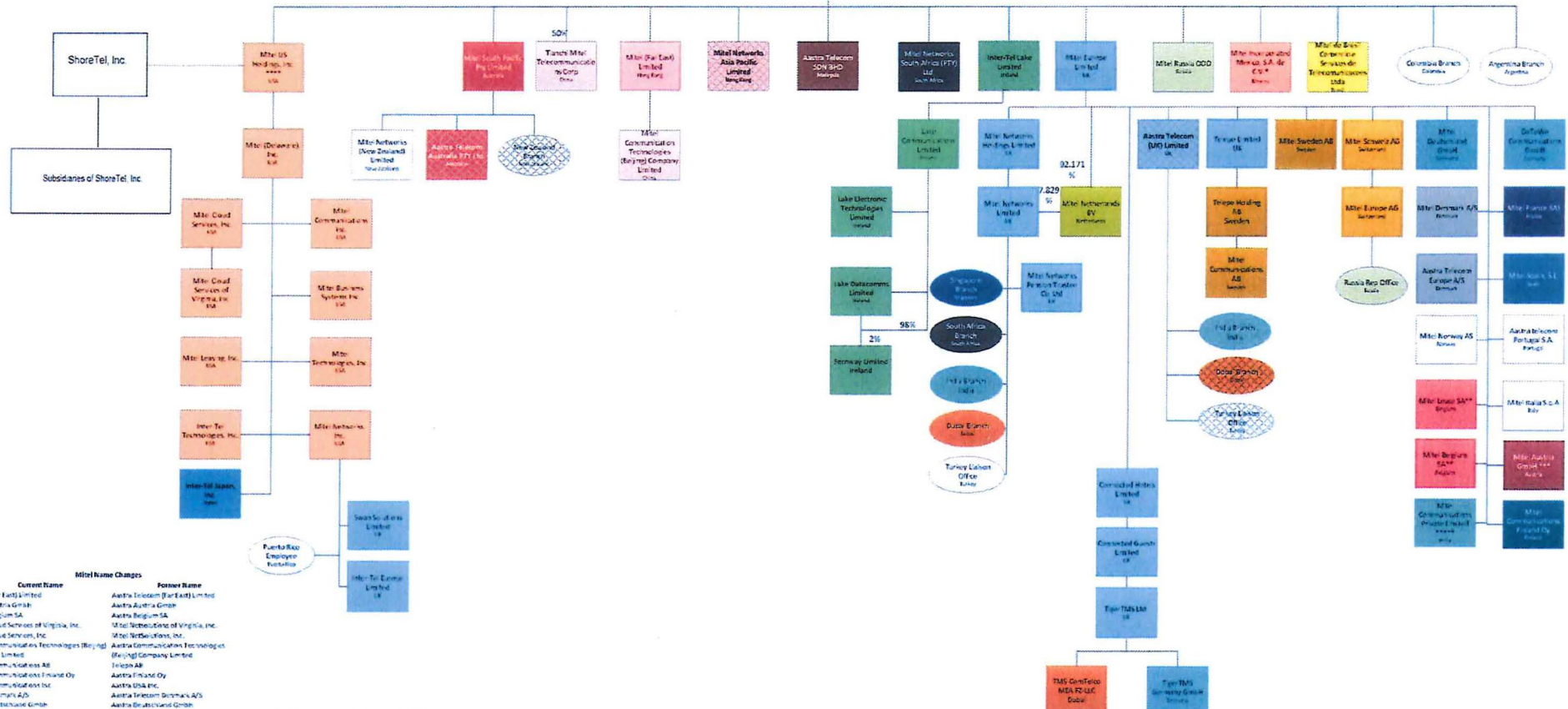
Sandra Lee Felskie, Notary Public, City of Ottawa, limited to the attestation of instruments and the taking of affidavits, for Mitel Networks Corporation and its subsidiaries, associates and affiliates. Expires April 27, 2018.



**Exhibit A**  
**Organizational Charts**

**Pre Close**

Mitel Networks Corporation Canada



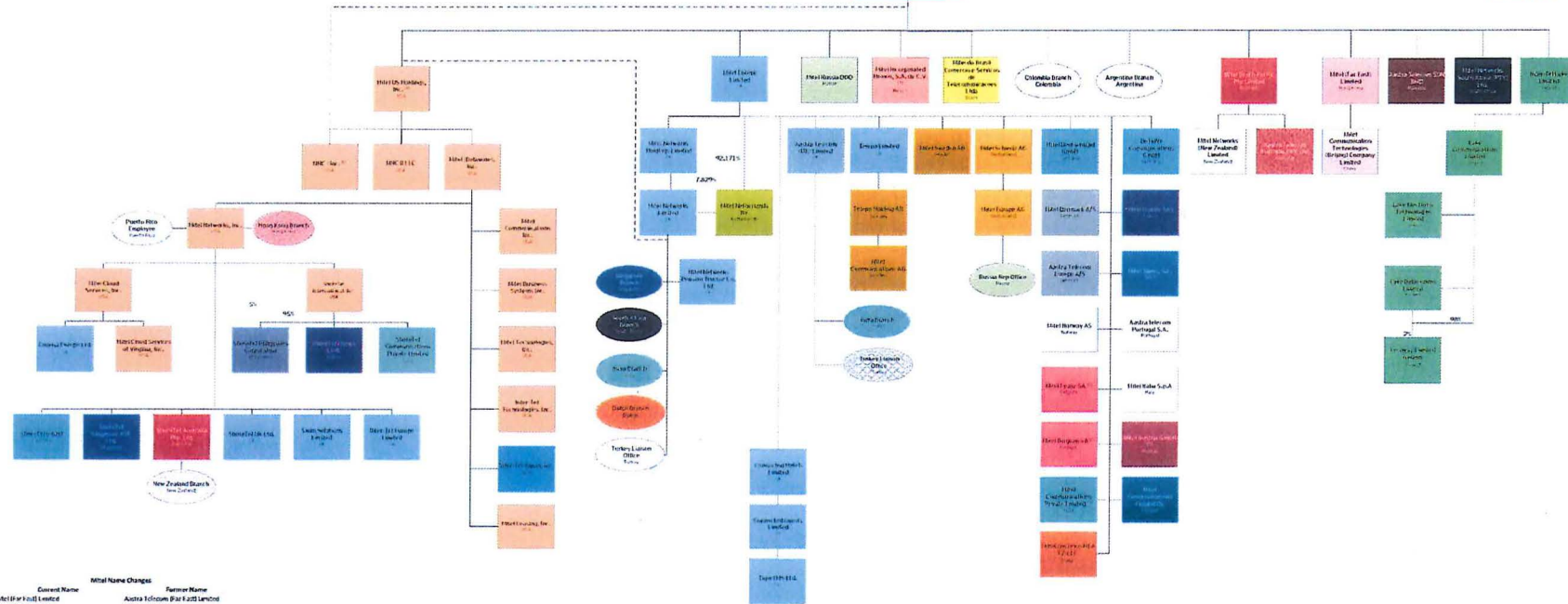
**Mitel Name Changes**

Current Name	Former Name
Mitel (UK) Limited	Alstra Telecom (UK) Limited
Mitel Austria GmbH	Alstra Austria GmbH
Mitel Belgium SA	Alstra Belgium SA
Mitel Cloud Services of Virginia, Inc.	Mitel Networks of Virginia, Inc.
Mitel Cloud Services, Inc.	Mitel Networks, Inc.
Mitel Communications Technologies (Beijing) Company Limited	Alstra Communications Technologies (Beijing) Company Limited
Mitel Communications AG	Telecom AG
Mitel Communications (France) S.A.	Alstra (France) S.A.
Mitel Denmark A/S	Alstra Telekom Danmark A/S
Mitel Deutschland GmbH	Alstra Deutschland GmbH
Mitel Europe AG	Alstra Europe AG
Mitel France SAS	Alstra France SAS
Mitel India Private Limited (S.A. de C.V.)	Alstra India Private Limited (S.A. de C.V.)
Mitel India S.A.	Alstra India S.A.
Mitel Israel SA	Alstra Israel SA
Mitel Netherlands BV	Alstra Telekom Netherlands BV
Mitel Networks South Africa (PTY) Ltd.	Alstra Telekom South Africa (Proprietary) Limited
Mitel Norway AS	Alstra Telekom Norway AS
Mitel Russia OOO	Alstra Rus OOO
Mitel Schweiz AG	Alstra Telekom Schweiz AG
Mitel Spain S.L.	Alstra Telecom S.L.
Mitel Sweden AB	Alstra Telekom Sweden AB
Mitel Do Brasil Comercio e Servicos de Telecomunicacoes Ltda.	Alstra Telekom Do Brasil Industria e Comercio Ltda.

\* Mitel Networks Limited owns 1% of Entity  
 \*\* Mitel Networks Corporation owns less than 1% interest in Entity  
 \*\*\* Mitel Austria GmbH, Slovenia, Poland and Czech Republic employees and a rep office in Hungary  
 \*\*\*\* Mitel Networks Limited owns 1,000 Non Voting Class A Preference Shares  
 \*\*\*\*\* Mitel Europ Limited owns 99% of this Entity and an individual, Siddhagutta Srinath owns 1% of Entity  
 ☒ To be dissolved

**Post Close**

Mitel Networks Corporation  
Canada



Current Name	Former Name
Mitel (UK) Limited	Aastra Telecom Plc (UK) Limited
Mitel (Australia) Pty Ltd	Aastra Australia Pty Ltd
Mitel (Belgium) SA	Aastra Belgium SA
Mitel Cloud Services of Virginia, Inc.	Mitel Networks of Virginia, Inc.
Mitel Cloud Services, Inc.	Mitel Networks, Inc.
Mitel Communication Technologies (Belgium) Company Limited	Aastra Communication Technologies (Belgium) Company Limited
Mitel Communications AB	Telago AB
Mitel Communications Federal Oy	Aastra Federal Oy
Mitel Communications Inc.	Aastra USA Inc.
Mitel Denmark A/S	Aastra Telecom Denmark A/S
Mitel Czech Republic GmbH	Aastra Czech Republic GmbH
Mitel Europe AG	Aastra Europe AG
Mitel France SAS	Aastra France SAS
Mitel (Brazil) Comercio S.A. de CV	Aastra Comercio de México, S.A. de CV
Mitel (Italy) S.p.A.	Aastra Italia S.p.A.
Mitel Korea SA	Aastra Korea SA
Mitel Netherlands BV	Aastra Telecom Netherlands BV
Mitel Networks South Africa (Pty) Ltd	Aastra Telecom South Africa (Proprietary) Limited
Mitel Norway AS	Aastra Telecom Norway AS
Mitel Russia OOO	Aastra RUS OOO
Mitel (Schweiz) AG	Aastra Telecom Schweiz AG
Mitel Spain S.L.	Aastra Telecom S.L.
Mitel (Sweden) AB	Aastra Telecom Sverige AB
Mitel (De Brazil) Comercio e Servicos de Telecomunicacoes Ltda	Aastra Telecom Do Brasil Industria e Comercio Ltda

- (1) Mitel Networks Limited owns 2% of Entity
- (2) Mitel Networks Corporation owns less than 1% interest in Entity
- (3) Mitel Austria GmbH, Slovenia, Poland and Czech Republic employees with an office in Hungary
- (4) Mitel Networks Limited owns 1,000 Non-Voting Class A Preference Shares
- (5) Mitel Europe Limited owns 99% of this Entity and an individual, Sussagatta Sushut owns 1% of Entity
- (6) Mitel Networks Corporation owns 4,346 preferred shares of MNC I Inc.

To be dissolved