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February 1, 2019

Patricia Van Gerpen
South Dakota Public Utilities Commission
500 East Capital Avenue
Pierre, South Dakota 57501

Re: Informational Filing

Notice of Proposed Transfer of Indirect Control of Clarity Telecom, LLC d/b/a Vast Broadband LLC from PC III CTH Holdings, L.P. to Python Intermediate II, LLC

Dear Ms. Van Gerpen:

On behalf of Python Intermediate II, LLC (“Python” or “Transferee”), PC III CTH Holdings, L.P. (“PC III Holdings” or “Transferor”) and Clarity Telecom, LLC d/b/a Vast Broadband (“Clarity” or “Licensee”) (together, the “Parties”), this letter notifies the Commission of a proposed transfer of indirect control of Clarity to Transferee (the “Python Transaction”). Pursuant to SDCL § 49-31-20, prior Commission action is not required for the Python Transaction. Accordingly, the Parties submit this letter for informational purposes.

Description of the Parties

A. Python Intermediate II, LLC (Transferee)

Transferee is a newly formed Delaware limited liability company created for the purpose of completing the Python Transaction. Transferee is indirectly, wholly owned by Python Holdings, L.P. (“Python Holdings”), an investment fund also created for the purpose of the Python Transaction. Python Holdings is primarily owned and controlled by funds and entities affiliated with Pamlico Capital and Oak Hill Capital Partners, which are private equity funds based in the United States. The equity in the Pamlico Capital and Oak Hill Capital Partners funds is held through passive limited partnership interests held by numerous, primarily U.S.-based investors, including individuals, trusts, institutions and business entities. Control of these funds ultimately rests in U.S. entities or citizens.

B. PC III CTH Holdings, L.P. (Transferor)

PC III Holdings was formed for the purpose of investments in Clarity Telecom Holdings, LLC (“Clarity Holdings”), a Delaware limited liability company and the direct parent of Clarity. PC III Holdings is majority owned and controlled by funds and entities affiliated with Pamlico Capital.

Robert C. Riter, Jr
Margo D. Northrup

Darla Pollman Rogers
Lindsey Riter-Rapp
A. Jason Rumpca, Associate

Jerry L. Wattier
Kody R. Kyriss, Associate

C. Clarity Telecom, LLC d/b/a Vast Broadband (Licensee)

Clarity, headquartered in Sikeston, Missouri, is a Delaware limited liability company that provides telecommunications services in Minnesota and South Dakota doing business under the brand Vast Broadband. Clarity provides an array of communications, video and broadband services, including digital cable, high-speed Internet, and local and long distance phone services. Clarity is managed by a team of experienced telecommunications professionals who have operated cable television systems together for more than twenty years, providing video programming services and a suite of advanced communications services, including high-speed Internet access, digital voice, home monitoring, whole home solutions, and fiber optic transport connectivity. In South Dakota, Clarity is authorized as an incumbent local exchange carrier and a competitive local exchange carrier as well as to provide interexchange telecommunications services pursuant to authority granted in Docket No. TC14-073.¹ Clarity is designated as an eligible telecommunications carrier in the South Dakota exchanges formerly served by Knology Community Telephone, Inc. and Knology of the Black Hills, LLC.² Clarity also is authorized by the Federal Communications Commission to provide domestic and international telecommunications.

Additional information concerning Clarity's technical, managerial and financial qualifications was submitted to the Commission in Docket No. TC14-073 and is incorporated herein by reference.

¹ Clarity acquired the Certificates of Authority, customers, and assets of Knology of the Plains, Inc. (a competitive local exchange carrier), Knology of the Black Hills, LLC (a competitive local exchange carrier), and Knology Community Telephone, Inc. (a rural incumbent local exchange carrier) on September 30, 2014 pursuant to the Commission's Order issued on September 8, 2014 in Docket No. TC14-073. *See In re the Joint application of Kite Parent Corp. (a Subsidiary of WideOpenWest Finance, LLC) and its Subsidiaries Knology of the Plains, Inc., Knology Communications Telephone, Inc., Knology of South Dakota, Inc., and Black Hills Fiber systems, Inc. and Clarity Telecom, LLC Regarding the Sale of Telephone Exchange to Clarity Telecom, LLC, Transfer of Certificates of Authority, Eligible Telecommunications Carrier Designation, and Relinquishment of Eligible Telecommunications Carrier*, Order Approving Sale of Exchange; Order Approving Transfer of Certificates of Authority, Docket No. TC14-073 (Sept. 8, 2014)

² *See In re the Joint application of Kite Parent Corp. (a Subsidiary of WideOpenWest Finance, LLC) and its Subsidiaries Knology of the Plains, Inc., Knology Communications Telephone, Inc., Knology of South Dakota, Inc., and Black Hills Fiber systems, Inc. and Clarity Telecom, LLC Regarding the Sale of Telephone Exchange to Clarity Telecom, LLC, Transfer of Certificates of Authority, Eligible Telecommunications Carrier Designation, and Relinquishment of Eligible Telecommunications Carrier*, Order Granting Eligible Telecommunications Designation; Order Granting Relinquishment of Eligible Telecommunications Designations; Order Granting Certification, Docket No. TC14-073 (Sept. 24, 2014).

Contacts

Inquiries or copies of any correspondence or other materials pertaining to this filing should be directed to:

Margo D. Northrup
Riter, Rogers, Wattier & Northrup, LLP
P.O. Box 280
Pierre, SD 57501
605-224-7889 (tel)
605-224-7102 (fax)
m.northrup@riterlaw.com

With copies for Transferee, Transferor,
and Clarity to:

Catherine Wang
Brett P. Ferenchak
Morgan, Lewis & Bockius LLP
1111 Pennsylvania Ave, N.W.
Washington, DC 20004-2541
202-739-3000 (tel)
202-739-3001 (fax)
catherine.wang@morganlewis.com
brett.ferenchak@morganlewis.com

With copies for Clarity to:

Keith Davidson, CFO
Clarity Telecom, LLC
912 South Main Street
Suite 106
Sikeston, MO 63801
Keith.Davidson@vastbroadband.com

With copies for Transferor to:

Andrew B. Tindel
Pamlico Capital
150 North College Street
Suite 2400
Charlotte, NC 28202
andrew.tindel@pamlicocapital.com

With copies for Transferee to:

Christopher Taylor
c/o Oak Hill Capital Partners
One Stamford Plaza
263 Tresser Boulevard, 15th Floor
Stamford, CT 06901
ctaylor@oakhillcapital.com

Description of the Transaction

Pursuant to an Agreement and Plan of Merger (“Agreement”) dated as of December 24, 2018, a series of mergers and other transactions will result in Transferee directly or indirectly owning all of the issued and outstanding equity interests of Clarity Holdings. Upon completion of the Python Transaction, Clarity Holdings will be a wholly owned subsidiary of Transferee. Clarity will remain a wholly owned subsidiary of Clarity Holdings and will become an indirect, wholly owned subsidiary of Transferee. Diagrams depicting the current and post-Python Transaction corporate ownership structures of Clarity are appended hereto as Exhibit A.

Public Interest Considerations

The Python Transaction will serve the public interest. The Python Transaction will have no adverse impact on the customers or operations of Clarity, as upon closing of the Python Transaction Clarity will continue to provide service at the same rates, terms, and conditions, as governed by existing tariffs, contracts or other service arrangements. The Python Transaction will be transparent to customers. Clarity's trade name, Vast Broadband, will remain intact immediately upon closing, and the only change immediately following the closing from a customer's perspective will be the new indirect ownership of Clarity. Additionally, Transferee expects that the Python Transaction will enable Clarity to access additional capital that will make it a stronger competitor.

* * * *

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

Respectfully submitted,

RITER, ROGERS, WATTIER &
NORTHROP, LLP

By:



Margo D. Northrup
Counsel for the Parties

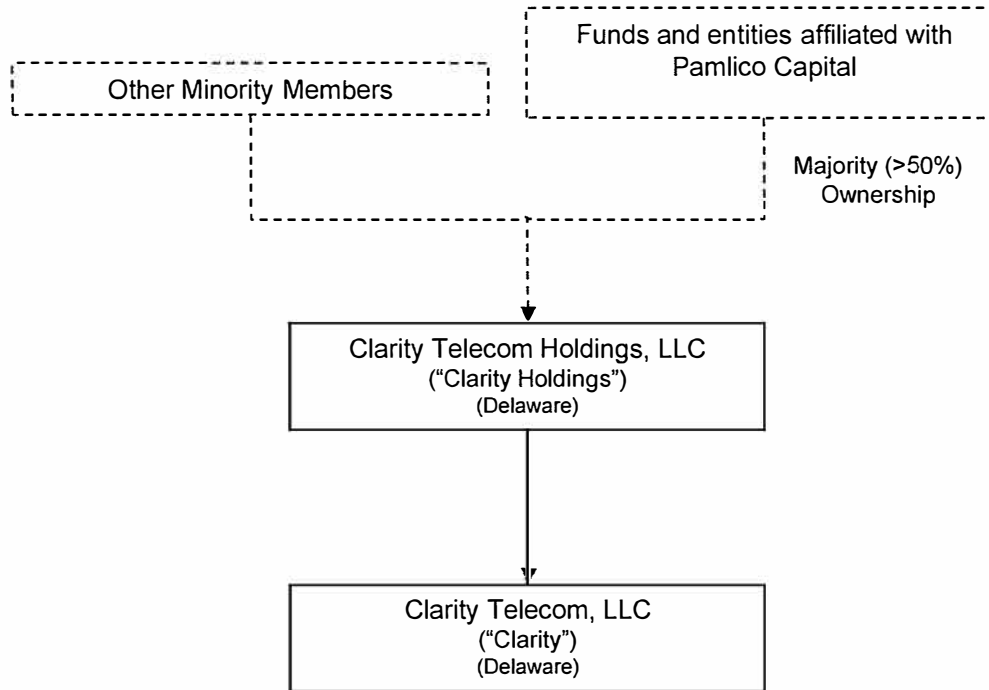
Enclosure

EXHIBIT A

Current and Post-Python Transaction Corporate Ownership Structure Charts

Current Corporate Ownership Structure of Clarity*

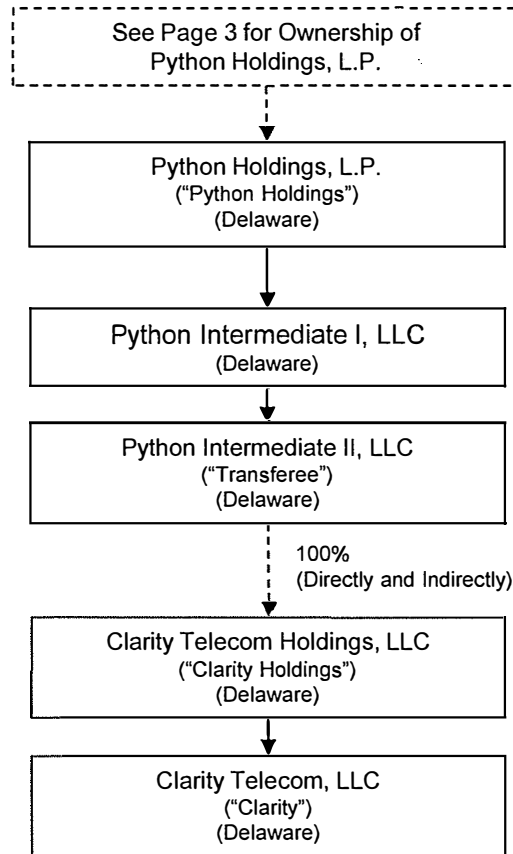
* The entities listed herein only include Clarity and those entities that are in their chain of ownership.



All ownership/control percentages are 100%, unless noted.

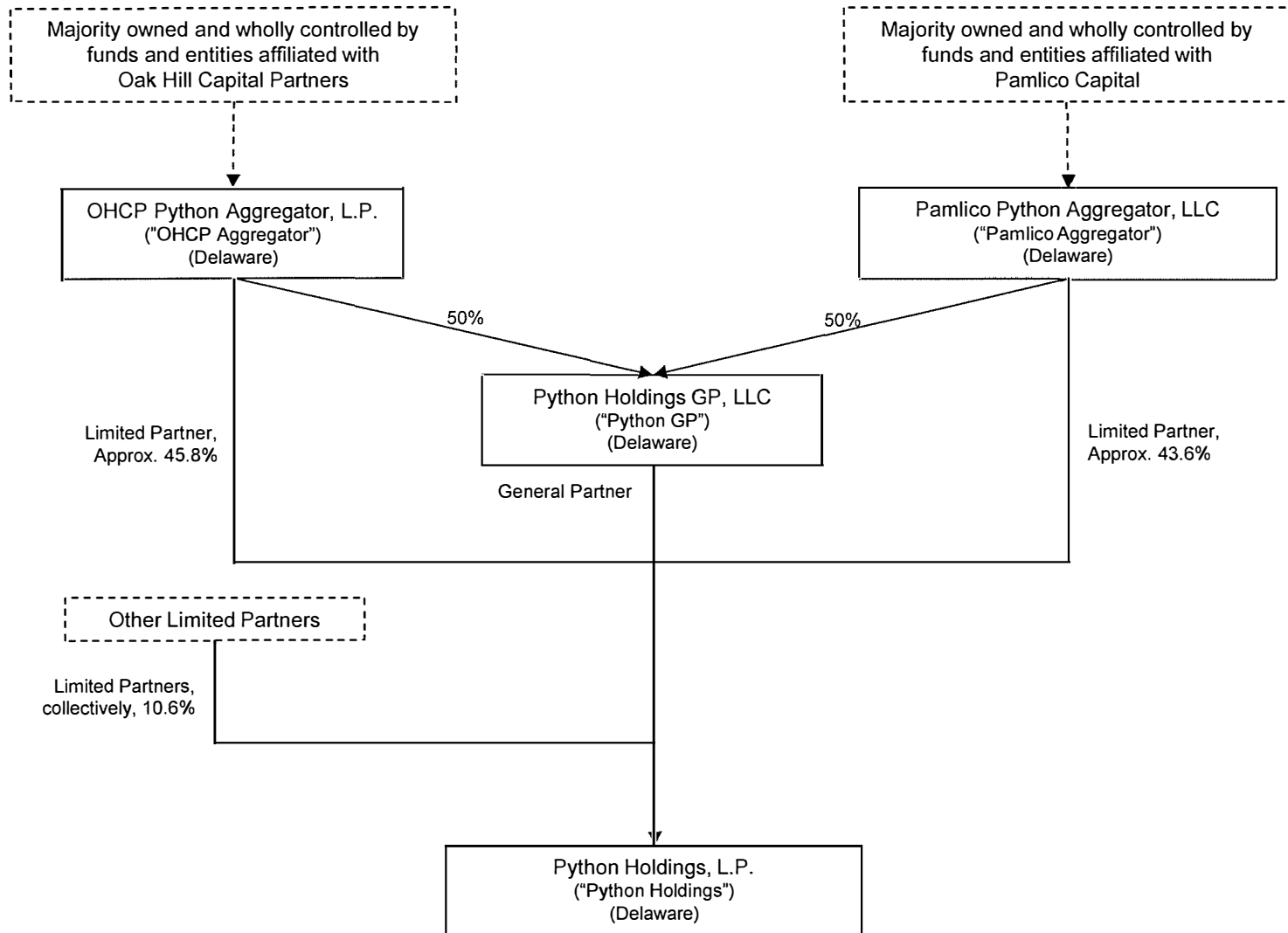
Post-Transaction Corporate Ownership Structure of Clarity*

* The entities listed herein only include Clarity and those entities that are in their chain of ownership.



All ownership/control percentages are 100%, unless noted.

Post-Transaction Corporate Ownership Structure of Python Holdings



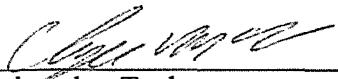
All ownership/control percentages are 100%, unless noted.

VERIFICATIONS

STATE OF CONNECTICUT §
 §
COUNTY OF FAIRFIELD §

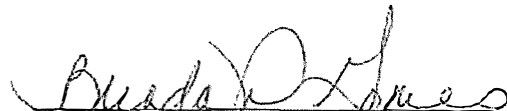
VERIFICATION

I, Christopher Taylor, state that I am an Authorized Representative of Python Intermediate II, LLC (the “Company”); that I am authorized to make this Verification on behalf of the Company; and that the contents in the foregoing filing with respect to the Company are true and correct to the best of my knowledge, information, and belief.



Christopher Taylor
Authorized Representative
Python Intermediate II, LLC

SWORN TO AND SUBSCRIBED before me on the 11th day of January, 2019.



Notary Public

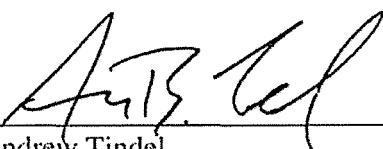
My commission expires: December 31, 2020

STATE OF NORTH CAROLINA
COUNTY OF MECKLENBERG

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§
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VERIFICATION

I, Andrew Tindel, state that I am authorized to make this Verification on behalf PC III CTH Holdings, L.P. (the "Company"); that the foregoing filing was prepared under my direction and supervision; and that the contents thereof with respect to the Company are true and correct to the best of my knowledge, information and belief.



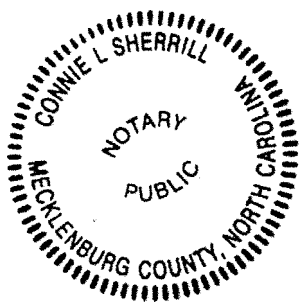
Andrew Tindel
Authorized Person for
PC III CTH Holdings, L.P.

SWORN TO AND SUBSCRIBED before me on the 9th day of January, 2019.



Notary Public

My commission expires: May 31, 2020



STATE OF MISSOURI

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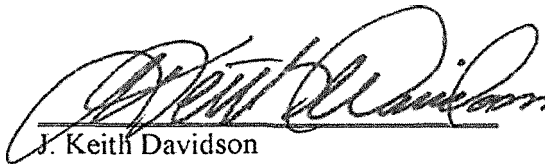
COUNTY OF SCOTT

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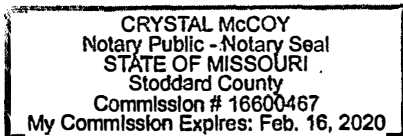
VERIFICATION

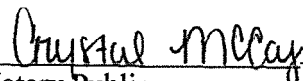
I, J. Keith Davidson, state that I am Chief Financial Officer of Clarity Telecom, LLC d/b/a Vast Broadband (the “Company”); that I am authorized to make this Verification on behalf of the Company; that the foregoing filing was prepared under my direction and supervision; and that the contents thereof with respect to the Company are true and correct to the best of my knowledge, information and belief.



J. Keith Davidson
Chief Financial Officer
Clarity Telecom, LLC

SWORN TO AND SUBSCRIBED before me on the 10th day of January, 2019.




Notary Public

My commission expires: 02/16/2020