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November 11, 2021

VIA E-DOCKET

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

Re: Network Innovations, Inc. Petition for Approval of Transfer of Control

To Whom It May Concern,

Attached please find for filing Network Innovations, Inc. 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 or (770) 232-9145.

Respectfully submitted,

/s/ Lance J.M. Steinhart

Lance J.M. Steinhart
Managing Attorney
Lance J.M. Steinhart, P.C.
Attorneys for Network Innovations, Inc.

Enclosures

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

| | | |
|--|---|-------------------|
| Joint Petition of NETWORK INNOVATIONS, INC. |) | |
| And NI Topco, Inc. |) | |
| |) | Docket No. |
| for Approval of Transfer of Control of |) | |
| NETWORK INNOVATIONS, INC. to |) | |
| NI Topco, Inc. |) | |

JOINT PETITION FOR APPROVAL OF TRANSFER OF CONTROL

Network Innovations, Inc. (“Network Innovations” or the “Company”) and NI Topco, Inc. (“NI Topco”) or its designee (collectively, the “Parties” or “Petitioners”), by counsel, and the rules of the South Dakota Public Utilities Commission (the “Commission”), hereby respectfully request Commission approval for the transfer of control of Network Innovations from its current equity holders to NI Topco, or its designee (the "Transaction").

In support of this Joint Petition, the Petitioners provide the following information:

I. THE PARTIES

A. Network Innovations, Inc.

Network Innovations, Inc. is an Illinois corporation located at 350 N. Orleans St., Suite 1300N, Chicago, Illinois 60654. Network Innovations provides fully integrated telecommunications solutions tailored to its customers’ needs. Network Innovations was approved by the Commission to provide long distance services on October 29, 2008. The Company also currently provides interstate telecommunications services as a competitive carrier pursuant to blanket Section 214 authority granted pursuant to Section 63.01 of the Federal Communications Commission’s Rules. Additional information about Network Innovations, including executive summaries, can be found on its website at www.nitelusa.com.

B. NI Topco, Inc.

NI Topco, Inc. is a Delaware corporation that was formed for purpose of the Proposed Transaction and currently has no operations. NI Topco, through its affiliates, has considerable financial resources that will be available, as needed, to support Network Innovations in its operations and continuing growth. NI Topco is ultimately owned by investment funds affiliated with Cinven Capital Management (VII) General Partner Limited. Cinven¹ is a leading international private equity firm, founded in 1977. It has offices in London, Frankfurt, Guernsey, Luxembourg, Madrid, Milan, New York and Paris. Funds managed by Cinven acquire companies that will benefit from Cinven’s expertise of growing and building companies globally and require an equity investment of typically €200 million or more. Cinven focuses on six business sectors, including Technology and Telecommunications. Additional information about Cinven, including executive summaries, can be found on its website at www.cinven.com.

¹ For purposes of this application, references to “Cinven” means, depending on the context, any of or collectively, Cinven Partnership LLP, Cinven Holdings Guernsey Limited and their respective “associates” (as defined in the UK Companies Act 2006) and/or funds managed or advised by any of the foregoing, excluding, for the avoidance of doubt, any portfolio companies in which such funds have invested and their subsidiary undertakings.

II. DESIGNATED CONTACT

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

Lance J.M. Steinhart, Esq.
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Attorneys for Network Innovations

Wayne D. Johnsen
Wiley Rein LLP
1776 K Street, N.W.
Washington, D.C. 20006
(202) 719-7303 (Phone)
wjohansen@wiley.law (E-Mail)

Attorneys for NI Topco, Inc.

III. DESCRIPTION OF THE TRANSACTION

The Proposed Transaction will be effectuated pursuant to a purchase agreement under which NI Topco or its designee, will acquire 100% of the equity interests of Network Innovations and certain of its affiliated entities by December 31, 2021. The purchase price will be paid in cash and through issuance of equity of a parent company of NI Topco. In addition, in connection with the Proposed Transaction, Network Innovations will be converted from a corporation into a limited liability company with the name “Network Innovations LLC”. Pre-transaction and post-transaction corporate organizational charts are attached hereto as **Exhibit A**.

Network Innovations provides wholesale and/or retail VoIP, private-line, data, internet access, information, and managed network services in Alabama, Alaska, Arizona, Arkansas,

California, Colorado, Connecticut, Delaware, District of Columbia, Florida, 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, Virginia, Washington, West Virginia, Wisconsin and Wyoming. Customers of Network Innovations will continue to be serviced by Network Innovations on substantially the same terms and conditions. The Proposed Transaction will not result in an interruption, reduction, loss or impairment of services to any customer.

IV. PUBLIC INTEREST ANALYSIS

The Parties respectfully submit that the Proposed Transaction described herein will serve the public interest. Network Innovations currently offers a broad range of managed network solutions that feature competitive pricing and high-quality service. The Proposed Transaction will permit Network Innovations to continue to provide superior customer service and customized solutions to existing consumers, as well as new customers in the future, and also to achieve measurable growth at the same time as it develops improved operating efficiencies. The Proposed Transaction will also allow Network Innovations to improve and expand its current offerings due to increased access to capital, technology and other resources.

Since the Buyer is a financial buyer, and not a strategic buyer, there are no immediate plans for changes for the management and performance of day-to-day operations. Network Innovations customers will not see any immediate change to their services as a result of the Proposed Transaction. Because the Transaction will expand competition and benefit consumers, the Parties submit that the Proposed Transaction is clearly in the public interest.

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 Network Innovations, Inc.

Dated: November 11, 2021

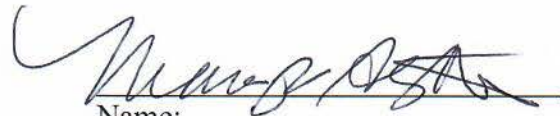
CERTIFICATION

STATE OF IL)

CITY OF Chicago)

Certification

Personally appeared before the undersigned, an officer duly authorized to administer oaths, Manal Arteaga, who first being duly sworn, deposes and states that they are the VP, Finance Ops of NETWORK INNOVATIONS, 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.



Name:

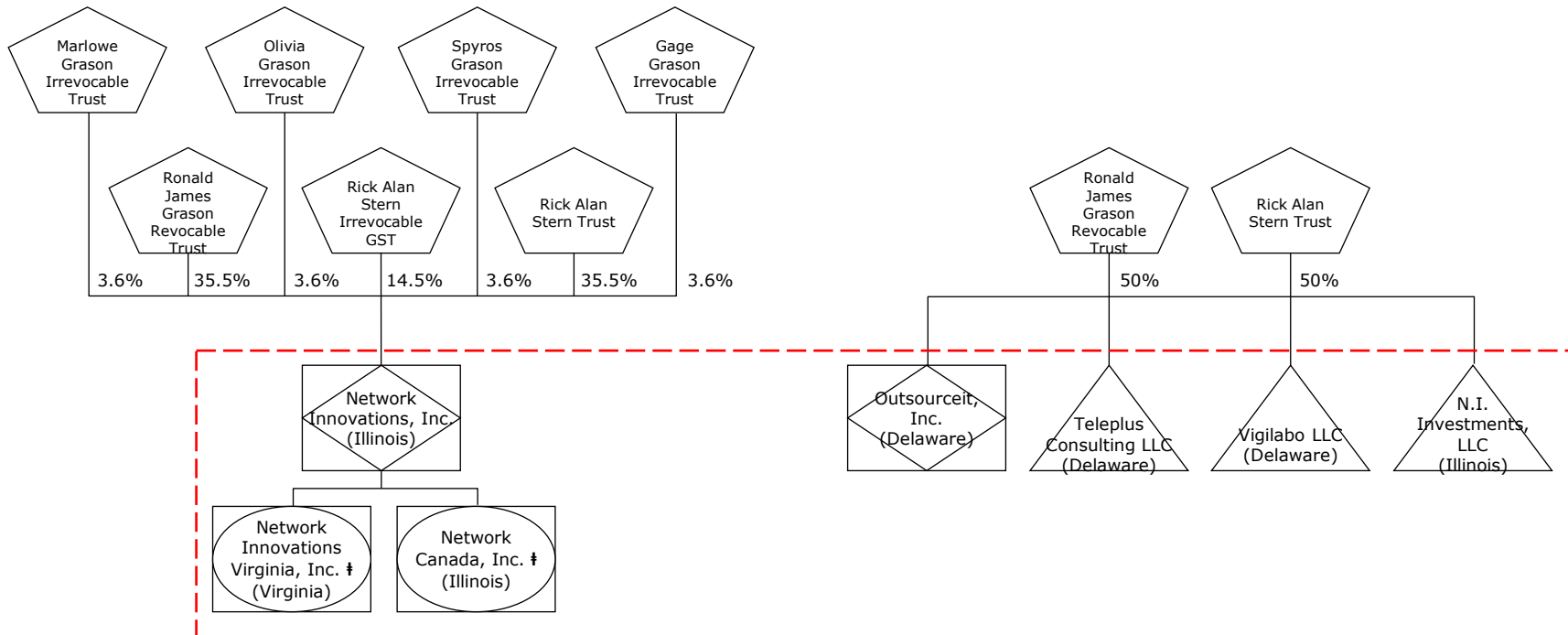
Title: VP, Finance Operations .

Network Innovations, Inc.

Exhibit A

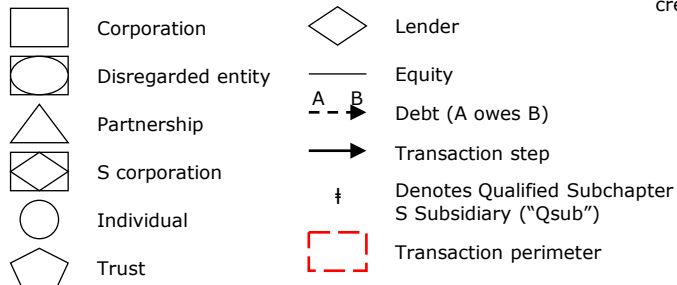
Organizational Charts

Current legal entity structure



US income tax legend

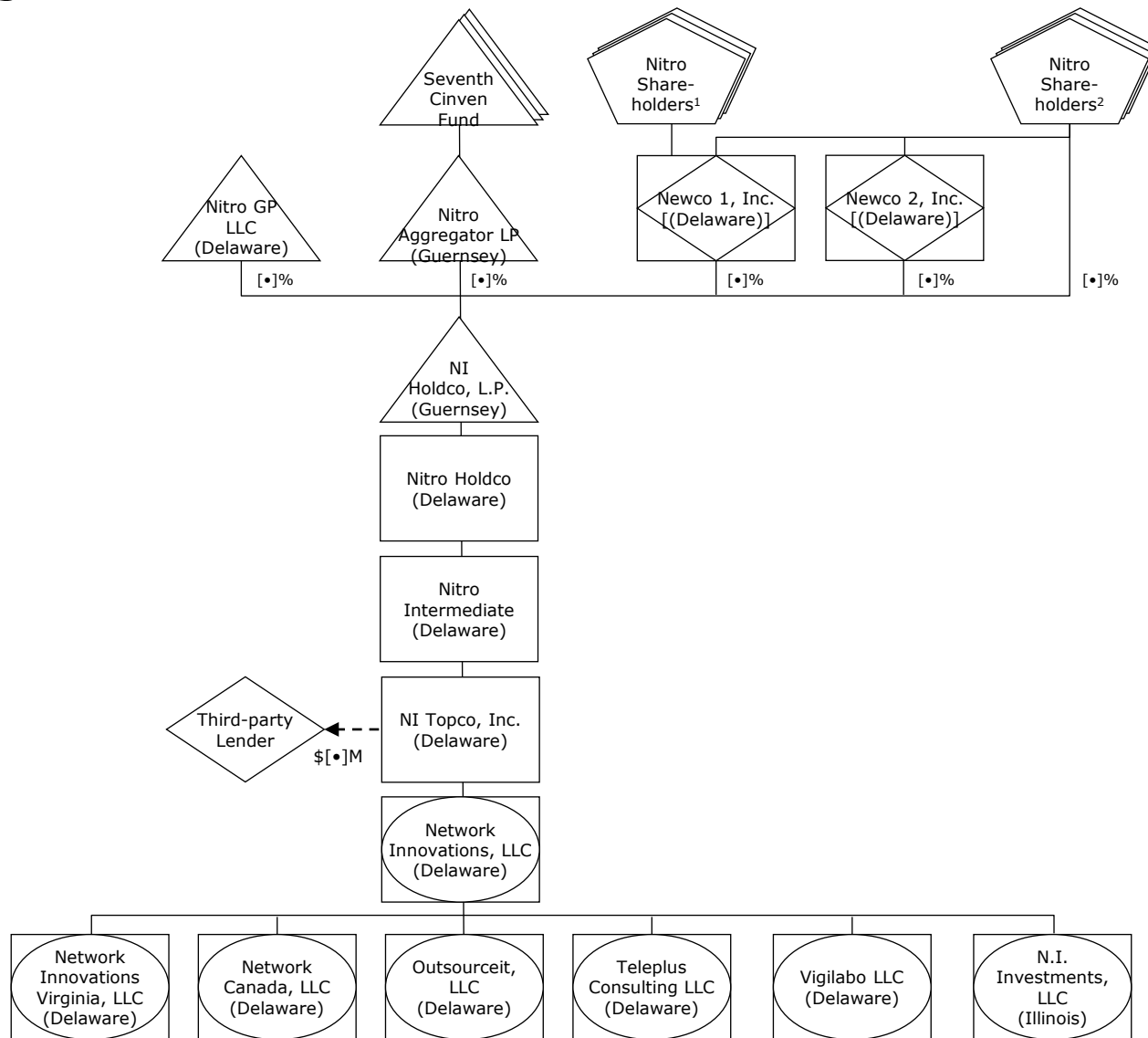
All entities are US and 100% owned, unless indicated otherwise.



Notes

- Source: Nitel Purchase Agreement; Corporate Organization Chart 09.09.2021; Nitel Legal Entity Listing
- We understand the Nitel Innovations, Inc. ("Nitel") (and related parties) does not have any third-party debt outstanding other than a credit line.

Post-closing structure



Footnotes:

1| Shareholders include the Grason children Irrevocable Trusts and Rick Alan Stern Irrevocable GST

2| Shareholders include Ronald James Grason Revocable Trust and Rick Alan Stern Trust