



201 South Main Street, Suite 1800
Salt Lake City, Utah 84111
Main 801.532.1234
Fax 801.536.6111

A Professional
Law Corporation

William J. Evans
Attorney at Law
Direct 801.536.6817
WEvans@parsonsbehle.com

February 1, 2019

VIA EMAIL: PSC@UTAH.GOV

Utah Public Service Commission
Heber M. Wells Building
160 East 300 South, 4th Floor
Salt Lake City, UT 84111

Re: Docket No. 19-2366-01
Notice of Indirect Transfer of Control of West Safety Communications Inc. ("West Safety")

Dear Commissioners:

Olympus Holdings II, LLC ("Olympus Holdings" or "Transferor"), the parent company of West Corporation ("West"), and AP VIII Olympus VoteCo, LLC ("Olympus VoteCo" or "Transferee," and collectively with Olympus Holdings, the "Parties")¹ through their undersigned counsel hereby notify the Utah Public Service Commission ("Commission") that the Parties intend to complete a transaction whereby Olympus VoteCo will acquire ultimate control of West and West's wholly owned subsidiaries, including West Safety, a telecommunications corporation authorized to provide facilities-based and resold competitive local exchange telecommunications services in the State of Utah (the "Transaction"). The Parties understand that no prior Commission approval is required to complete the proposed Transaction, as outlined herein.

The proposed Transaction will occur at the parent level only. No assignment of licenses, assets, or customers will occur as a consequence of the proposed Transaction. Further, West Safety has no customers in the State of Utah, so the Transaction will have no effect on West Safety's contractual obligations or regulatory status in Utah. In addition, no other utility will be affected by the proposed Transaction. The proposed Transaction will not adversely affect competition in Utah because it will not result in a reduction of competitors, and customers will continue to have access to the same competitive alternatives they have today. In addition, West Safety will retain the same financial and managerial resources as a result of the Transaction.

¹ The Commission approved the transfer of control of West to Olympus Holdings in *Notice of Transfer of Indirect Control of West Safety Communications Inc.*, Docket No. 17-2366-01, Order Approving Transfer of Control (July 13, 2017).

Notice of the Transaction, instead of an application for approval of the Transaction, is appropriate in this case because the Transaction is not the type of transaction for which Title 54 requires Commission approval. Utah Code Ann. § 54-4-28 provides:

No public utility shall combine, merge nor consolidate with another public utility engaged in the same general line of business in this state, without the consent and approval of the Public Service Commission, which shall be granted only after investigation and hearing and finding that such proposed merger, consolidation or combination is in the public interest.

Utah Code Ann. § 54-4-28 (emphasis added).² Although the statute applies directly to “public utilities,” the Utah Commission’s practice historically has been to also review applications submitted for the approval of transactions in which a transfer of control of one or more Utah competitive local exchange carriers (“CLEC”) occurs at the parent level.³

As described in more detail below, West is the parent company of West Safety, a competitive local exchange carrier authorized as a putative “public utility” in Utah, but with no customers in the State of Utah. As a result of the Transaction, West will remain a wholly owned, indirect subsidiary of Olympus VoteCo, and West Safety will remain a wholly owned, indirect subsidiary of the same. The change in ultimate control of West Safety will occur at the parent level and does not involve any assignment of operating authority, assets, or customers. Further, the Transaction does not involve the merger or consolidation of West Safety with any public utility. Thus, the Transaction does not involve either the merger of two public utilities engaged in the same general line of business in the state, nor the merger of two companies that own or control public utilities engaged in the same general line of business in the state. Accordingly, Section 54-4-28 is not applicable to the Transaction and Commission approval is not required for the Parties to consummate the Transaction. Notice is also appropriate under the circumstances given that West Safety has no Utah customers.

The Parties provide the information set forth below regarding the Transaction.

² Similar statutes require Commission approval when one public utility proposes to acquire the voting stock of another, or one acquires the “properties” of another. *See* Utah Code Ann. §§ 54-4- 29, 54-4-30.

³ The Commission has regularly reviewed transactions where the parent or holding company of a telecommunications utility doing business in Utah merges with or acquires the stock or assets of the parent or holding company of another telecommunications utility doing business in Utah. *See, e.g., Joint Application of Broadview Networks Holdings, Inc., and Broadview Networks, Inc. and Windstream Holdings, Inc. for Approval to Transfer Indirect Control of Broadview Networks, Inc.*, Docket No. 17-2514-01 (requesting Commission approval of the merger of two holding companies of Utah CLECs).

I. DESCRIPTION OF THE PARTIES

A. West and West Safety

West Corporation. West is a Delaware corporation headquartered at 11808 Miracle Hills Drive, Omaha, Nebraska 68154. West is the direct or indirect parent company of several subsidiary companies, including West Safety. Through its subsidiaries, West is a global provider of communications and network infrastructure services primarily to business customers throughout the United States and internationally. These services include emergency communications services, wholesale local and national tandem switching and transport services, conferencing and other meeting replacement services, alert and notification services, automated call processing, unified communications services, health advocacy, and cost recovery services. The voice and data solutions of West's subsidiaries are deployed by customers in a variety of industries, including telecommunications, banking, retail, financial services, technology, and healthcare. With the exception of West Safety, neither West nor its subsidiaries operate, or hold authorizations to operate, as public utilities in the State of Utah.

West Safety. West Safety is a wholly owned, indirect subsidiary of West that is authorized under a certificate of public convenience and necessity ("CPCN") to provide facilities-based and resold local exchange telecommunication services in the State of Utah.⁴ West Safety is a Delaware corporation with a principal business address of 1601 Dry Creek Drive, Longmont, Colorado 80503. West Safety provides emergency communications services and infrastructure systems to public safety organizations and service providers, including public safety answering points, wireless carriers, wireline competitive local exchange carriers, cable telephony providers, and voice over Internet Protocol providers. However, West Safety does not currently have any customers in the State of Utah.

B. Olympus Holdings and Olympus VoteCo

Olympus Holdings II, LLC. West is a direct, wholly owned subsidiary of Olympus Holdings, a Delaware limited liability company with a principal place of business located at 9 West 57th Street, 43rd Floor, New York, New York 10019. As set forth in Exhibit A, all of the voting interests in Olympus Holdings are indirectly held by Olympus VoteCo, and all of the equity interests in Olympus Holdings are indirectly owned by certain investment funds that are managed by affiliates of Apollo Global Management, LLC ("Apollo") and certain members of West management.

AP VIII Olympus VoteCo, LLC. Olympus VoteCo is a special purpose Delaware limited liability company with a principal place of business located at 9 West 57th Street, 43rd Floor, New York, New York 10019. Currently, Joshua J. Harris holds 51 percent of the voting membership interests and 33.3 percent of the equity membership interests in Olympus VoteCo.

⁴ West Safety is authorized to provide local exchange and interexchange telecommunications services pursuant to authority issued on June 18, 2002, in Docket No. 01-2366-01, to West Safety's predecessor in interest, Intrado Communications, Inc.

Matthew Nord and Robert Kalsow-Ramos, who both are officers and managers of Olympus VoteCo, each currently hold 24.5 percent of the voting membership interests and 33.3 percent of the equity membership interests in Olympus VoteCo. Mr. Harris, Mr. Nord, and Mr. Kalsow-Ramos are all U.S. citizens and investment professionals with the Apollo funds group.

Apollo, which was founded in 1990, is a leading global alternative investment manager. Apollo raises, invests, and manages investment funds on behalf of some of the world's most prominent pension and endowment funds as well as other institutional and individual investors. Consequently, Olympus Holdings and Olympus VoteCo remain well-qualified managerially, technically, and financially to continue to own and control West and West Safety. Apollo is an experienced investor in regulated telecommunications companies. Indeed, over the years, investment funds managed by affiliates of Apollo have made numerous minority and controlling investments in telecommunications businesses. These include, for example, Hughes Network Systems, Inc., SkyTerra Communications, Inc. (formerly American Mobile Satellite Ventures), TerreStar Corporation, XM Satellite Radio Holdings, Inc., Intelsat, Telemundo Group, and Charter Communications, Inc.⁵ Apollo has a strong history of partnering with management teams to grow the companies in which it invests.

II. DESIGNATED CONTACTS

All correspondence and communications with respect to this Notice should be addressed or directed as follows:

William J. Evans
Parsons Behle & Latimer
201 South Main Street, Suite 1800
Salt Lake City, UT 84111
Tel: (801) 532-1234
Fax: (801) 536-6111
bevans@parsonbehle.com

and

Phillip R. Marchesiello
Wilkinson Barker Knauer, LLP
1800 M Street, NW, Suite 800N
Washington, DC 20036
Tel: (202) 783-4141
Fax: (202) 783-5851
pmarchesiello@wbklaw.com

with a copy to each of the following:

⁵ Apollo no longer has an ownership interest in any of these companies.

Sean Ward
West Corporation and
Olympus Holdings II, LLC
1601 Dry Creek Drive
Longmont, CO 80503
Tel: (720) 864-5510
Fax: (720) 494-6600
sward@west.com

Matthew Nord
Robert Kalsow-Ramos
AP VIII Olympus VoteCo, LLC
c/o Apollo Management VIII, L.P.
9 West 57th Street, 43rd Floor
New York, NY 10019
Tel: (212) 515-3200
Fax: (646) 607-0546

III. DESCRIPTION OF THE TRANSACTION

Mr. Harris will enter into a unit purchase agreement⁶ pursuant to which he will assign his 51 percent voting interest and 33.3 percent equity interest in Olympus VoteCo to its current managers, Mr. Nord and Mr. Kalsow-Ramos, each of whom will receive an additional 20.55 percent voting and 11.75 percent equity interest in Olympus VoteCo, and to Mount Olympus Parent, L.P., which will receive a nonattributable 9.9 percent voting and equity interest in Olympus VoteCo. Following the Transaction, and taking into account their existing interests in Olympus VoteCo, Mr. Nord and Mr. Kalsow-Ramos each will hold a 45.05 percent voting interest and a 45.05 percent equity interest in Olympus VoteCo, and Olympus VoteCo, under the collective control of Mr. Nord and Mr. Kalsow-Ramos, will indirectly control all of the voting interests in West and West Safety. Upon the consummation of the Transaction, Olympus VoteCo will be owned and controlled by two members who are Apollo investment professionals, as described immediately above. Other than Olympus VoteCo and the intermediate holding companies between Olympus VoteCo and West set forth in Exhibit A, no other individual or entity will directly or indirectly hold ten percent or more of the voting interests of West or West Safety. Exhibit A includes pre-closing and post-closing organizational diagrams illustrating the current and proposed post-Transaction ownership of West and West Safety.

IV. PUBLIC INTEREST CONSIDERATIONS

Consummation of the Transaction will serve the public interest.

As discussed above, the proposed Transaction will occur at the parent level only. No assignment of authorizations, assets, or customers will occur as a consequence of the proposed Transaction. West and West Safety will continue to provide service to their existing customers in other jurisdictions pursuant to the same rates, terms, and conditions. In addition, the Transaction will have no effect on the contractual obligations or regulatory status of West or West Safety. Accordingly, this Transaction will be, for all practical purposes, imperceptible to the customers

⁶ Because the Transaction solely involves affiliated entities, the purchase agreement will not be finalized and executed until all required regulatory approvals have been obtained. At that time, the purchase agreement will be executed and the parties concurrently will consummate the Transaction.

and vendors of West in other jurisdictions and will not result in any discontinuance, reduction, loss, or impairment of service.

Further, the Transaction will not affect the number or identity of the employees or management of West or West Safety. Thus, West Safety will continue to be operated by the same highly experienced, well-qualified management and technical personnel that operate the companies today. The proposed Transaction also will not adversely affect competition because it will not result in any reduction in the number of competitors serving the market. Customers will continue to have access to the same competitive alternatives that they have today. Moreover, the Transaction will have no effect on the capitalization or financial condition of West or West Safety.

Neither West Safety's operations nor its fitness, willingness, or ability to provide intrastate telecommunications services will be adversely impacted by the Transaction. West Safety will continue to provide competitive and innovative telecommunications services to existing customers in other jurisdictions. As noted, West Safety does not currently serve any customers in Utah.

Olympus Holdings and Olympus VoteCo are and will remain technically, managerially and financially well-qualified to own West and West Safety. As noted above, Apollo is an experienced investor in regulated telecommunications companies, and over the years Apollo has made numerous minority and controlling investments in telecommunications businesses. Apollo has a strong history of partnering with management teams to grow the companies in which it invests.

If the Commission agrees that this Notice is sufficient for the Parties to consummate the Transaction, the Parties hereby request that the Commission acknowledge its sufficiency, as soon as practicable, in whatever manner the Commission deems appropriate.²

Respectfully submitted,



William J. Evans
Parsons Behle & Latimer
*Counsel for Olympus Holdings II, LLC,
AP VIII Olympus VoteCo, LLC, and
West Corporation*

² In the alternative, if the Commission determines that it must approve the Transaction, then the Parties request that the Commission treat this filing as an Application.