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BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH	
In the Matter of the Application of The Manti Telephone Company for an Order Approving the Acquisition of the Voting Stock of The Manti Telephone Company by Lynch Telephone Corporation X	JOINT APPLICATION Docket No. 24-046-03

The Manti Telephone Company (“Manti”) and Lynch Telephone Corporation X (“Lynch”) (Manti and Lynch collectively, the “Applicants”) hereby respectively request an Order from the Public Service Commission of Utah (“Commission”) pursuant to Utah Code Section 54-4-29, approving Lynch’s acquisition of the voting stock of Manti from Manti’s shareholders (“Shareholders”) more fully described in the Stock Purchase Agreement (the “Purchase Agreement”) between Manti, the Shareholders, and Lynch dated August 19, 2024 (the “Transaction”). A CONFIDENTIAL version of the Purchase Agreement is attached hereto as **CONFIDENTIAL Appendix 1.**

Pursuant to the Purchase Agreement, at the closing of the Transaction, Lynch will acquire all of the issued and outstanding shares of Manti. Service to Manti's customers shall continue to be provided by Manti, under the ownership of Lynch. The principal advantages of this transaction, discussed more fully below, are:

- Today's telecommunications market has a more volatile operating environment that includes fast-changing market conditions, shifting regulatory obligations, and increased competition from private and municipal networks. Lynch, along with its parent companies, have the financial strength, technological dexterity, and strategic expertise to address these changing market conditions.
- The acquisition of Manti's stock will allow Lynch to take advantage of the efficiencies of scope and scale in terms of consolidation of management and operations. For example, these efficiencies will allow Lynch to leverage its buying power to negotiate better pricing on inventory and supplies, to be more competitive in building out new areas and/or maintaining existing infrastructure. As a result, the operation of the rate-of-return regulated incumbent local exchange service area of Manti will be more efficient and productive.
- Customers will not experience any immediate changes to rates, terms or conditions of service and the Transaction will not result in the interruption, reduction, loss or impairment of service.

As demonstrated below, this Transaction is in the public interest and, therefore, meets the requirements of Utah Code Ann. §54-4-29. The Applicants therefore request that the Commission approve this Application expeditiously to allow Applicants to timely consummate the Transaction. In support of this Application, the Applicants state as follows:

I. JURISDICTION

This Application is filed pursuant to Utah Code Ann. § 54-4-29 for Commission approval of Lynch's acquisition of all of the issued and outstanding shares of Manti. While Lynch is not a public utility in Utah, Lynch is the owner of Central Utah Telephone, Inc. and its wholly owned subsidiaries in Utah. Upon approval and consummation of the Transaction, Lynch will own Manti, and Manti will be operated by the same management team that operates Central Utah Telephone, Inc. and its subsidiaries in Utah. Upon completion of the Transaction, Manti will continue to provide and expand public telecommunications services to Manti's customers in Manti, Sterling, and Ephraim.

II. APPLICANT INFORMATION

A. Persons Authorized to Receive Notice

The name and address of Manti's principal place of business are as follows:

The Manti Telephone Company
40 West Union Street
Manti, UT 80642

Persons authorized on behalf of Manti to receive notices and communications with respect to this Application are:

Dallas Cox
General Manager
40 West Union Street
Manti, UT 84642
dallasc@manti.com
435-835-3391

Paul W. Jones
Hale Wood, PLLC
4766 South Holladay Blvd.
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The name and address of Lynch's principal business office are as follows:

Lynch Telephone Corporation X
401 Theodore Fremd Avenue
Rye, New York 10580

Persons authorized on behalf of Lynch to receive notices and communications with respect to this Application are:

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401 Theodore Fremd Avenue
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B. Lynch

1. Description of Lynch.

Lynch is a wholly owned subsidiary of Brighton Communications Corporation ("Brighton"). Brighton is a wholly owned subsidiary of LICT Corporation ("LICT"). LICT was incorporated under the laws of the State of Delaware in 1996 as a subsidiary of Lynch Corporation (now "LGL Group Inc.") and was originally named Lynch Interactive Corporation. The Company was spun off from Lynch Corporation in 1999 and has been named LICT Corporation since March 2007.

Since 1989, LICT has acquired thirteen rural local exchange carriers (“RLECs”). These operations range in size from approximately 800 to over 7,000 access lines with locations in California, Iowa, Kansas, Michigan, New Mexico, Utah, and Wisconsin. As of December 31, 2023, LICT’s operations deployed 6,329 miles of fiber optic cable, 9,040 miles of copper cable and 839 miles of coaxial cable. In addition, LICT operates 82 towers to serve fixed wireless broadband customers and lease space to other wholesale carriers.

In 2000, LICT, through its subsidiary, Lynch, purchased the stock of Central Utah Telephone, Inc. and became the parent company for Central Utah Telephone, Inc., Bear Lake Communications, Inc., and Skyline Telecom. LICT’s subsidiaries are integrated providers of broadband, voice, and video services. On the voice side, many of LICT’s subsidiaries, including Central Utah Telephone, Inc., Bear Lake Communications, Inc., and Skyline Telecom, operate as RLECs and provide regulated public telecommunications service.

2. LICT Financial Strength.

LICT has considerable financial strength with over \$307 million in total assets and revenues of over \$116 million in 2023. LICT’s 2023 Annual Report is attached hereto as Appendix 2.

3. Background of Key Personnel.

Mario J. Gabelli is the Chairman and Interim Chief Executive Officer of LICT. Stephen J. Moore is the Vice President-Finance of LICT. Evelyn Jerden is the Senior Vice President of Regulatory Dynamics. In Utah, Eddie L. Cox is the President, I. Branch Cox is the Chief Executive Officer, and Brad Welch is the Chief Operating Officer of Central Utah Telephone, Inc., Bear Lake Communications, Inc., and Skyline Telecom. Branch Cox and Brad Welch are both past presidents of the Utah Rural Telecom Association. If the Transaction is

approved, Eddie L. Cox will be the President of Manti, I. Branch Cox will be the Chief Executive Officer of Manti, and Brad Welch will be the Chief Operating Officer of Manti. Dallas Cox and Gavin Cox will be employed by Central Utah Telephone, Inc. with their time and expenses being allocated to the various companies for whom they do work, including Manti.

C. Manti

1. Description of Manti

Manti is a privately held corporation. The Shareholders of Manti are Dallas Cox, Gavin Cox, and Natalie Adamson. Manti has owned and operated telephone exchanges since 1910. Manti currently serves the communities of Manti, Sterling, and Ephraim. Manti provides local exchange service to approximately 2600 access lines.

2. Manti's Management

Dallas Cox is the General Manager of Manti. Mr. Cox has been involved in the local exchange business on behalf of Manti since 2000. As the General Manager, Mr. Cox has complete responsibility for all Manti's activities. Mr. Cox is also a past president of the Utah Rural Telecom Association. Gavin Cox is the Human Resources Manager and Assistant General Manager of Manti. Upon completion of the Transaction both Dallas and Gavin Cox will be employed by Central Utah Telephone, Inc., a Lynch subsidiary, but will remain involved with Manti as needed to ensure institutional continuity for the Manti customers.

III. DESCRIPTION OF THE TRANSACTION

Pursuant to the Purchase Agreement, upon closing of the Transaction, all of the issued and outstanding shares of Manti will be acquired by Lynch. Manti will continue to provide local exchange service to Manti's customers in the Manti, Sterling and Ephraim exchanges, under new management.

IV. STANDARD OF REVIEW

Utah Code Ann. §54-4-29 grants the Commission authority to approve the acquisition by a public utility of any other public utility engaged in the same general line of business after investigation and hearing and a finding that such purchase is in the public interest. Specifically, Utah Code Ann. §54-4-29 provides:

Hereafter no public utility shall purchase or acquire any of the voting securities or the secured obligations of any other public utility engaged in the same general line of business without the consent and approval of the Public Service Commission, which shall be granted only after investigation and hearing and finding that such purchase and acquisition of such securities, or obligations, will be in the public interest.

In this case, Lynch is not a public utility, but it is the owner of several public utilities in the State of Utah. In approving this Transaction, the Commission must consider whether the Transaction is in the public interest. As demonstrated below, Lynch's acquisition of Manti's outstanding shares is in the public interest.

V. PUBLIC INTEREST CONSIDERATIONS

The Transaction described in the Purchase Agreement will serve the public interest. The proposed ownership structure of Manti and investment participation by Lynch will enable the continued provision of high-quality telecommunications services to Manti's customers. Consummation of the proposed Transaction should enhance the ability of Manti to innovate and provide advanced network services to its customers, which will in turn advance the telecommunications infrastructure in the Manti exchange areas.

Moreover, the Transaction will be conducted in a manner that will be transparent to Manti's customers. The Transaction will not result in any immediate change of carrier for customers or any assignment of authorization, and in no event will it result in the discontinuance, reduction, loss, or impairment of service to customers. Following the Transaction, Manti will

continue to provide high-quality communications services to its customers without interruption and without immediate change in rates, term or conditions. Further, Central Utah Telephone, Inc., and its management, have a proven track record of excellent service and efficient management. There have been no Commission complaints against any of the Lynch subsidiaries in Utah. Lynch, through its subsidiaries, has performed to expectations in the areas of price levels, quality of service and reliability. The Commission's continued regulatory oversight of Manti further ensures that there are no significant risks or potential harm to the Manti customers resulting from the Transaction.

The Transaction contemplated by the Purchase Agreement is in the public interest because acquisition of Manti's shares by Lynch will:

- Allow for greater efficiencies in the operation of Manti and allow Manti to benefit from the financial strength of Lynch and its parent companies;
- Give the Manti customers access to the in-house expertise of Lynch and its subsidiaries in regulatory, financial, and strategic matters including participation in federal grant programs and better access to capital;
- Result in maintenance of the local company identity and a commitment to the employees of Manti;
- Allow for continuation of high-quality local customer service.

Each of these benefits is discussed below:

A. Greater Efficiencies and Financial Strength

With the acquisition by Lynch of the Manti shares, the customers of Manti will benefit from local efficiencies in terms of consolidated operations, access to additional technicians, the buying power of a larger family of companies to assist with supply chain management and

inventory concerns. As a result, the operation of the rate-of-return regulated incumbent local exchange service area of Manti will be more efficient and productive. The transaction will also mean the customers of Manti are part of a larger, financially strong corporate group with a proven track record of obtaining capital on favorable terms. This additional financial strength will allow for prompt maintenance, continued upgrades of service, and delivery of up-to-date products and technologies to Manti's customers. It is well accepted that accelerating private-sector deployment of telecommunication services is a recognized public interest goal and the proposed Transaction will serve that goal.

B. In-House Expertise

The transaction will allow the Manti customers to benefit from access to the in-house expertise of Lynch and its subsidiaries in a variety of areas including regulatory, financial and strategic matters. This expertise will provide a competitive edge in the emerging telecommunication technologies for the Manti, Ephraim, and Sterling communities. The public interest is served when a proposed transaction positively affects the quality of the communication services or provides new or additional services to customers. The added in-house expertise will make this possible for Manti's current customers.

C. Maintenance of Local Identity and Commitment to Manti's Employees

The customers of Manti have been served by a local company for over 100 years. With the acquisition of the Manti shares by Lynch, the customers will continue to be served by Manti. Manti's corporate headquarters will move from Manti to Fairview, Sanpete County, but the office location in Manti will remain open, thereby maintaining a strong local presence in the communities that it serves. Additionally, many of the Manti employees, will continue to be employed by Lynch and its subsidiaries.

D. Customer Service

The transaction will allow the Manti customers to receive excellent customer service from local technicians, with the added benefit of additional training and expertise developed by Lynch's family of telephone companies to assist in the provision of customer service. The customers will have access to more technicians. This results in a more positive and robust customer-provider relationship.

VI. OTHER INFORMATION

A. Capital Structure

Manti is currently operated as an average schedule rate-of-return regulated carrier of last resort and will continue as such after the Transaction. The Commission will continue to have regulatory oversight of Manti.

B. Filing with Other Agencies

FCC approval is required for the transfer of control of Manti under 47 U.S.C §214 and 47 C.F.R. §63.03, and the parties have made application with the FCC concurrent with this Petition.

VII. CONCLUSION

The Transaction is a simple acquisition of the issued and outstanding shares of Manti by Lynch. After the Transaction, Manti will continue to provide telecommunications services in the Manti exchanges of Manti, Sterling and Ephraim. The Manti customers will continue to receive the high-quality services they have come to expect, but the day to day operations of Manti will be provided by a new management team with a proven track record of excellent service. The Transaction will allow advantageous economies of scale, while preserving the existing nature of the services. Applicants respectfully request that the Commission approve the purchase and

acquisition of the shares of Manti by Lynch pursuant to the transaction described in this Application and the Purchase Agreement.

DATED this 5th day of September, 2024.

HALE WOOD, PLLC

/s/ Paul W. Jones

Paul W. Jones

Attorneys for The Manti Telephone Company

BLACKBURN & STOLL, LC



Kira M. Slawson

Brett N. Anderson

Attorneys for Lynch Telephone Corporation X

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the Joint Application for Approval of the Acquisition of the Voting Stock of The Manti Telephone Company by Lynch Telephone Corporation X, Docket 24-046-03 was served the 5th day of September, 2024, as follows:

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Kira M. Slawson

Docket 24-046-03
CONFIDENTIAL Appendix 1
Stock Purchase Agreement

[via SFTP Server]

Appendix 2
LICT's 2023 Annual Report