Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of: **JAB Wireless, Inc.**, *Petitioner* and **LStar Equity Company Holdings, L.P.,** *Petitioner/Transferee* Petition for Declaratory Ruling Under Section 310(b)(4) of the Communications Act of 1934, as Amended	)	File No. ____________

JOINT PETITION FOR DECLARATORY RULING

Pursuant to 47 U.S.C. § 310(b)(4) of the Communications Act of 1934, as amended (the "Communications Act"), and Section 1.5000(a) of the Commission's Rules, JAB Wireless, Inc. ("JAB") and LStar Equity Company Holdings, L.P. ("LStar Equity" or "Transferee") (together, "Petitioners"), petition the Commission for a declaratory ruling, on an expedited basis, that it would serve the public interest to permit foreign ownership of FCC licensees (i) Digis, LLC, (ii) LP Broadband, Inc., (iii) AirCanopy Internet Services, Inc., (iv) Essex Telcom, Inc. ("Essex"), (v) Rhino Communications, Inc., (vi) Skybeam, LLC ("Skybeam"), and (vii) Skybeam Acquisition Corporation (collectively, "Licensees"),

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each a wholly-owned indirect subsidiary of JAB, to exceed the 25-percent benchmark identified in Section 310(b)(4) of the Communications Act (the "Act").[1]

I. INTRODUCTION AND SUMMARY

Licensees collectively hold wireless licenses in the (1) common carrier fixed point-to-point microwave, private Microwave Industrial/Business Pool, Industrial/Business Pool (Conventional), Millimeter Wave 70-80-90 GHz, and 3650 – 3700 MHz (NN) radio services, (2) de facto (long term) 2.5 GHz spectrum leases; and (3) 6 GHz experimental licenses (Call Signs WL2XNE, WM2XJP and WM2XHL) (held by Skybeam). In addition, Skybeam currently holds a non-common carrier Special Temporary Authority (QQ-Intelligent Transportation Service (nonpublic safety)) (collectively, the "Licenses"). In addition, Skybeam is an ETC for certain Study Area Codes ("SACs") in Iowa, Kansas, Nebraska and Texas and is a recipient of Rural Broadband Experiment ("RBE") support in those SACs. Essex is an ETC for two SACs in Illinois and is a recipient of RBE support in those SACs.[2]

The 2018 Transaction

Pursuant to the Master Restructuring Agreement by and among JAB, LStar Equity, LStar Loan Company, LLC, KOO JAB, LLC, KOO JAB II, LLC, and John S. Koo Charitable Remainder Trust dated as of May 2, 2018, and the LStar Exchange Agreement

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[1] In light of the circumstances described herein and to the extent necessary, the Petitioners respectfully request waiver of Section 1.5004(f) and treatment of the Petition as remedial with respect to any purported non-compliance with Commission rules. This Petition also includes a contingent request for waiver of Section 1.5003.

[2] Concurrently herewith, Petitioners also are filing an application requesting transfer of the Skybeam and Essex domestic Section 214 authorizations. On November 30, 2022, Petitioners filed a request for Special Temporary Authority to permit ongoing operations of common carrier services in the Study Area Codes where Essex and Skybeam are ETCs.

by and between JAB and LStar Equity dated as of May 2, 2018, the parties agreed to a series of transactions (collectively, the "2018 Transaction") whereby LStar Equity has converted certain debt and/or non-voting preferred stock into voting preferred and/or common stock. The 2018 Transaction resulted in LStar Equity holding an equity interest of 71.8% and a controlling voting interest in JAB, and thus the Licensees.[3] LStar Equity is ultimately controlled by a non-U.S. citizen, and at least 50% of its equity is indirectly held by non-U.S. entities or individuals.[4]

In connection with the 2018 Transaction, by letter dated May 31, 2018, the Petitioners notified the Commission of a potential inadvertent violation of the foreign ownership requirements of Section 310(b)(4) of the Communications Act of 1934, as amended. On June 14, 2018, the Petitioners filed a remedial petition for declaratory ruling pursuant to Section 1.5004(f)(3) of the Commission's rules ("2018 PDR").[5] JAB undertook the first stage of the transaction based on its understanding of the foreign ownership restrictions as applied to the Licensees. As JAB explained in Exhibit 3 of the transfer of control applications filed on May 11, 2018 with respect to the wireless Licenses ("Wireless Transfer Applications"),[6] JAB believed that it was exempt from the Section

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[3] Since the closing of the 2018 Transaction there have been minor adjustments in equity percentages that have not resulted in any change of controlling interests or any new equity or voting interests of 10% or more.

[4] Exhibit A provides the ownership interests as of the closing on the 2018 Transaction.

[5] File No. ISP-PDR-2018. Although 47 C.F.R. 1.5004(f)(3) by its terms applies only to eligible U.S. public companies, the public interest considerations here are similar. JAB is a widely held company with more than 300 shareholders and is controlled by its Board of Directors, and the Transaction involves an existing shareholder acquiring additional equity and, upon receipt of regulatory approvals, voting and Board control. JAB hereby requests analogous application of this section to the circumstances here. On May 31, 2018, JAB and LStar Equity provided notice of the transaction pursuant to 47 C.F.R. § 1.5004(f)(3).

[6] Digis, LLC (FRN 0013795273; ULS File No. 0008206233); LP Broadband, Inc. (FRN 0014175673; ULS File No. 0008206238); AirCanopy Internet Services, Inc. (FRN 0015689623;

310(b)(4) restrictions because, although the Licensees hold Common Carrier Fixed Point-to-Point Microwave Service (CF), the services provided by the Licensees are not common carrier services for purposes of Section 310(b)(4). Following discussions with Commission staff, the Licensees amended the Wireless Transfer Applications to include a statement indicating that they would seek appropriate Commission approvals if the nature of those services changed. At the request of Commission staff and following closing on the 2018 Transaction, Petitioners withdrew the 2018 PDR.

As described in the 2018 PDR and this Petition, an Irish citizen, Mr. John P. Grayken, indirectly controls LStar Equity, and thus controls LStar Equity's voting interest in JAB. In addition, some intervening entities in the ownership and control chain of LStar Equity leading up to Mr. Grayken are organized under the laws of Bermuda. Mr. Grayken, through these Bermuda entities (and other U.S. entities), indirectly controls JAB and the Licensees.

The equity in LStar Equity is held by private equity funds, and thus held indirectly through limited partnership interests by numerous U.S. and foreign investors. At least 50% of this equity in LStar Equity is directly or indirectly held by foreign entities and individuals, leading, as detailed herein, to an at least 36% indirect foreign equity interest in JAB and Licensees.

However, for the reasons provided herein, the 2018 Transaction raises no significant foreign ownership or control issues that would be of interest to the U.S. government with respect to U.S. national security, law enforcement, foreign policy, or trade

ULS File No. 0008206230); Essex Telcom, Inc. (FRN 0008317661; ULS File No. 0008206234); Rhino Communications, Inc. (FRN 0021487566; ULS File No. 0008206243); and Skybeam Acquisition Corporation (FRN 0021775820; ULS File No. 0008206244).

policy concerns, and is in the public interest. None of the parties to the 2018 Transaction held or hold an international Section 214 authorization. In addition, Petitioners respectfully submit that the Commission should apply to this Petition its current presumption against routinely referring standalone applications for the transfer of control of domestic Section 214 authority to the Executive Branch for review.[7] The 2018 transfer predates Executive Order (E.O.) 13913,[8] which formally established Executive Branch review through the Committee for the Assessment of Foreign Participation in the U.S. Telecommunications Services Sector (the "Committee" or) in law, and predates the Commission's Report and Order that established rules and procedures consistent with E.O. 13913.[9] Moreover, even for current transactions, the Commission retains full discretion both to refer matters to the Committee that fall outside the normal types of transactions referred to the Committee, and also *not* to refer transactions even if they are of the type that normally would be referred.[10] Application of the presumption in this instance is warranted for the following reasons.

First, not only would Committee review likely take so long that it would prevent this transaction from closing by the end of the year or at all, it is also unnecessary from a national security and law enforcement standpoint. The purpose of Committee review is to advise the Commission on national security and law enforcement risks posed by a transaction, but the 2018 Transaction is at this point a legacy transaction that is effectively

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[7] *See Process Reform for Executive Branch Review of Certain FCC Applications and Petitions Involving Foreign Ownership*, Report and Order, 35 FCC Rcd 10927, 10936 ¶ 25 (2020) ("*Process Reform Order*").

[8] Executive Order No. 13913, *Establishing the Committee for the Assessment of Foreign Participation in the United States Telecommunications Services Sector*, 85 FR 19643 (April 8, 2020).

[9] *Id.*

[10] *Id.* at ¶ 24 ("The Commission likewise retains the discretion to exclude certain types of applications that it may have referred in the past.").

superseded by the pending 2022 Transaction (as defined below) with GI Partners, a company based and controlled in the United States. Thus, it would waste the Executive Branch's time and resources to review the 2018 Transaction given that LStar Equity will be selling its entire equity stake in JAB upon consummation of the 2022 Transaction described below.

Second, the Executive Branch recently reviewed an ownership interest in a holder of domestic and international Section 214 authorizations by a different Lone Star investment fund ultimately controlled by Mr. Grayken, and made no objection to the ownership interest or asked for any specific conditions related to the Grayken interest.[11] Therefore, the specific owner described herein has already been recently reviewed by the Committee and the Committee did not find that he presented a risk to national security, law enforcement, foreign policy, and trade policy concerns.

Third, in the unlikely event the Committee were ever to wish to review the 2018 transfer, Section 6 of E.O. 13913 gives the Committee the ability to seek review at any point in the future. In short, not referring the 2018 transfer to the Committee does not in any way harm national security and law enforcement interests, because the government retains full ability to review the transfer in the future if it were ever to become necessary.

Therefore, because Executive Branch referral is not required or necessary, Petitioners hereby respectfully request that the Commission grant this Petition and find the

[11] Public Notice, *Applications Granted for the Transfer of Control of GTT Communications, Inc., Debtor-in-Possession*, WC Docket No. 21-445, DA 22-811 (released Aug. 2, 2022) at 4, 10-11; NTIA Petition to Adopt Conditions to Authorizations and Licenses, *GTT Communications, Inc.*, WC Docket No. 21-45 (filed July 25, 2022).

indirect foreign ownership structure of Licensees, as described herein, to be in the public interest.

The 2022 Transaction

Pursuant to the terms of an Agreement and Plan of Merger, dated May 28, 2022 (the "GI Agreement"), by and among GI DI Iris Acquisition Inc. ("GI Iris"), GI DI Iris Merger Sub Inc. ("Merger Sub"), JAB, and LStar Equity Company Holdings, L.P. (as Shareholder Representative), Merger Sub will merge with and into JAB with JAB continuing as the surviving entity (the "2022 Transaction"). As a result of the 2022 Transaction, JAB will be a direct, wholly-owned subsidiary of GI Iris, and Licensees and their affiliates will be indirect, wholly-owned subsidiaries of GI Iris. Parties to the 2022 Transaction have filed applications to transfer the Skybeam and Essex domestic Section 214 authorizations[12] and the Licensees' wireless licenses to GI Iris,[13] and have filed a petition for declaratory ruling respecting GI Iris' foreign ownership.[14]

For the Commission's reference, a chart depicting the current and post-2018 Transaction ownership of Licensees is provided as Exhibit B.

II. DESCRIPTION OF THE PETITIONERS

Licensees collectively provide fixed wireless broadband services under the trade name "Rise Broadband" in Texas, Oklahoma, Missouri, Illinois, Indiana, Nebraska, Iowa, Kansas, Colorado, Wyoming, Idaho, Nevada, Oregon, Utah, Minnesota, Wisconsin, and

[12] WC Docket No. 22-230.

[13] Digis, LLC (ULS File No. 0010083967); LP Broadband, Inc. (ULS File No. 0010084383); AirCanopy Internet Services, Inc. (FRN 0015689623; ULS File Nos. 0010083958 and 0010083939); Essex Telcom, Inc. (ULS File No. 0010083970); Rhino Communications, Inc. (ULS File Nos. 0010083973 and 0010083952); and Skybeam Acquisition Corporation (ULS File Nos. 0010083989 and 0010083977).

[14] IB File No. ISP-PDR-20220610-00004.

South Dakota. Rise Broadband offers high-speed Internet and interconnected VoIP voice services via fixed wireless technology and fiber. Rise Broadband's customers include residential, commercial and enterprise customers. Rise Broadband offers expanded broadband coverage in previously under-served and un-served areas, delivers high-speed Internet at speeds comparable to or exceeding DSL and cable, and provides a competitive alternative to phone, satellite and cable providers. All Licensees are domiciled and based in the U.S., as detailed in Exhibit A.

The controlling parent of Licensees, JAB, is a Colorado corporation headquartered in Englewood, Colorado. JAB was incorporated in 2005 and previously operated as Skybeam, Digis, T6, Prairie iNet and Rhino Communications. All names were re-branded under the Rise name in 2015. JAB's officers and directors are all U.S. citizens.

Transferee, LStar Equity, is a limited partnership formed under the laws of Delaware. The equity of LStar Equity is held by various private equity funds formed in Delaware or Bermuda for investment purposes, with combined capital commitments of approximately $5.1 billion, primarily LSF VIII International 2, L.P. ("Fund VIII Int'l"), an alternative investment vehicle formed by Lone Star Fund VIII (Bermuda), L.P. to hold certain investments in the United States), and Lone Star Fund VIII (U.S.), L.P. ("Fund VIII US"), which are both Delaware entities. These funds are a part of the family of Lone Star funds, founded by Mr. Grayken in 1995. To date, Lone Star funds have been organized with aggregate capital commitments totaling more than $85 billion. Through a number of intermediate entities, Fund VIII Int'l and Fund VIII US are each ultimately controlled by Mr. Grayken, an Irish citizen. The limited partnership interests of these funds are held by numerous U.S. and foreign investors. Hudson Advisors L.P. ("Hudson") and its subsidiaries, including Hudson Americas L.P., provide asset management and ancillary and other support services to the Lone Star funds. Hudson and Hudson Americas L.P. are based in Dallas, Texas.

Due to the current foreign equity and voting interests in JAB and Licensees, and indirect control of JAB and Licensees by Mr. Grayken through the presence of some intervening Bermuda entities (and other U.S. entities), Petitioners are filing this Petition pursuant to Section 310(b)(4) of the Act and seeking waiver of Commission rules requiring prior approval of such foreign ownership.

III. GRANT OF THIS PETITION IS IN THE PUBLIC INTEREST

In the Commission's 2013 Second Report and Order in its review of foreign ownership policies,[15] the Commission described the benefits of indirect foreign investment in U.S. licensees,[16] and expanded its "open entry" standard to apply to both WTO Member and non-WTO Member countries.[17] At the same time, the Commission stated that it would continue to coordinate with the relevant Executive Branch agencies to ensure that requests to exceed foreign ownership benchmarks are consistent with national security, law enforcement, foreign policy, and trade policy concerns.[18] More recently, in the *Process Reform Order*, the Commission indicated that it would not routinely refer domestic Section 214 applications to the Executive Branch.[19]

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[15] *Review of Foreign Ownership Policies for Common Carrier and Aeronautical Radio Licensees under Section 310(b)(4) of the Communications Act of 1934, as Amended,* Second Report and Order, FCC 13-50, 28 FCC Rcd 05741 (2013) ("*Foreign Ownership 2nd R&O*").

[16] *Id.*, ¶¶ 3, 13.

[17] *Id.*, ¶¶ 5, 22, 26.

[18] *Id.*, ¶¶ 1, 5, 26, 30-37.

[19] *See Process Reform Order* at 10936 ¶ 25.

The 2018 Transaction raises no significant foreign ownership or control issues that would be of interest to the U.S. government with respect to U.S. national security, law enforcement, foreign policy, or trade policy concerns, and is in the public interest. The Transferee is ultimately indirectly controlled by an Irish citizen, but is advised in the U.S. by Hudson Americas L.P., which Transferee has retained to provide asset management and ancillary and other support services in connection with the Transferee's investment in JAB. Although some entities in the control chain between the Transferee and Mr. Grayken are domiciled in Bermuda, the two funds holding more than 98% of the equity interest in LStar Equity are domiciled in the U.S.

The entities domiciled in Bermuda were formed in Bermuda because it is a jurisdiction with which private fund investors are familiar and offers courts and legal advisors with expertise in private equity. Other than Mr. Grayken and these Bermuda entities, there are no individual foreign owners with a 5% or greater direct or indirect ownership interest in JAB or the Licensees that are not exempt from the specific approval requirements under Section 1.5001(i)(3) of the Commission's Rules.

LStar Equity was an existing investor in JAB, and the 2018 Transaction involved conversion of some of LStar Equity's debt and/or non-voting preferred stock into voting preferred and/or common stock. The 2018 Transaction contemplated no immediate changes to the existing network or services of Rise Broadband and was seamless to its customers. JAB's existing operations team has remained in place, ensuring that JAB's managerial, technical and operational standards were maintained. The investment participation of LStar Equity has enabled the continued provision of high-quality communications services to the customers of the Licensees, without any material change in the company's operations. The transaction recapitalized JAB and its subsidiaries to ensure that they have a strengthened balance sheet and increased access to capital, which has enhanced the ability of Rise Broadband to innovate and provide ever-more sophisticated services to its customers, which will in turn advance the infrastructure and economic health of the communities where JAB operates.

Accordingly, the Commission should grant the instant Petition and find the indirect foreign ownership structure of Licensees in the public interest.

The information requested by Section 1.5001 of the Commission's Rules is provided in Exhibit A attached hereto.

IV. APPLICATION OF § 1.5003

The Limited Partnership Agreement for Fund VIII US prohibits limited partners from taking part in the management or operation of the business and from exercising any control of the business.[20] It does, however, include a single provision that allows removal of the general partner without cause by a 70% vote of the limited partners. The Commission's regulations consider a power to vote on the removal of a general partner for cause to be a usual and customary investor protection, 47 C.F.R. § 1.5003(c)(6), but do not address a supermajority removal without cause.

In this case, this voting power does not exceed more typical usual and customary investor protections. This right could only be exercised if 70% of the limited partners by interest agreed to remove the general partner, which would be extremely unlikely to happen

[20] Notwithstanding any provision of the Fund VIII US limited partnership agreement, and as certified in the certification from LStar Equity attached hereto, no U.S. or foreign limited partner is or ever has been engaged in active involvement in the management or operation of Fund VIII US, LStar Equity, JAB or any of its subsidiaries.

– Fund VIII US has over 100 independent limited partners, none of which holds as much as 9% of the fund and only six of which hold more than 5%. The limited partners of Fund VIII US are passive investors. In a fund where a single small group of limited partners held all the partnership interests, then a 70% voting power might be considered to impart to the limited partners some degree of control, but that is not the case here, where it would require a significant number of individual passive investors working in concert to agree to replace the general partner. In fact, this power has never been exercised, nor has any attempt to exercise it been made, since the limited partnership was created. Where the indicia of insulation are otherwise present, and a large group of limited partners has acted as and been restricted to the role of passive investors throughout the duration of the current investment structure, a purely ornamental supermajority voting right can be considered no more indicative of active participation in company affairs than the more typical usual and customary investor protections and should not alter the insulated nature of the limited partnership interests.

In a situation where a limited partnership agreement did not include specific insulation provisions, the Commission found that the agreement nevertheless satisfied the concerns underlying the insulation criteria.[21] The limited partnership in that case had 72 independent limited partners, with nine foreign limited partners aggregating to less than 1% ownership of the licensee,[22] as compared to over 100 limited partners in Fund VIII US, with only two foreign limited partners aggregating to less than 1% ownership of the licensee. Moreover, LStar Equity is providing the same certification as was provided in

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[21] *LightSquared Subsidiary LLC,* Memorandum Opinion & Order & Declaratory Ruling, 30 FCC Rcd 13988, 14002-03 (2015).

[22] *Id.*

the other case, and is further certifying that no U.S. or foreign limited partner has ever been involved in the management or operation of Fund VIII US, LStar Equity, or any of its subsidiaries. The Commission should similarly conclude that Fund VIII US has satisfied the concerns underlying the insulation criteria, because, notwithstanding the supermajority provision in question here, the limited partners have no power and have exercised no power to manage or control the operations of the partnership.

Alternatively, ample justification exists for the Commission to waive application of 47 C.F.R. § 1.5003 pursuant to 47 C.F.R. § 1.3 for good cause shown. The Commission may grant a waiver of its rules where the requested relief would not undermine the policy objective of the rule in question, special circumstances warrant a deviation from the general rule, and such deviation will serve the public interest more than strict adherence to the general rule. The Commission may take into account considerations of hardship, equity, or more effective implementation of overall policy on an individual basis. In this case, narrowly applying the insulation criteria would be pointless. Grant of this Petition will not result in any continuing ownership interest to which the provision in question applies; it is simply a precondition to grant of the 2022 Transaction, so any indirect interest held by Fund VIII US or its limited partners will be extinguished soon after grant. The circumstances of such a waiver would be extremely narrow—a Petition made to correct an earlier oversight, and which will result in nothing more than transitory approval of an ownership interest that will be immediately superseded. Moreover, the Commission has been advised of all the entities that hold actual control over JAB and the Licensees. Insisting that over 100 passive limited partners holding small percentages of Fund VIII US are uninsulated solely because of an unused and unusable supermajority voting provision, and therefore must also be disclosed, would provide no information useful to the Commission's consideration, but instead would unnecessarily complicate and lengthen the review process.

Accordingly, Petitioners request that, as part of its consideration of this Petition, the Commission hold that a certain supermajority voting right held by the limited partners of Fund VIII US should be considered to have no impact on the insulated status of these limited partners under these circumstances or, in the alternative, find that these special circumstances justify a waiver of 47 C.F.R. § 1.5003 to allow the limited partners of Fund VIII US to be considered insulated limited partners.

V. CONCLUSION

Based on the foregoing, the Petitioners respectfully submit that the public interest, convenience and necessity would be furthered by the Commission granting the instant Petition and issuing a declaratory ruling that the current and proposed foreign ownership of Licensees is in the public interest.

Respectfully submitted,

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Counsel for Petitioners

Dated: December 2, 2022

EXHIBIT A

Information Requested Under Section 1.5001 of the Commission's Rules

(a) Name, FRN, Address/Phone, Place and Type of Business Organization, Name and Title of Officer Certifying

JAB (Petitioner):

JAB Wireless, Inc. **FRN: 0016295214**
61 Inverness Dr. East, Suite 250
Englewood, Colorado 80112
303-945-7599

Place and type of business organization: Colorado corporation

Name and title of officer certifying: Jeff Kohler, EVP and Chief Development Officer

Digis, LLC (Licensee):

Digis, LLC **FRN: 0013795273**
c/o JAB Wireless, Inc.
61 Inverness Dr. East, Suite 250
Englewood, Colorado 80112
303-945-7599

Place and type of business organization: Utah limited liability company

Name and title of officer certifying: Jeff Kohler, EVP and Chief Development Officer of JAB

LP Broadband, Inc. (Licensee):

LP Broadband, Inc. **FRN: 0014175673**
c/o JAB Wireless, Inc.
61 Inverness Dr. East, Suite 250
Englewood, Colorado 80112
303-945-7599

Place and type of business organization: Colorado corporation

Name and title of officer certifying: Jeff Kohler, EVP and Chief Development Officer of JAB

<u>AirCanopy Internet Services, Inc. (Licensee):</u>

AirCanopy Internet Services, Inc. **FRN: 0015689623**
c/o JAB Wireless, Inc.
61 Inverness Dr. East, Suite 250
Englewood, Colorado 80112
303-945-7599

Place and type of business organization: Texas corporation

Name and title of officer certifying: Jeff Kohler, EVP and Chief Development Officer of JAB

<u>Essex Telcom, Inc. (Licensee):</u>

Essex Telcom, Inc. **FRN: 0008317661**
c/o JAB Wireless, Inc.
61 Inverness Dr. East, Suite 250
Englewood, Colorado 80112
303-945-7599

Place and type of business organization: Illinois corporation

Name and title of officer certifying: Jeff Kohler, EVP and Chief Development Officer of JAB

<u>Rhino Communications, Inc. (Licensee):</u>

Rhino Communications, Inc. **FRN: 0021487566**
c/o JAB Wireless, Inc.
61 Inverness Dr. East, Suite 250
Englewood, Colorado 80112
303-945-7599

Place and type of business organization: Colorado corporation

Name and title of officer certifying: Jeff Kohler, EVP and Chief Development Officer of JAB

Skybeam, LLC (Licensee):

Skybeam, LLC **FRN: 0024062309**
c/o JAB Wireless, Inc.
61 Inverness Dr. East, Suite 250
Englewood, Colorado 80112
303-945-7599

Place and type of business organization: Colorado limited liability company

Name and title of officer certifying: Jeff Kohler, EVP and Chief Development Officer of JAB

Skybeam Acquisition Corporation (Licensee):

Skybeam Acquisition Corporation **FRN: 0021775820**
c/o JAB Wireless, Inc.
61 Inverness Dr. East, Suite 250
Englewood, Colorado 80112
303-945-7599

Place and type of business organization: Colorado corporation

Name and title of officer certifying: Jeff Kohler, EVP and Chief Development Officer of JAB

Transferee:

LStar Equity Company Holdings, L.P. **FRN: 0027421957**
2711 N. Haskell Avenue, Suite 1750
Dallas, TX 75204
214-754-8400

Place and type of business organization: Delaware limited partnership

Name and title of officer certifying: Rafael A. Colorado, Vice President of LStar Management LLC, the General Partner of LStar Equity Company Holdings, L.P.

(b) Legal Counsel Contact

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(c) (1) Type of Radio Service

Licensee	**Radio Service**
Digis, LLC	Fixed Microwave (CF, MG)
LP Broadband, Inc.	Fixed Microwave (CF, MG); Private Land Mobile (IG)
AirCanopy Internet Services, Inc.	Fixed Microwave (CF, MG); Private Land Mobile (IG); Leases
Essex Telcom, Inc.	Fixed Microwave (CF, MG)
Rhino Communications, Inc.	Fixed Microwave (CF, MG); Private Land Mobile (IG); Leases
Skybeam, LLC	Intelligent Transportation Service (nonpublic safety) (QQ); Experimental; Leases
Skybeam Acquisition Corporation	Fixed Microwave (CF, MG); Leases

(2) Associated Transfer of Control Applications

On May 11, 2018, JAB, Licensees and Transferee filed transfer of control applications in connection with the Transaction with respect to the wireless licenses held by Licensees, and on May 14, 2018 filed a transfer of control application with respect to the experimental license held by Digis, LLC. *See* Digis, LLC (ULS File No. 0008206233; File No. 0029-EX-TU-2018); LP Broadband, Inc. (ULS File No. 0008206238); AirCanopy Internet Services, Inc. (ULS File No. 0008206230); Essex Telcom, Inc. (ULS File No. 0008206234); Rhino Communications, Inc. (ULS File No. 0008206243); and Skybeam

Acquisition Corporation (ULS File No. 0008206244). Applications with respect to the Leases were delayed due to technical problems with the FCC's filing system and were not filed at that time. The applications for the wireless licenses were placed on Public Notice on May 16, 2018 in Report No. 13185. The Commission thereafter consented to transfer of control of the Licenses.

The Petitioners are filing an application requesting consent to a transfer of control of the Skybeam and Essex domestic Section 214 authorizations with respect to the 2018 Transaction.

(d) Type of Declaratory Ruling Request

Transferee requests a declaratory ruling pursuant to Section 310(b)(4) and Section 1.5000(a)(1) of the Commission's Rules and waiver of any Commission rules, to the extent necessary.

(e)-(g) Direct and Indirect Equity/Voting Interests of 10% or More or a Controlling Interest in the U.S. Parent[23]

As shown in the organizational chart attached as Exhibit B, each Licensee is a direct wholly-owned subsidiary of Skybeam, LLC:

Name:	**Skybeam, LLC**
Address:	61 Inverness Drive East, Suite 250 Englewood, CO 80112
Citizenship:	Colorado corporation
Principal Business:	Broadband Provider
Interest Held:	100% direct interest in each Licensee

Each Licensee is an indirect wholly-owned subsidiary of JAB Wireless, Inc.:

Name:	**JAB Wireless, Inc.** ("JAB")
Address:	61 Inverness Drive East, Suite 250 Englewood, CO 80112
Citizenship:	Colorado corporation
Principal Business:	Investment Activities
Interest Held:	100% direct interest in Skybeam, LLC, and thus 100% indirect interest in each Licensee

With respect to the 2018 Transaction, the following entities hold, directly or indirectly, ten percent (10%) or more of the equity interests and/or voting interests, or a controlling interest, in JAB, as calculated pursuant to Section 1.5002 of the Commission's Rules:

23 Unless otherwise indicated, the ownership interests provided herein represent both equity and voting interests.

Name:	**LStar Equity Company Holdings, L.P.** (“LStar Equity”)
Address:	2711 N. Haskell Avenue, Suite 1700 Dallas, TX 75204
Citizenship:	Delaware limited partnership
Principal Business:	Investment activities
Interest Held:	72% equity, at least 66.6% voting direct interest in JAB upon completion of the 2018 Transaction

The limited partnership interests in LStar Equity are fully insulated in accordance with Section 1.5003 of the Commission’s rules.

The remaining 28% interest in JAB is currently held and was held following the full completion of the 2018 Transaction by other entities and individuals, including members of JAB management and other interest-holders that existed prior to the 2018 Transaction. None of these entities or individuals has or will have a 10% or greater interest in JAB. JAB does not believe that any such entities or individuals are foreign individuals or entities.

Following completion of the 2018 Transaction, three private equity funds collectively, and two such funds individually, own or control a ten percent (10%) or greater direct equity interest in LStar Equity:

Name:	**LSF VIII International 2, L.P.** (“Fund VIII Int’l”)
Address:	2711 N. Haskell Avenue, Suite 1700 Dallas, TX 75204
Citizenship:	Delaware limited partnership
Principal Business:	Investment Activities
Interest Held:	58% equity; 0% voting (directly in LStar Equity, indirectly in JAB)

Name:	**Lone Star Fund VIII (U.S.), L.P.** (“Fund VIII US”)
Address:	2711 N. Haskell Avenue, Suite 1700 Dallas, TX 75204
Citizenship:	Delaware limited partnership
Principal Business:	Investment Activities
Interest Held:	40% equity; 0% voting (directly in LStar Equity, indirectly in JAB) *See also* entry below for LStar Management LLC, which controls LStar Equity, and in which Fund VIII US holds 50% of the interests.

Name:	**LSF VIII Investments, L.P.**
Address:	Washington Mall, Suite 304 7 Reid Street Hamilton HM 11, Bermuda
Citizenship:	Bermuda exempted limited partnership
Principal Business:	Investment Activities
Interest Held:	< 2% (directly in LStar Equity, indirectly in JAB)

The limited partnership interests in Fund VIII Int'l and Fund VIII US are held by numerous investors. LSF VIII Investments, L.P. is an employee co-investment vehicle. Based on current investment percentages, no such limited partner owns or controls a ten percent (10%) or greater direct or indirect equity or voting interest in JAB, and thus in the Licensees, through their investments in these funds.

At least 50.98% of the equity of LStar Equity is held by foreign entities or individuals. More specifically, 83.28% of the investors in Fund VIII Int'l are foreign and this fund holds 58.00% of the equity in LStar Equity, leading to 48.30% foreign investment in LStar Equity. LSF VIII Investments, L.P. is formed in Bermuda, and thus contributes another 1.98% foreign equity. 1.76% of the investors in Fund VIII US are foreign and this fund holds 40.02% of the equity in LStar Equity, leading to a foreign investment of less than 0.7% in LStar Equity. Thus, the total foreign equity in LStar Equity is at least 50.98%.

Since the closing of the 2018 Transaction there have been minor adjustments in equity percentages that have not resulted in any change of controlling interests or any new equity or voting interests of 10% or more. At the time of the 2018 Transaction and today, control of LStar Equity is vested in the following entities and individuals:

Name:	**LStar Management LLC** ("LStar Management")
Address:	2711 N. Haskell Avenue, Suite 1700 Dallas, TX 75204
Citizenship:	Delaware limited liability company
Principal Business:	Investment Activities
Interest Held:	As sole general partner of LStar Equity, LStar Management directly controls LStar Equity, and indirectly controls JAB. LStar Management has a 0% equity interest in LStar Equity and thus in JAB.

Ownership and control of LStar Management LLC is split equally between Fund VIII US and Lone Star Fund IX (U.S.), L.P. ("Fund IX US"), each having a membership interest of 50% in the LLC. Management of the LLC is fully reserved to these members. Control of each of these funds resides ultimately in an individual, Mr. John P. Grayken, as follows:

Name:	**Fund VIII US** (see above)
Address:	2711 N. Haskell Avenue, Suite 1700 Dallas, TX 75204
Citizenship:	Delaware limited partnership
Principal Business:	Investment Activities
Interest Held:	50% interest in LStar Management, the sole general partner of LStar Equity; 40% equity interest in LStar Equity as described above

Name:	**Lone Star Fund IX (U.S.), L.P.** (“Fund IX US”)
Address:	2711 N. Haskell Avenue, Suite 1700 Dallas, TX 75204
Citizenship:	Delaware limited partnership
Principal Business:	Investment Activities
Interest Held:	50% interest in LStar Management, the sole general partner of LStar Equity; 0% equity interest in LStar Equity

Name:	**Lone Star Partners VIII, L.P.** (“Partners VIII”)
Address:	Washington Mall, Suite 304 7 Reid Street Hamilton HM 11, Bermuda
Citizenship:	Bermuda exempted limited partnership
Principal Business:	Investment Activities
Interest Held:	Sole general partner of Fund VIII Int’l and Fund VIII US; 1% indirect equity interest in LStar Equity

Name:	**Lone Star Management Co. VIII, Ltd.**
Address:	Washington Mall, Suite 304 7 Reid Street Hamilton HM 11, Bermuda
Citizenship:	Bermuda exempted limited company
Principal Business:	Investment Activities
Interest Held:	Sole general partner of Lone Star Partners, VIII, L.P; less than 1% indirect equity interest in LStar Equity.

Name:	**Lone Star Partners IX, L.P.** (“Partners IX”)
Address:	Washington Mall, Suite 304 7 Reid Street Hamilton HM 11, Bermuda
Citizenship:	Bermuda exempted limited partnership
Principal Business:	Investment Activities
Interest Held:	Sole general partner of Fund IX US; 0% equity interest in LStar Equity.

Name:	**Lone Star Management Co. IX, Ltd.**

Address:	Washington Mall, Suite 304 7 Reid Street Hamilton HM 11, Bermuda
Citizenship:	Bermuda exempted limited company
Principal Business:	Investment Activities
Interest Held:	Sole general partner of Lone Star Partners, IX, L.P; 0% equity interest in LStar Equity.

Name:	**Mr. John P. Grayken**
Address:	2711 N. Haskell Avenue, Suite 1750 Dallas, TX 75204
Citizenship:	Ireland
Principal Business:	Investment Activities
Interest Held:	Sole owner of the voting shares of Lone Star Management Co. VIII, Ltd. and Lone Star Management Co. IX, Ltd.; indirectly controls LStar Equity.

Although Mr. Grayken controls LStar Equity through the above entities, he does not hold a 10% or greater equity interest in LStar Equity or in JAB.

Control of Fund VIII Int'l and Fund VIII US is vested in Partners VIII, Lone Star Management Co. VIII, Ltd., and ultimately Mr. Grayken, as described above. Control of LSF VIII Investments, L.P. is vested in its sole general partner, HudCo GenPar VIII, LLC, an affiliate of Hudson and a Delaware limited liability company, which is in turn controlled by Hudson's board of directors. The limited partnership interests in Partners VIII and Partners IX are held primarily by domestic and foreign members of senior management of Lone Star and Hudson entities.

To the Transferee's knowledge, no other person or entity, directly or indirectly, owns or controls a ten percent (10%) or greater interest in JAB or Licensee through LStar Equity or any other means.

(h) Estimate of Aggregate Foreign Ownership and Ownership/Control Structure

The ownership and control structure is depicted in the organization chart in Exhibit B and described above, which demonstrates how the percentages below were determined. As described in the body of this Petition, this remedial Petition for Declaratory Rulemaking was prompted because the foreign equity and voting interests exceed the 25-percent benchmark identified in Section 310(b)(4) of the Communications Act. This foreign ownership is in the public interest for the reasons provided in Section III of this Petition.

	Aggregate direct and/or indirect foreign ***voting*** interests	Aggregate direct and/or indirect foreign ***equity*** interests
2018 Transaction	At least 66.6%	At least 36.7%

(i) Request for Specific Approval of 5 Percent or More in U.S. Parent

Transferee requests specific approval for the following foreign entities to directly or indirectly hold equity and/or voting interests of 5 percent or more in JAB and ultimately in Licensees. *See* Exhibit B thereto.

Mr. John P. Grayken
Lone Star Partners VIII, L.P.
Lone Star Management Co VIII, Ltd.
Lone Star Partners IX, L.P.
Lone Star Management Co. IX, Ltd.

There are no other foreign owners with a 5% or greater direct or indirect equity and/or voting interest in the Transferee or JAB that are not exempt from the specific approval requirements under Section 1.5001(i)(3) of the Commission's Rules.

(j) Citizenship of Foreign Investors Named in (i)

Ireland (sole individual named in (i)).

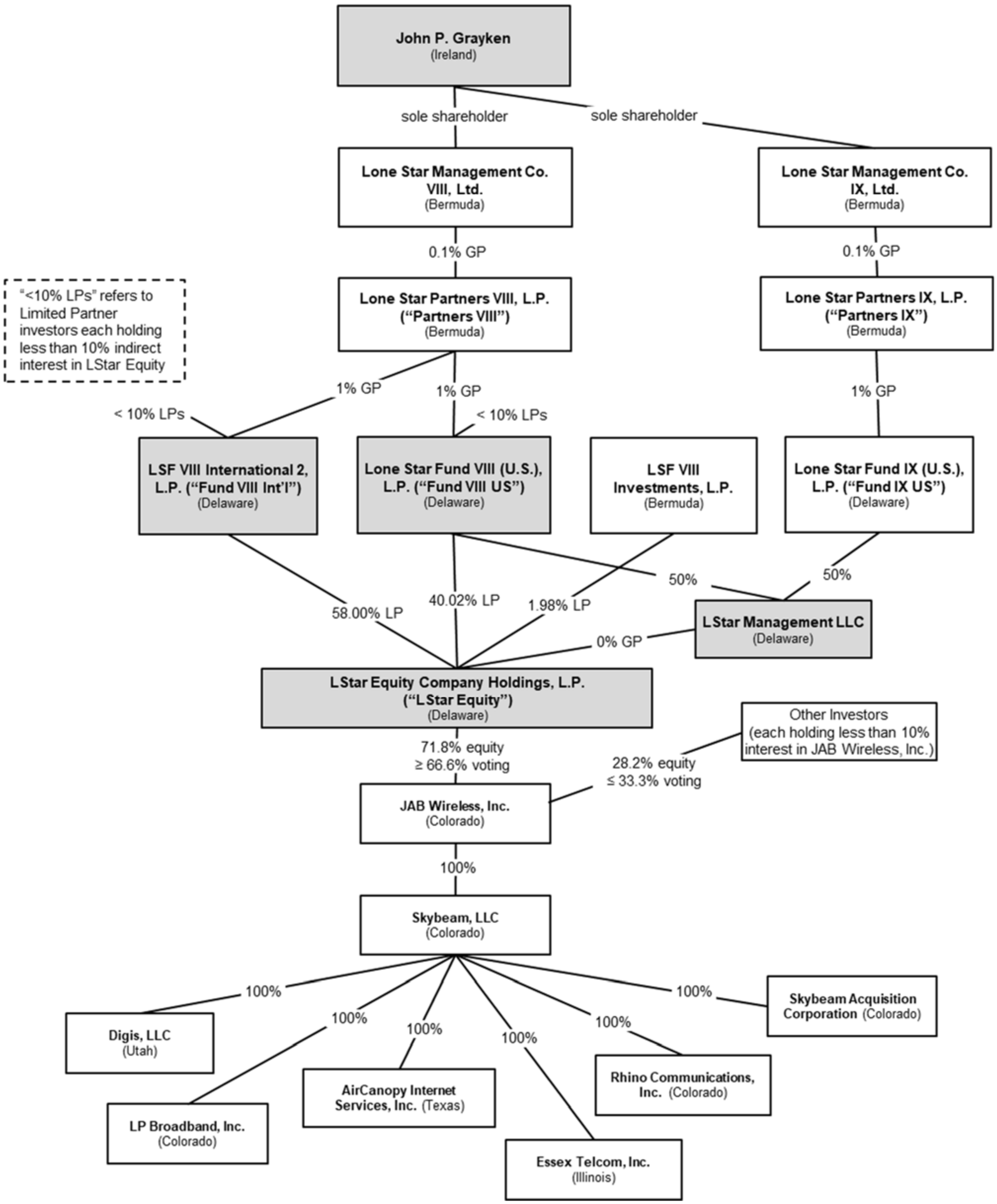
Bermuda (all entities named in (i)).

See (e)-(g) for place and type of organization and principle business(es) of entities named in (i).

See (e)-(g) for 10% interest holders of the entities named in (i). In addition, a family trust settled by Mr. Grayken in the aggregate indirectly holds approximately 41% of the limited partnership interests in Partners VIII and approximately 38% of the limited partnership interests in Partners IX. The trust is governed under Bermuda law. Samuel D. Loughlin individually and family trusts of Samuel D. Loughlin, in the aggregate, hold approximately 14% of the limited partnership interests in Partners VIII and approximately 16% of the limited partnership interests in Partners IX. Samuel D. Loughlin is a U.S. citizen and the trusts are U.S. entities. No other individual or entity holds a 10% or greater equity or voting interest in either Partners VIII or Partners IX.

EXHIBIT B

Post-Transaction Ownership



DECLARATION

I, Jeff Kohler, state that I am Executive Vice President and Chief Development Officer of JAB Wireless, Inc. ("JAB") and am authorized to make this declaration on behalf of JAB and Licensees. I have read the foregoing Petition for Declaratory Ruling.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information and belief. Executed this 2nd day of December, 2022.

Jeff Kohler
EVP and Chief Development Officer
JAB Wireless, Inc.

379327v1

DECLARATION

I, Rafael A. Colorado, state that I am Vice President of LStar Management LLC, the General Partner of LStar Equity Company Holdings, L.P. ("Transferee"), and am authorized to make this declaration on behalf of Transferee. I have read the foregoing Petition for Declaratory Ruling and state as follows:

1. Transferee has calculated the ownership interests disclosed in the Petition, and the interests disclosed in the Petition satisfy each of the pertinent standards and criteria set forth in the FCC's rules.

2. Notwithstanding any provision of the Lone Star Fund VIII (U.S.), L.P. ("Fund VIII US") limited partnership agreement, no U.S. or foreign limited partner is or ever has been engaged in active involvement in the management or operation of Fund VIII US, LStar Equity Company Holdings, L.P., JAB Wireless, Inc., or any of its subsidiaries.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information and belief. Executed this 2nd day of December, 2022.

____

Name: Rafael A. Colorado
Title: Vice President of LStar Management LLC, the General Partner of LStar Equity Company Holdings, L.P.

Federal Communications Commission

Submit an Non-Docketed Filing

This form is to be used only for submitting the specific types of documents listed in the drop-down menu following "FCC Inbox." Do not use this form to submit comments in a proceeding for which a docket number (e.g., 14-1) or rulemaking number (e.g., RM-10001) has been assigned, comments on existing licensing proceedings, motions in existing formal-complaint proceedings, or anything for which another existing electronic-filing system is available. Consumers should not use this form to submit informal complaints about service providers. To file an informal complaint, go to https://consumercomplaints.fcc.gov. Please note that filing an informal complaint does not require a fee. If your filing requires payment of a fee, you may use the Commission's Fee Filer system at https://apps.fcc.gov/FeeFiler. NOTE: DO NOT SUBMIT CONFIDENTIAL DOCUMENTS USING ECFS. CONFIDENTIAL DOCUMENTS MUST BE SUBMITTED ON PAPER TO THE OFFICE OF THE SECRETARY. ALL DOCUMENTS SUBMITTED THROUGH ECFS ARE MADE AVAILABLE TO THE PUBLIC.

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Submitted:	Dec 02, 2022 5:28:53 PM
Status:	RECEIVED
Name(s) of Filer(s)	JAB Wireless, Inc., LStar Equity Company Holdings, L.P.
Law Firm(s)	Lerman Senter PLLC
Attorney/Author/Submitter Name(s)	Stephen E. Coran, Jeffrey J. Carlisle
Primary Contact Email	scoran@lermansenter.com
Type of Filing	PETITION FOR DECLARATORY RULING
Address of	Law Firm
Address	2001 L Street, NW Suite 400, Washington, DC, 20036
Email Confirmation	Yes

SUBMIT ANOTHER

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