



**Notice of a Pro Forma Change to the Ownership of Peerless Network, Inc. (ITC-214-20080304-00146)**

Peerless Network, Inc. (“PNI”), pursuant to 47 CFR §63.24(f), hereby respectfully notifies the Federal Communications Commission (“Commission”) that it has implemented a minor internal reorganization. This change, as described in more detail below, will not materially change the ownership of PNI or its operating subsidiaries.

**Description of the Companies**

PNI is authorized pursuant to Section 214 to provide International telecommunications services.<sup>1</sup> Operating subsidiaries of Peerless Network, Inc. are also authorized to provide competitive local exchange and intrastate interexchange services in more than 40 states and the District of Columbia.

**Description of the Transaction**

On December 13, 2016, a new holding company -- Peerless Network Holdings, Inc. (“Peerless Holdings”) -- was inserted between the ultimate shareholders of the PNI companies and PNI. To effectuate this, the PNI shareholders exchanged their shares in PNI for an identical number of shares in Peerless Holdings. All equity interests and shareholder rights previously held in PNI were changed to equal equity interests and shareholder rights in the new holding company. At the same time, Peerless Holdings acquired 100% of the direct interests in PNI. As a consequence of the reorganization, Peerless Holdings is now the direct parent company of PNI and the indirect parent company of PNI’s operating subsidiaries. There was no change whatsoever to the ultimate ownership and control of the PNI companies as a result of this pro forma transaction. Exhibit 1 provides an updated company organization chart reflecting the addition of Peerless Holdings into the corporate chain and confirming that there has been no substantive change to the ultimate ownership of the PNI companies. The reorganization addressed herein was implemented to provide the PNI companies with greater corporate flexibility and efficiency.

**Public Interest Considerations**

PNI and its operating subsidiaries have, and will continue to have, strong financial, managerial and technical abilities, ensuring that both companies continue to provide comprehensive, reliable and cost-effective service. Given that this change was pro forma in nature and as there are no operational changes associated with this transaction, there is no impact on any end user customers of telecommunications services.

**Information Required by 47 CFR § (63.18 (a) – (d) and (h)):**

**Name, Address, and Telephone Number of Each Applicant (63.18(a))**

Peerless Network, Inc.  
222 S. Riverside Plaza, Suite 2730  
Chicago, IL 60606  
(312) 506-0920

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<sup>1</sup> PNI is authorized to operate as a global or limited global facilities-based and resale carrier. See File No. ITC-214-20080304-00146. Consistent with 47 C.F.R. § 63.21(h), Airus, Inc. and WaveNation, LLC, subsidiaries of PNI, operate pursuant to PNI’s international Section 214 authorization.



The government, state, or territory under the laws of which each corporate or partnership applicant is organized (63.18(b))

Peerless Network, Inc. was established as a Delaware Corporation on April 27, 2005. Peerless Holdings, Inc. was established as a Delaware Corporation on December 1, 2016.

The name, title, post office address, and telephone number of the officer or contact point, such as legal counsel, to whom correspondence concerning the application is to be addressed (63.18(c))

Julie Oost  
Vice President, Regulatory Affairs  
222 S. Riverside Plaza, Suite 2730  
Chicago, IL 60606  
(312) 878-4137  
[regulatory@peerlessnetwork.com](mailto:regulatory@peerlessnetwork.com)

A statement as to whether the applicant has previously received authority under Section 214 of the Act and, if so, a general description of the categories of facilities and services authorized (i.e., authorized to provide international switched services on a facilities basis)(63.18(d))

PNI holds blanket domestic Section 214 authority as well as international Section 214 authority, granted in FCC File No. ITC-214-20080304-00146, to operate as a global or limited global facilities-based and resale carrier. Consistent with 47 C.F.R. § 63.21(h), Airus, Inc. and WaveNation, LLC, subsidiaries of PNI, operate pursuant to PNI's international Section 214 authorization.

The name, address, citizenship and principal business of any person or entity that directly or indirectly owns at least ten (10) percent of the equity of the applicant, and the percentage of equity owned by each of those entities (to the nearest 1%) (63.18(h))

Following consummation of the intra-corporate reorganization addressed herein, PNI is a direct wholly-owned subsidiary of:

Peerless Network Holdings, Inc. (Peerless Holdings)  
222 S. Riverside Plaza, Suite 2730  
Chicago, IL 60606  
Citizenship: Delaware  
Principal Business: Holding Company

The following individuals or entities hold at least 10% direct or indirect interest in Peerless Holdings:

John Barnicle  
222 S. Riverside Plaza, Suite 2730  
Chicago, IL 60606  
Citizenship: US  
Principal Business: Telecommunications  
Percentage Interest: approximately 14%



Adams Street Partners

Citizenship: US

Principal Business: Investment

Adams Street Partners, a U.S.-based investment company, through several entities, indirectly controls (but does not directly or indirectly own) just under forty percent combined interests in Peerless Holdings.

The 40% interests are held directly by Adams Street 2007 Direct Fund, LP ("2007 Direct Fund"), Adams Street 2008 Direct Fund ("2008 Direct Fund") and Adams Street 2009 Direct Fund ("2009 Direct Fund"). 2007 Direct Fund, which is a Delaware limited partnership, owns a direct 14% interest. 2008 Direct Fund, which is a Delaware limited partnership, owns a direct 12.4% interest. 2009 Direct Fund, which is a Delaware limited partnership, owns a direct 12.3 % interest.

The general partner of 2007 Direct Fund is ASP 2007 Direct Management LLC ("2007 Direct Management"), a Delaware limited liability company which owns a 1% interest in 2007 Direct Fund. The general partner of 2008 Direct Fund is ASP 2008 Direct Management LLC ("2008 Direct Management"), a Delaware limited liability company which owns a 1% interest in 2008 Direct Fund. The general partner of 2009 Direct Fund is ASP 2009 Direct Management LLC ("2009 Direct Management"), a Delaware limited liability company which owns a 1% interest in 2009 Direct Fund.

2007 Direct Management, 2008 Direct Management and 2009 Direct Management have a common managing member, Adams Street Partners, LLC. Adams Street Partners, LLC holds 46.75% ownership interest in 2007 Direct Management, 2008 Direct Management and 2009 Direct Management respectively. As a result, Adams Street Partners, LLC has an indirect ownership interest in Peerless Holdings equal to a fraction of 1% but indirectly controls a combined interest of 38.7%.

99% of the economic interests in Adams Street Partners, LLC are held by Adams Street Associates, L.P., a U.S. entity. No individual or entity with interests in Adams Street Associates, L.P. holds a reportable (10% or greater) interest in Peerless Holdings. The general partner of Adams Street Associates, L.P. is Adams Street Associates, LLC, also a U.S. entity, which is managed by the following Managers: T. Bondurant French, Jeffrey J. Diermeier, A. Bart Holaday, and Wilbur H. (Bill) Gantz, all U.S. citizens.

All of the Adams Street Partners entities are located at 1 N. Wacker Drive, 22<sup>nd</sup> Floor, Chicago, Illinois 60606.

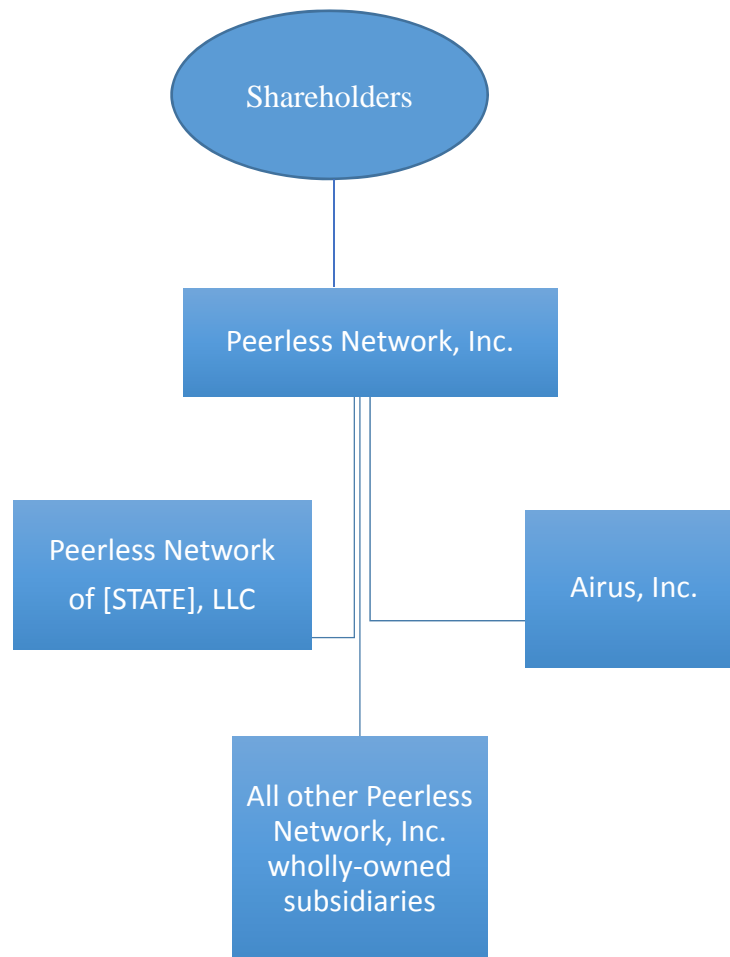
## **Conclusion**

The intra-corporate reorganization described herein is demonstrably a pro forma transaction, pursuant to 47 C.F.R. 63.24 (d), note 2. A certificate, as required by 47 C.F.R. § 63.24(f)(2)(ii), is appended as Exhibit 2. PNI requests that the Commission note this filing and update its records.

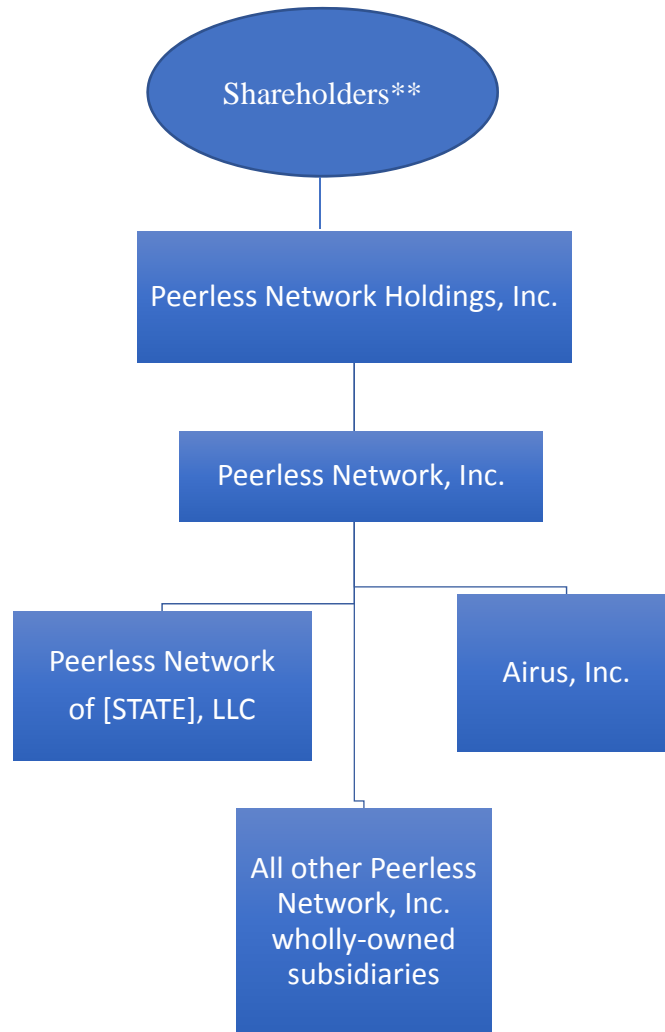
Exhibit 1

Organizational Chart

**PRE-TRANSACTION**



**POST-TRANSACTION**




\*\*There have been no changes to the Shareholders as a result of the transaction.



## Exhibit 2

### Certification

The undersigned hereby certifies, on behalf of Peerless Network, Inc., with respect to the foregoing notification of a *pro forma* transaction, that the statements in the notification are true and correct to the best of my belief and are made in good faith; that the transaction was *pro forma* as described in Section 63.24(a) of the Commission's Rules; and that this transaction, together with all previous *pro forma* transactions, did not result in a change in ultimate control.

By:   
By: John Barnicle, President and CEO  
Peerless Network Inc.  
222 S. Riverside, Suite 2730  
Chicago, IL 60606