

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

In the Matter of the Application of)
)
Horizon Telcom, Inc.)
 Transferor,) WC Docket No. 18- ____
)
and)
)
Horizon Acquisition Parent, LLC)
 Transferee)
)
For Consent to Transfer Control)
Pursuant to Section 214 of the)
Communications Act of 1934, as amended.)

**APPLICATION FOR TRANSFER OF INDIRECT CONTROL OF
HOLDERS OF DOMESTIC 214 AUTHORIZATIONS**

Horizon Telcom, Inc. (“Horizon” or “Transferor”) and Horizon Acquisition Parent, LLC (“Transferee,” or “Parent” and with Transferor, the “Applicants”) hereby request the Commission to consent to the transfer of indirect control of The Chillicothe Telephone Company (“CTC”) and Horizon Technology, Inc. (“HTP” together with CTC, the “Companies”), direct, wholly-owned subsidiaries of Horizon and holders of domestic Section 214 authorizations, from Transferor to Transferee. Applicants submit that prompt grant of this Application will serve the public interest.

I. Background

Horizon is a telecommunications holding company organized under the laws of Ohio that is owned and controlled by various members and associates of the McKell family. Horizon has two subsidiaries that hold blanket domestic Section 214 authorizations due to their present or past provision of domestic interstate telecommunications services. CTC, which traces its roots back to 1895, is an incumbent

local exchange carrier that provides interstate exchange access and interstate interexchange services to customers in ten exchanges within portions of the counties of Ross, Pike, Pickaway, Jackson, Hocking, and Vinton in central Ohio. HTI is currently inactive, but has previously provided interstate interexchange services within the same central Ohio service area.

As set forth in greater detail in Section IV, Transferee is a limited liability company formed under the laws of Delaware. Transferee is controlled by its majority shareholder, Novacap TMT V, L.P., a limited partnership formed under the laws of the Province of Quebec (“TMT V”), an entity that, as discussed below, is ultimately controlled by certain principals of Novacap Management Inc. (“Novacap”). Novacap is a leading North American-based private equity group founded in 1981 and has extensive experience purchasing, owning and operating diverse businesses. Novacap does not currently control any FCC-regulated telecommunications operations.

II. Description of the Transaction

Pursuant to the Agreement and Plan of Merger by and among Transferor, Transferee, and Horizon Acquisition Merger Sub, Inc., an Ohio corporation (“Merger Sub”), dated as of January 25, 2018 (the “Agreement”), the Applicants propose to transfer control of the Section 214 authorizations held by the Companies through a reverse triangular merger, wherein Merger Sub is formed by Transferee for the purpose of merging with Horizon, which will be the survivor of the merger transaction (the “Transaction”). Specifically, Transferee has formed Merger Sub, which will merge with Horizon in accordance with the corporate law of the State of Ohio. As a result of the proposed Transaction, Transferor will become a direct, wholly-owned subsidiary of

Transferee. The Applicants will also make necessary filings with state telecommunications regulators with respect to this Transaction.

After the proposed Transaction, the Companies will continue to operate in the same service territories, and will in the immediate future continue to provide services to their customers under the same rates and on the same terms and conditions following the Transaction as they currently do today. There are no plans in place to transfer any of the Companies' customers to a new carrier or to change any customer service or billing contact information as a result of the Transaction. Accordingly, the proposed Transaction will be transparent to consumers.

IV. Transfer of Control of Domestic Section 214 Authorizations

Pursuant to Section 63.04(a) of the Commission's Rules, Applicants submit information required pursuant to Sections 63.04(a)(1) through 63.04(a)(12) of the Commission's Rules:

63.04(a)(1) Name, address and telephone number of each applicant:

Transferor:

Horizon Telcom, Inc.
68 East Main Street
P.O. Box 480
Chillicothe, Ohio 45601-0480
Phone: (740) 772-8200
Fax: (740) 774-3400

Transferee:

Horizon Acquisition Parent, LLC
375 Roland-Therrein Blvd.
Suite 210
Longueuil, Québec, J4H 4A6, Canada
Phone: (450) 651-5000
Fax: (450) 651-7585

63.04(a)(2) Government, state or territory under the laws of which each corporate or partnership applicant is organized

Horizon Telcom, Inc., The Chillicothe Telephone Company and Horizon Technology, Inc. are each corporations organized under the laws of the State of Ohio.

Horizon Acquisition Parent, LLC is a limited liability company organized under the laws of the State of Delaware. Horizon Acquisition Merger Sub, Inc. is a corporation organized under the laws of the state of Ohio.

63.04(a)(3) Name, title, post office address, and telephone number of the officer or contact point to whom correspondence concerning the application is to be addressed:

For Transferor:

William A. McKell, President
Horizon Telcom, Inc.
68 East Main Street
P.O. Box 480
Chillicothe, Ohio 45601-0480
Phone: (740) 772-8200
Fax: (740) 774-3400

With a copy to:

Gerard J. Duffy
Blooston, Mordkofsky, Dickens, Duffy & Prendergast, LLP
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Phone: (202) 659-0830
Fax: (202) 828-5568
gjd@bloostonlaw.com

For Transferee:

Thadeus J. Mocarski
Josiane Turcotte
Horizon Acquisition Parent, LLC
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Phone: (450) 651-5000
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With a copy to:

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Fax: (202) 551-1705
sherresesmith@paulhastings.com
andrewerber@paulhastings.com

63.04(a)(4) Name, address, citizenship and principal business of any person or entity that directly or indirectly owns at least ten percent of the equity of the applicant entities.

Transferor:

The name, address, citizenship and principal business of the sole entity having a direct or indirect ownership and/or voting interest of ten percent (10.0%) or more in the equity and voting power of CTC and HTI are:

<u>Name & Address</u>	<u>% Equity/Voting</u>	<u>Citizenship</u>	<u>Principal Business</u>
Horizon Telecom, Inc. 68 East Main Street Chillicothe, OH 45601	100.0%	Ohio Corporation	Telecommunications

In turn, the names, addresses, citizenship and principal businesses of the entities having a direct or indirect ownership and/or voting interest of ten percent (10.0%) or more in the equity and voting power of Horizon Telecom, Inc. (“Horizon”) are:

<u>Name & Address</u>	<u>% Equity/Voting</u>	<u>Citizenship</u>	<u>Principal Business</u>
McKell Family Trust David McKell, Trustee 68 East Main Street Chillicothe, OH 45601	Equity: 11.7% Voting: 10.7%	Ohio Trust	Investments
Joseph S. McKell Revocable Living Trust Mary G. McKell, Trustee 68 East Main Street Chillicothe, OH 45601	Equity: 10.7% Voting: 9.8%	Ohio Trust	Investments

None of the other approximately 283 shareholders of Horizon Telecom, Inc. holds a direct or indirect ownership and/or voting interest of ten percent (10.00%) or more in the equity and voting power of the company.

David McKell is the brother of Joseph S. McKell, who is the husband of Mary G. McKell.

Transferee:

The following entities currently hold, directly or indirectly, a ten percent (10%) or greater equity interest in Transferee:

1. Horizon Acquisition Parent, LLC

Name and Address	Voting Interests	Equity Interests	Place of Incorporation	Principal Business
Novacap TMT V, L.P. 375 Roland-Therrien Blvd., Suite 210 Longueuil, Québec J4H 4A6, Canada	55.49%	55.49%	Québec	Investment

Name and Address	Voting Interests	Equity Interests	Place of Incorporation	Principal Business
Novacap International TMT V, L.P. ¹	40.20%	40.20%	Québec	Investment
Other shareholders, each of whom holds less than a 10% interest	4.31%	4.31%	--	--

2. Novacap TMT V, L.P.

Name and Address	Voting Interests	Equity Interests	Place of Incorporation	Principal Business
Novacap Management Inc.	100%	0.001 %	Québec	Investment
Limited Partners ²	0%	99.999%	--	--

3. Novacap International TMT V, L.P.

Name and Address	Voting Interests	Equity Interests	Place of Incorporation	Principal Business
Novacap Management Inc.	100%	0.001 %	Québec	Investment
Limited Partners ³	0%	99.999%	--	--

4. Novacap Management Inc.

For purposes of controlling Novacap TMT V, L.P.'s interest in Transferee, the Board of Directors of Novacap Management Inc. has delegated to the TMT Investment Committee all decision-making authority in connection with its role as the general partner of Novacap TMT V, L.P. in relation to its interest in Transferee. The members of the TMT Investment Committee are included in the following table, and the majority of the members are also shareholders of Novacap Fund Management Inc., the corporate parent of Novacap Management Inc., which holds 100% of the voting interests in Novacap

¹ The address of all Novacap entities is 375 Roland-Therrien Blvd., Suite 210, Longueuil, Québec J4H 4A6, Canada.

² The limited partners of Novacap TMT V, L.P. are passive investors, none of which holds an indirect interest in more than 10% of the equity of Transferee.

³ The limited partners of Novacap International TMT V, L.P. are passive investors, none of which holds an indirect interest in more than 10% of the equity of Transferee.

Management Inc. Equity interests are indirectly held by the TMT Investment Committee members, as presented in the following table.

Name and Address	Voting Interests	Equity Interests	Place of Incorporation/ Citizenship	Principal Business / Position
Novacap Fund Management Inc.	100%	0%	Québec	Investment
Pascal Tremblay	0%	21.38%	Canada	Member of TMT Investment Committee
Stéphane Tremblay	0%	17.98%	Canada	Member of TMT Investment Committee
Thadeus Mocarski	0%	14.61%	US	Member of TMT Investment Committee
François Laflamme	0%	14.61%	Canada	Member of TMT Investment Committee
Étienne Antoine Veilleux	0%	11.72%	Canada	Member of TMT Investment Committee
Other TMT Investment Committee Members, each of whom holds less than a 10% voting interest	0%	3%	--	--
Other non-TMT Investment Committee Members, each of whom holds less than a 10% equity interest	0%	16.7%	--	--

5. Novacap Fund Management Inc.

Voting interests expressed below relate to each individual's voting interest in Novacap Fund Management Inc. as such interest relates to Novacap Management Inc.'s role as the general partner of Novacap TMT V, L.P. in relation to its interest in Transferee:

Name and Address	Voting Interests	Equity Interests	Citizenship	Position
Pascal Tremblay	25%	0%	Canada	Shareholder
Stéphane Tremblay	25%	0%	Canada	Shareholder
Thadeus Mocarski	25%	0%	US	Shareholder
François Laflamme	25%	0%	Canada	Shareholder

63.04(a)(5) Certification pursuant to 47 C.F.R. §§ 1.2001-1.2003 that no party to the application is subject to denial of federal benefits pursuant to section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 583.

Applicants hereby certify, pursuant to 47 C.F.R. §§ 1.2001-1.2003, that to the best of their knowledge, information, and belief, no party to this Application is subject to denial of federal benefits pursuant to section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 583.

63.04(a)(6) Description of the transaction

Please see Section II, above.

63.04(a)(7) Description of the geographic areas in which the transferor and transferee (and their affiliates) offer domestic telecommunications services, and what services are provided in each area

Transferor:

Horizon is a holding company that does not directly provide domestic telecommunications services. Rather, it is the parent company and sole stockholder of CTC and HTI.

CTC is a rural incumbent local exchange carrier (“ILEC”) authorized and certificated by the Public Utilities Commission of Ohio (“Ohio PUC”) to provide local exchange telecommunications services and exchange access within ten local exchanges (the Chillicothe, Massieville, Frankfort, Londonderry, Bainbridge, Kingston, Bourneville,

Hallsville, Richmondale and Clarksburg exchanges) that serve portions of the central Ohio counties of Ross, Pike, Pickaway, Jackson, Hocking, and Vinton. CTC provides interstate exchange access and resells domestic interstate long distance toll services within this central Ohio local exchange service area pursuant to a blanket Section 214 authorization from the Commission. It also provides custom calling services, Internet access services and video services to customers within this central Ohio service area.

CTC also has constructed, owns and operates an advanced fiber optic network that offers telecommunications and information services to businesses, institutions and wireless tower sites throughout southern and eastern Ohio and northwestern West Virginia. This fiber network consists of approximately 4,300 route miles, serves portions of 36 Ohio and West Virginia counties, and encompasses areas connecting the cities of Columbus, Cincinnati, Pittsburgh and Youngstown. CTC also leases some fiber optic facilities from third parties, and uses these facilities to extend its services into nearby areas of Pennsylvania, Michigan and Indiana.

HTI is currently inactive, but has previously provided resold long distance toll services and non-regulated communications services.

Transferee:

Neither Transferee nor any of its affiliates offers domestic telecommunications services.

63.04(a)(8) Statement as to how the application fits into one or more of the presumptive streamlined categories in Section 63.03 of the Commission's Rules or why it is otherwise appropriate for streamlined treatment

This Application satisfies the criteria set forth in Section 63.03(b)(1) for presumptive streamlined processing because Transferee is not a telecommunications

provider. Accordingly, this Application for the transfer of control of the Companies' domestic Section 214 authorizations should be processed on a streamlined basis.

63.04(a)(9) Identification of all other Commission applications related to the same transaction.

The parties will file appropriate applications for transfer of control of two wireless radio licenses held by CTC: Industrial Business Pool, Conventional, Station WQQQ530 (expires 2/12/23); and Industrial Business Pool, Conventional, Station KDS502 (expires 12/09/22).

CTC will transfer control of its International Section 214 Authorization for Global Resale (File No. ITC-214-20180110-00003, granted January 26, 2018) to Transferee.

63.04(a)(10) Statement of whether the applicants are requesting special consideration because either party to the transaction is facing imminent business failure.

Neither party to the Transaction is facing imminent business failure. Therefore, Applicants are not requesting special consideration for this reason.

63.04(a)(11) Identification of any separately filed waiver requests being sought in conjunction with the transaction.

No separately filed waiver requests are being sought in conjunction with the Transaction.

63.04(a)(12) Statement showing how grant of the application will serve the public interest, convenience and necessity, including any additional information that may be necessary to show the effect of the proposed transaction on competition in domestic markets

Applicants submit that the proposed Transaction is consistent with the public interest. The proposed ownership structure and investment participation will enable the

continued provision of high-quality communications services to the Companies' customers. Consummation of the proposed Transaction should enhance the ability of the Companies to innovate and provide advanced network services to their customers, which will in turn advance the telecommunications and information infrastructure of the states in which the Companies operate and those states' economic health.

Moreover, the Transaction will be conducted in a manner that will be transparent to the Companies' customers. The Transaction will not result in any immediate change of carrier for customers or any assignment of authorizations, and in no event will it result in the discontinuance, reduction, loss, or impairment of service to customers. Following consummation of the Transaction, the Companies will continue to provide high-quality communications services to their customers without interruption and without immediate change in rates, terms or conditions.

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V. Conclusion

For the foregoing reasons, the Applicants respectfully request the expeditious grant of this Application.

Respectfully submitted,

By: _____ /s/

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Counsel for Horizon Acquisition Parent,
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By: _____ /s/

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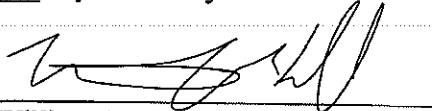
Counsel for Horizon Telcom, Inc.

Date: January 26, 2018

VERIFICATION OF HORIZON TELECOM, INC.

I, William A. McKell, state that I am President of Horizon Telcom, Inc. ("Transferor"); that I am authorized to make this Verification on behalf of Transferor; that the foregoing filing was prepared under my direction and supervision; and that the statements made in the foregoing filing with respect to Transferor are true and correct to the best of my knowledge, information and belief.

I declare under penalty of perjury that the foregoing is true and correct. Executed this 26th day of January 2018.



William A. McKell, President
Horizon Telcom, Inc.

VERIFICATION OF HORIZON ACQUISITION PARENT, LLC

I, Thadeus MocarSKI, state that I am a member of Novacap Management, Inc.'s TMT Investment Committee, the indirect controlling shareholder of Transferee; that I am authorized to make this Verification on behalf of Transferee; that the foregoing filing was prepared under my direction and supervision; and that the statements made in the foregoing filing with respect to Transferee are true and correct to the best of my knowledge, information and belief.

I declare under penalty of perjury that the foregoing is true and correct. Executed this 26th day of January 2018.



Thadeus MocarSKI, Member of TMT Investment Committee
Novacap Management, Inc.