

**KELLEY DRYE & WARREN LLP**

**WASHINGTON HARBOUR, SUITE 400  
3050 K STREET, NW  
WASHINGTON, DC 20007**

FACSIMILE  
(202) 342-8451  
www.kelleydrye.com

NEW YORK, NY  
CHICAGO, IL  
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July 22, 2020

*Via IBFS and ECFS*

Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street SW  
Washington, DC 20554

Re: Application of Fusion Connect, Inc. for Consent to a Transaction that will Result in a Change of Control of Companies Holding Domestic and International Authority Pursuant to Section 214 of the Communications Act of 1934, as Amended; **Restated Application**  
WC Docket No. 20-44; ITC-T/C-20200213-00030

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Dear Ms. Dortch:

Fusion Connect, Inc. (“Fusion Connect”), by its attorneys, in response to questions from Federal Communications Commission staff, submits the attached Restated Application, in the above-captioned proceedings, to replace, in its entirety, Fusion Connect’s Application filed on February 13, 2020.

The Restated Application explains that following Commission approval, all of the special warrants held in Fusion Connect will be exercised and all direct interests in Fusion Connect will be in the form of common stock. The Restated Application identifies additional entities that will hold direct or indirect interests of ten percent or greater in the Fusion entities post-close, provides charts illustrating the relevant ownership and control of the entities that will hold such interests, includes updated information regarding certain internal reorganization within the Fusion entities, and makes several other minor edits

Please contact the undersigned counsel should there be any questions regarding this filing.

Respectfully submitted,



Edward A. Yorkgitis, Jr.  
Denise N. Smith  
Kelley Drye & Warren LLP  
3050 K Street, NW, Suite 400  
Washington, D.C. 20007  
Tel. (202) 342-8400  
[Cyorkgitis@Kelleydrye.com](mailto:Cyorkgitis@Kelleydrye.com)  
[Dsmith@Kelleydrye.com](mailto:Dsmith@Kelleydrye.com)

*Counsel for Fusion Connect, Inc.*



Warrants”) issued by Fusion upon its January 2020 emergence from bankruptcy protection will exchange their Special Warrants for shares of Fusion common stock. As a result of these exercises, the equity and voting interests held by Telecom Holdings, LLC (“Telecom Holdings”), the current owner of more than a majority of Fusion’s issued and outstanding stock, will decrease from approximately sixty five percent (65%) to significantly less than fifty percent (50%), resulting in a negative transfer of control (the “Transaction”). No holder of Fusion common stock (each a “Stockholder”) will hold a majority or controlling equity and/or voting interest in Fusion or otherwise exercise *de facto* control of Fusion following exercise of the Special Warrants.

#### **I. THE TRANSFEROR AND LICENSEE: FUSION**

Fusion (FRN: 0004383337) is a privately held Delaware corporation,<sup>5</sup> with headquarters located at 210 Interstate North Parkway, Suite 300, Atlanta, GA 30339. Fusion is authorized to provide interstate telecommunications and holds Section 214 authority to provide international

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Telecom of Kansas, LLC (“Fusion Kansas”); and Fusion Telecom of Texas Ltd., LLP (“Fusion Texas”). Effective June 1, 2020, Fusion Telecom of Oklahoma, LLC (“Fusion Oklahoma”) and Fusion Telecom of Missouri, LLC (“Fusion Missouri”) completed a *pro forma* transaction wherein their regulated assets were consolidated into Fusion Cloud, the direct parent of Fusion Missouri and Fusion Oklahoma. Unless otherwise noted, references to the “Fusion Licensees” that predate June 1, 2020, should be read to include Fusion Missouri and Fusion Oklahoma. The control of additional Fusion subsidiaries that do not hold Commission-issued licenses, will also be transferred as part of the transaction described herein. Fusion Cloud Company LLC f/k/a MegaPath Cloud Company LLC (“Fusion Cloud Company”), a provider of VoIP services, does not provide interstate or international Section 214 telecommunications services. Fusion Cloud Company holds an information services certification in Indiana, and VoIP registrations as required by other U.S. states. Fusion Cloud Company also held intrastate telecommunications authority in Minnesota but has filed to surrender that authority. Fusion also owns one hundred percent of Primus Management ULC (“Primus”), a non-dominant foreign carrier authorized to provide local exchange, long distance, and Internet access services in Canada.

<sup>5</sup> Fusion was formerly a publicly held corporation but went private upon emergence from chapter 11 protection.

telecommunications services.<sup>6</sup> Fusion, through certain of its subsidiaries, provides a wide range of communications services to business customers throughout the United States, including unified communications, digital voice and data services, including hosted Voice over Internet Protocol (“VoIP”) and Session Initiated Protocol (“SIP”) trunking, broadband Internet access service, data networks, cloud-based services, and other enhanced communications services and features, as well as traditional voice solutions.<sup>7</sup>

Fusion LLC, Fusion Cloud, Fusion Communications, Fusion Kansas, and Fusion Texas each hold domestic Section 214 authority to provide interstate telecommunications services<sup>8</sup> and operate pursuant to Fusion’s international Section 214 authority.<sup>9</sup> Each of these subsidiaries also holds intrastate telecommunications authorizations issued by state public utility commissions:

- Fusion LLC is a New Jersey limited liability company that holds authority to offer intrastate telecommunications services in 47 states.
- Fusion Cloud is a Georgia limited liability company that holds authority to offer intrastate telecommunications services in 41 states.
- Fusion Communications is a Delaware limited liability company that holds authority to offer intrastate telecommunications services in 13 states.

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<sup>6</sup> File No. ITC-214-19971001-00592; FCC Filer ID 825160.

<sup>7</sup> The Fusion Licensees have, at most, a *de minimis* number of non-business (*i.e.*, residential) customers in the United States.

<sup>8</sup> 47 C.F.R. 63.01.

<sup>9</sup> See Letter to Marlene H. Dortch, Secretary of the Commission, from Denise N. Smith, Kelley Drye & Warren LLP, Counsel to Fusion Connect, Inc. (May 31, 2018) (providing notice of operations of Fusion LLC, Fusion Cloud Services, LLC, and Fusion Communications, LLC. pursuant to Commission Rule 63.21(h)).

- Fusion Kansas is a Kansas limited liability company that holds authority to offer intrastate telecommunications services in Kansas.<sup>10</sup>
- Fusion Texas is a Texas limited liability partnership that holds authority to offer intrastate telecommunications services in Texas.

The corporate headquarters for each of the Fusion Licensees is located at 210 Interstate North Parkway, Suite 300, Atlanta, GA 30339.

## **II. BACKGROUND TO THE TRANSACTION**

On June 3, 2019, the Fusion Licensees commenced voluntary cases under chapter 11 of Title 11 of the United States Code with the United States Bankruptcy Court for the Southern District of New York (the “Bankruptcy Court”).<sup>11</sup> Under Fusion’s reorganization plan, which was approved by the Bankruptcy Court on December 17, 2019,<sup>12</sup> and which went into effect on January 14, 2020 (the “Reorganization Plan”), the then-current equity interests in Fusion were cancelled, and Fusion’s first lien lenders exchanged a portion of their first lien debt for new common stock of Fusion and Special Warrants. Advance Commission approval was required for

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<sup>10</sup> Fusion anticipates that, prior to the end of 2020, it will consolidate the regulated assets of Fusion Kansas, with and into Fusion Cloud, and will also consolidate the regulated assets of Fusion Texas with and into Fusion Communications. At that time, Fusion will submit the appropriate notices of a *pro forma* assignment to the Commission to document those consolidations. Out of an abundance of caution, this Application seeks approval for the transfer of control of these entities to the extent they remain regulated entities at the time the Transaction is consummated. As noted, Fusion has consolidated the regulated assets of Fusion Missouri and Fusion Oklahoma with and into Fusion Cloud. Fusion Cloud timely submitted the appropriate *pro forma* notice to the Commission.

<sup>11</sup> *In re Fusion Connect, Inc., et al.*, Debtors, Case No. 19-11811 (Bankr. S.D.N.Y. Jun. 3, 2019). Additional Fusion subsidiaries that do not hold Commission-issued licenses also commenced voluntary cases.

<sup>12</sup> *In re: Fusion Connect, Inc., et al.*, Order (I) Confirming Third Amended Joint Chapter 11 Plan of Fusion Connect, Inc. and its Subsidiary Debtors and (II) Granting Related Relief, Case No. 19-11811 (SMB) (Bankr. S.D.N.Y. December 17, 2019).

the Reorganization Plan as, upon emergence, a single party, Telecom Holdings was to assume a greater than fifty percent (50%) interest in, and would have *de jure* and *de facto* control over, Fusion.

In anticipation of the Bankruptcy Court's approval of the Reorganization Plan, Fusion accordingly filed an application for Commission approval of the transfer of control of the Fusion Licensees, each of whom held Section 214 licenses.<sup>13</sup> Following discussion with the Commission Staff, and out of an abundance of caution, Fusion also requested a waiver from the Commission to permit the disclosure of Fusion ownership information in the Section 214 applications without taking into account the Special Warrants. Among other things, Fusion explained to the Commission in support of the waiver that the Special Warrants would not be exercisable until Fusion subsequently obtains appropriate Commission and state public utility commission approvals.<sup>14</sup> The Commission approved the transfer of control applications and

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<sup>13</sup> *In re: Fusion Connect, Inc. and Telecom Holdings LLC for Consent to a Transaction That Will Result in a Change of Control of Companies Holding Domestic and International Authority pursuant to Sections 214 of the Communications Act of 1934, as Amended*, WC Docket No. 19-262, ITC-ASG-20190724-00136 (July 24, 2019). Fusion Cloud also held wireless licenses and a separate application was filed with the Commission for the transfer of control of those licenses. *Fusion Cloud Services, LLC FCC Application for Assignments of Authorizations and Transfers of Control (Form 603)*, WTB File No. 0008738034 (Aug. 24, 2019).

<sup>14</sup> *See In re: Fusion Connect, Inc. and Telecom Holdings LLC for Consent to a Transaction That Will Result in a Change of Control of Companies Holding Domestic and International Authority pursuant to Sections 214 of the Communications Act of 1934, as Amended and Fusion Cloud Services, LLC FCC Application for Assignments of Authorizations and Transfers of Control (Form 603); Petition for Temporary and Limited Waiver of Sections 1.5000(a)(1), 1.2112, 63.01 and 63.18 of the Commission's Rules*, WC Docket No. 19-262, ITC-ASG-20190724-00136, WTB File No. 0008738034 (Oct. 8, 2019).

waiver effective January 10, 2020,<sup>15</sup> and, as stated above, the Fusion Licensees emerged from chapter 11 protection on January 14, 2020.

Upon emergence, each of Fusion’s former first priority lenders received a combination of Fusion common stock and Special Warrants. As a result of that transaction, at emergence, Telecom Holdings received approximately sixty five percent (65%) of Fusion’s then issued and outstanding shares of common stock and exercised *de jure* and *de facto* control of the Fusion Licensees.

### **III. DESCRIPTION OF THE TRANSACTION**

The proposed Transaction, for which consent is being sought, will be occasioned by the exercise and exchange of the Special Warrants and issuance of Fusion common stock to the associated Special Warrant holders.<sup>16</sup> Commission approval is necessary because Telecom Holdings will no longer control the Fusion Licensees once the Special Warrants are exercised.

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<sup>15</sup> *Applications Granted for the Transfer of Control of Fusion Connect, Inc., Debtor-in-Possession, and Subsidiaries*, Public Notice, DA 20-43 (WCB/IB, Jan. 10, 2020) (“FCC Grant”). The wireless license transfer of control application was administratively approved in the Commission’s Universal Licensing System on January 10, 2020. The FCC Grant directed Fusion to submit, within thirty (30) days of emergence, applications for approval of an anticipated subsequent transfer of control transaction and a petition for declaratory ruling (“PDR”) regarding related foreign ownership of the Fusion Cloud common carrier wireless licenses. Consistent with the FCC Grant, the original Application was submitted within thirty (30) days of the Fusion Licensees’ emergence from chapter 11 protection, on January 14, 2020. However, Fusion Cloud surrendered its wireless licenses on January 28, 2020 and, consequently, Fusion did not file a PDR. *See* Letter to Marlene H. Dortch, Secretary, Federal Communications Commission from Denise N. Smith, Kelley Drye & Warren, LLP, Counsel to Fusion Connect, Inc. (Jan. 28, 2020).

<sup>16</sup> Following its emergence, Fusion engaged a warrant agent to administer the distribution of ownership certifications to the Special Warrant holders. Among other purposes, the ownership certifications provided the means by which Special Warrant holders would indicate whether they elected to exercise their Special Warrants. All Special Warrants will be exercised following receipt of Commission and PUC approvals. The equity percentages identified in this Application reflect the interests represented by common stock, *i.e.*, the voting stock that Fusion will issue to the Special Warrant holders when all required approvals have been obtained, in addition to other stock that previously has been issued.



As a result of the exercise of the Special Warrants and the issuance of Fusion common stock in exchange therefore, the voting and equity interests of Telecom Holdings will decrease to non-controlling levels. Specifically, Telecom Holdings' equity interests will decline from approximately sixty five percent (65%) to less than ten percent (10%). Accordingly, the Transaction, and specifically Fusion's issuance of common stock to the Special Warrant holders, will result in a negative transfer of control of Fusion under Commission Rule 63.24(c). This Application seeks consent to this transfer of control.

Following the Transaction, Fusion will be widely held by numerous stockholders, nearly all of whom will hold non-disclosable interests in Fusion. The Transaction will not result in any person or entity obtaining *de jure* or *de facto* control. No stockholder of Fusion will hold a majority equity and/or voting interest in, or otherwise exercise control over, Fusion or the other Fusion Licensees. Only four groups of stockholders, the CBAM Entities, the Invesco Entities, the Morgan Stanley/North Haven Entities, and the Vector Funds (each as defined in Schedule 1 hereto) (collectively, the "Reportable Stockholders"), each will hold in excess of ten percent (10%) of Fusion's common stock.<sup>17</sup> Post-Transaction the CBAM Entities, the Invesco Entities, the Morgan Stanley/North Haven Entities, and the Vector Funds each will collectively hold, approximately, 12.63%, 11.49%, 12.88% and 27.87%, respectively, of Fusion's then issued and outstanding shares of common stock. The Reportable Stockholders are institutional investors, and will not have an active role in managing the day-to-day operation of the Fusion Licensees,

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<sup>17</sup> The description of the Reportable Stockholders in this Application, including the particulars required pursuant to Commission Rule 63.18(h), and their affiliations, ownership structure, management and control issues, and lack of 10% interests in other domestic telecommunications carriers, reflect what has been reported by each of the Reportable Stockholders to Fusion.

although the CBAM Entities, the Invesco Entities and the Vector Funds will have certain rights as to the nomination of members to the Fusion Board of Directors (the “Board”), as explained below. For the foregoing reasons, there will not be a Transferee of the Fusion Licensees.

Upon completion of the Transaction, the Fusion Licensees will continue to be led by their existing highly qualified and experienced U.S.-based executive management team. Fusion’s executive management, all of whom are currently United States citizens, bring a wealth of telecommunications industry experience and knowledge. With approximately 150 years of experience, collectively, in the telecommunications and technology industries, Fusion’s leadership provides strong and skilled leadership to the Fusion Licensees. Fusion’s management team will continue to be overseen by a highly-qualified Board that includes individuals with prior C-suite experience in the telecommunications industry. While the Board will provide high-level oversight over Fusion’s executive management, the Board will not be involved in day-to-day decision-making. Moreover, none of the Fusion stockholders, alone or in combination, will have or exercise control over the Board. The Vector Funds will have the right to nominate two of the seven Board members and each of the CBAM Entities and the Invesco Entities currently has the right to nominate and to have its nominees elected by Fusion’s stockholders. However, these nomination rights do not confer control over the seven-person Board.

The Transaction does not involve the assignment of any telecommunications authorizations, and will be transparent to all customers of the Fusion Licensees. Accordingly, customer notice is not required under Commission Rule 64.1120(e) because there will be no change in service providers for any of the customers.

#### **IV. PUBLIC INTEREST STATEMENT**

The proposed Transaction demonstrably will benefit, and will not harm, the public interest, convenience, and necessity. The Commission has, on repeated occasions, recognized

the public interest benefit of allowing licensees to freely transfer control of their authorizations provided such actions are not contrary to the public interest.<sup>18</sup> Indeed, a competitive telecommunications market depends upon commercial flexibility. Similarly, it is well-established federal telecommunications regulatory policy that the public interest is best served by assuring the presence of numerous telecommunications competitors in the market. Accordingly, it is important to allow a company to organize its corporate structure in the manner that best supports the company's business operations provided that such actions are consistent with law and have no adverse impact on the public.

The instant Transaction is entirely consistent with federal telecommunications laws. The Transaction will reallocate stockholder equity in Fusion and, at the same time, implement Fusion's commitment under the Reorganization Plan to provide its first priority lenders with economic and voting interests in Fusion in exchange for the reduction in the amount of debt held by those lenders. (The first lien lenders are able to obtain these interests only upon the exercise of their Special Warrants, none of which may occur until Fusion receives all necessary regulatory approvals.) Consummating the Transaction will enable Fusion to meet its obligations under its court-approved Reorganization Plan.<sup>19</sup>

Moreover, the Transaction will have no adverse effects upon the operations of the Fusion Licensees, their customers or the telecommunications markets:

Following consummation of the Transaction, Fusion will continue to provide its

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<sup>18</sup> See, e.g., *In re: Applications Filed for the transfer of control of Certain Subsidiaries of Frontier Communications Corporation to Northwest Fiber, LLC*, DA 19-1302, ¶10 (WCB/IB/WTB Dec. 19, 2019) (“Notably, the Commission has long recognized the clear public interest benefits in a license or authorization holder being able to assign or transfer control of its license or authorization freely.”).

<sup>19</sup> The Transaction will foster Fusion's corporate efficiency with associated benefits for Fusion and the Fusion Licensees and those benefits ultimately will inure to consumers.

comprehensive suite of advanced and quality services to existing and future customers, without diminishment or interruption. Consequently, the Transaction will not reduce the range or quality of service options available to consumers.

Similarly, the Transaction presents no anti-competitive concerns and will have no adverse impact on the U.S. domestic or international telecommunications markets. The Fusion Licensees currently have a less than ten percent (10%) share of the interstate interexchange market, and the presence of many other interexchange carriers operating on a nationwide basis ensures the competitiveness of this market segment. The Transaction, which changes the equity and voting interest percentages held by Fusion's existing stockholders, will not increase Fusion's share of the domestic or international markets or otherwise impact competition in these markets. The Fusion Licensees will not acquire any new affiliations with domestic or international telecommunications providers as a result of the Transaction and no market concentration will result from the Transaction.<sup>20</sup> Rather, the competitive nature of the market for the Fusion Licensees' services will remain undiminished, thereby encouraging service providers to continue offering innovative and cost-competitive services to consumers.

Finally, the proposed Transaction will not raise any foreign control issues implicating U.S. national security concerns. The Reportable Stockholders, are institutional investors and will not have any role in the Fusion Licensee's daily operations. Rather, as explained above, post-Transaction, the Fusion Licensees will continue to be led by Fusion's highly skilled and experienced U.S.-based management team, which will control the Fusion Licensees' daily operations. Several of these institutional investors are domiciled in the Cayman Islands, but this fact does not raise any cognizable foreign control concerns. In addition, the Reportable

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<sup>20</sup> None of the Reportable Stockholders hold an interest of ten percent or greater in any domestic telecommunications provider.

Stockholders are not under the control of any foreign governments. In short, the proposed Transaction will not result in any foreign person, entity, or government holding a majority or controlling interest in, or exercising control over, the Fusion Licensees.

**V. REQUEST FOR STREAMLINED TREATMENT OF APPLICATION**

Fusion is filing a combined domestic and international Section 214 application pursuant to Section 63.04(b) of the Commission's rules and respectfully requests streamlined treatment of both components of the Application pursuant to Sections 63.03 and 63.12 of the Commission's rules.

With respect to domestic Section 214 authorizations, the Application is eligible for streamlined processing pursuant to Commission Rule 63.03(b)(1)(ii) because the Reportable Stockholders are not telecommunications providers. Moreover, the Application also qualifies for streamlined processing pursuant to Commission Rule 63.03(b)(2) because, immediately following the Transaction, (i) the Fusion Licensees will continue to have a less than ten percent (10%) market share of the interstate interexchange market; (2) post-close, the Fusion Licensees will provide competitive telephone exchange services exclusively in geographic areas served by a dominant local exchange carrier that is not a party to the Transaction; and (3) neither Fusion nor any of its affiliates or subsidiaries are regulated as dominant with respect to any service.

This Application further qualifies for streamlined treatment, with respect to Fusion's international Section 214 authorizations, under Commission Rule 63.12 because neither Fusion nor any of its affiliates is affiliated with a dominant foreign carrier. The Fusion Licensees currently are affiliated with Primus, a non-dominant foreign carrier operating in Canada. Primus (i) operates in Canada, a World Trade Organization ("WTO") Member country; (ii) is not a monopoly provider of telecommunications services in Canada; (iii) holds less than fifty percent

(50%) market share in the Canada market; and (iv) lacks market power in Canada to affect competition adversely in the U.S. market. Consequently, the Fusion Licensees' affiliation with Primus does not preclude streamlined processing of this Application. In addition, the Fusion Licensees will not, as a result of the Transaction, become affiliated with any dominant foreign carrier.

**VI. INFORMATION REQUIRED BY SECTION 63.24(E) OF THE COMMISSION'S RULES AND INTERNATIONAL SECTION 214 MAIN FORM**

In support of this Application Fusion includes below responses to, and certifications for, the International Section 214 Main Form and 47 C.F.R. § 63.24 (e) of the Commission's rules, which is the information requested in paragraphs (a)-(d), (h)-(n) and (o)-(p) of the Commission Rule Section 63.18.

**(a) Name, address, telephone number  
(Answer to Main Form Question 10 and 63.18(a))**

Fusion Connect, Inc.  
210 Interstate North Parkway, Suite 300  
Atlanta, GA 30339  
Tel: (212) 201-2425

**(b) Citizenship**

Fusion is a Delaware corporation

**(c) Contact information for Correspondence**

Correspondence concerning this Application should be sent to:

**Fusion**

Edward A. Yorkgitis, Jr.  
Denise N. Smith  
Kelley Drye & Warren LLP  
3050 K Street, NW, Suite 400  
Washington, DC 20007  
Tel. (202) 342-8400  
cyorkgitis@kelleydrye.com  
dsmith@kelleydrye.com

**With a Copy to:**

James P. Prenetta, Jr.  
Executive Vice President and General  
Counsel  
Fusion Connect, Inc.  
210 Interstate North Parkway, Suite 300  
Atlanta, GA 30339  
jprenetta@fusionconnect.com

**(d) International 214 Authorizations:**

Fusion holds international Section 214 authority and rule-based domestic Section 214 authority to provide facilities-based and resold telecommunications services. Filer ID 825160; IB File No. ITC-214-19971001-00592. As detailed in Section I of this Application, several of Fusion's wholly-owned subsidiaries hold rule-based domestic 214 authority and operate internationally pursuant to Fusion's international 214 authority.

**(h) Ten Percent or Greater Interest Holders/Interlocking Directorates  
(Answer to IBFS Main Form Questions 11 – 12)**

Due to the details required to describe the organizational complexity of the Reportable Stockholders that will own a ten percent (10%) or greater direct or indirect ownership interest in the Fusion Licensees after the Transaction, this information is included in Attachment 1.

**(i) Foreign Carrier Affiliation Certification  
(Answer to IBFS Main Form Questions 14-17)**

Fusion will not acquire any new foreign carrier affiliates as a result of the Transaction. After the Transaction, Fusion will continue to be affiliated with Primus which is a non-dominant foreign carrier providing telecommunications and Internet access services within Canada.

**(j) Foreign Carrier and Destination Countries**  
**(Answer to IBFS Main Form Questions 14-17)**

After consummation of the Transaction, Fusion will continue to be affiliated with Primus, which is a non-dominant foreign carrier providing telecommunications and Internet access services within Canada. Primus is not a monopoly provider of telecommunications or Internet access services in Canada, holds less than fifty percent (50%) market share in the Canada market, and lacks market power in Canada to affect competition adversely in the U.S. market.

Fusion certifies that, upon consummation of the Transaction, the Fusion Licensees will not provide international telecommunications services to any destination country in which: (1) the Reportable Stockholders are foreign carriers in the destination market; (2) the Reportable Stockholders control a foreign carrier in the destination market; (3) any entity that owns more than twenty five percent (25%) of or that controls the Reportable Stockholders, controls a foreign carrier in that country; and (4) two or more foreign carriers (or parties that control foreign carriers) own, in the aggregate, more than twenty-five percent (25%) of the Reportable Stockholders and are parties to, or the beneficiaries of, a contractual relationship affecting the provision or marketing of international basic telecommunications services in the United States.

**(k) WTO Membership of Destination Countries**  
**(Answer to IBFS Main Form Questions 14-17)**

Canada is a member of the WTO.

**(l) International Telecommunications Services**  
**(Answer to IBFS Main Form Questions 14-17, 19)**

In the event that the Commission classifies the Fusion Licensees as dominant on a foreign route, which they should not, the Fusion Licensees agree that they will not resell



the international switched services of an affiliated, facilities-based U.S. carrier to such foreign point except in accordance with Commission rules.

**(m) Non-Dominant Regulatory Classification**  
**(Answer to IBFS Main Form Questions 14-17)**

As set forth in Section V of this Application, after consummation of the Transaction, the Fusion Licensees will be entitled to a presumption of non-dominant status regardless of their affiliation with Primus because: (1) Canada is a member of the WTO; (2) Primus is not a monopoly provider of telecommunications services in Canada; (3) Primus holds less than fifty percent (50%) market share in the Canada market; and (4) Primus lacks market power in Canada to affect competition adversely in the U.S. market.

**(n) Special Concessions Certification**  
**(Answer to IBFS Main Form Question 21)**

Fusion certifies that the Fusion Licensees have not agreed to accept special concessions directly or indirectly from any foreign carrier with respect to any U.S. international route where the foreign carrier possesses sufficient market power on the foreign end of the route to adversely affect competition in the U.S. market, and, further, that they will not enter into such agreements in the future.

**(o) Federal Benefits/Anti-Drug Act of 1988 Certification**  
**(Answer to IBFS Main Form Question 25)**

Fusion certifies, pursuant to §§ 1.2001 through 1.2003 of the Commission's rules, that it is not subject to a denial of federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 862.

**(p) Eligibility for Streamlined Processing**  
**(Answer to IBFS Main Form Question 20)**

Fusion requests streamlined processing of this Application pursuant to § 63.12 of the Commission's rules, 47 C.F.R. § 63.12, for the reasons set forth in Section V of this Application.

**VII. INFORMATION REQUIRED BY SECTION 63.04(B) OF THE COMMISSION'S RULES FOR TRANSFER OF CONTROL OF ASSETS**

The additional information required by § 63.04(b) of the Commission's rules is provided in Attachment 2.

**WHEREFORE**, for the foregoing reasons, Fusion respectfully requests that the Commission expeditiously act to approve the Transaction described herein.

Respectfully submitted,

**FUSION CONNECT, INC.**

By:     /s/ James P. Prenetta, Jr.    

James P. Prenetta, Jr.  
Executive Vice President and General Counsel  
Fusion Connect, Inc.  
210 Interstate North Parkway, Suite 300  
Atlanta, GA 30339

Edward A. Yorkgitis, Jr.  
Denise N. Smith  
Kelley Drye & Warren LLP  
3050 K Street, N.W., Suite 400  
Washington, D.C. 20007  
Tel. (202) 342-8614  
Email: Cyorkgitis@kelleydrye.com  
Email: DSmith@kelleydrye.com

Its Attorneys

July 22, 2020

## **LIST OF ATTACHMENTS**

**Attachment 1** – Identification of Ten Percent or Greater Equity/Voting Interest Holders

**Attachment 2** – Information required by 47 C.F.R. §63.04

**Attachment 3** – Pre- and Post-Organizational Charts

## **ATTACHMENT 1**

### **Ten Percent or Greater Interest Holders/Interlocking Director (Answer to IBFS Main Form Question 11 and Question 12)**

Using the information available to Fusion as of the date of this filing, including the understanding that all the Warrant Holders will exercise all of their Special Warrants, Fusion has calculated that, after consummation of the Transaction, the entities and/or individuals identified in subsections A - D below will have a ten percent (10%) or greater direct or indirect ownership interest in the Fusion Licensees. *See also* the pre- and post-Transaction ownership charts in Attachment 3 to this Application. Other than as described in this Attachment 1, no other individual or entity will have, post-Transaction, a direct or indirect ownership or management interest by which it would be deemed to hold, manage, or control, directly or indirectly, a ten percent (10%) or greater equity or voting interest in Fusion.

#### **A. The CBAM Entities**

As explained below, and as depicted on the chart in Attachment 3, ten entities managed by CBAM CLO Management, LLC (“CBAM CLO Management”) (collectively, the ten entities will be referred to as the “CBAM CLO Issuers”) together with one entity, Chain Bridge Opportunistic Funding, LLC (“CBOF”), which is managed by CBAM CLO Management’s parent, CBAM Partners, LLC (“CBAM Partners”), post-Transaction will hold, directly, approximately 12.63% of the common stock, *i.e.*, voting and equity interests, in Fusion. The CBAM CLO Issuers will hold approximately 12.04% of that amount, collectively, as follows:

- a) CBAM 2017-1 Ltd., a Cayman Islands company holds approximately 1.50%;

- b) CBAM 2017-2 Ltd., a Cayman Islands company holds approximately 1.88%;
  - c) CBAM 2017-3 Ltd., a Cayman Islands company holds approximately 1.57%;
  - d) CBAM 2017-4 Ltd., a Cayman Islands company holds approximately 1.20%;
  - e) CBAM 2018-5 Ltd., a Cayman Islands company holds approximately 1.20%;
  - f) CBAM 2018-6 Ltd., a Cayman Islands company holds approximately 1.20%;
  - g) CBAM 2018-7 Ltd., a Cayman Islands company holds approximately 1.64%;
  - h) CBAM 2018-8 Ltd., a Cayman Islands company holds approximately 0.49%;
  - i) CBAM 2019-9 Ltd., a Cayman Islands company holds approximately 0.52%;
  - j) CBAM 2019-10 Ltd., a Cayman Islands company holds approximately 0.82%;
- and
- k) CBOF, a Kansas limited liability company, holds approximately 0.59%.

CBOF and the CBAM CLO Issuers each has a principal business of investment activities and a corporate address of 51 Astor Place, 12th Floor, New York, NY 10003.

The CBAM CLO Issuers are capitalized primarily with debt, with only a nominal amount (generally, approximately \$250) of paid-in capital. With the exception of CBAM 2018-6 Ltd., the administrator/share trustee for the CBAM CLO Issuers is Estera Trust (Cayman) Limited (“Estera Trust”). In that capacity, Estera Trust has declared a charitable trust over the ordinary shares of the CBAM CLO Issuers pursuant to which it holds legal title as “share trustee,” and beneficial title is held on behalf of a charity. Estera Trust, however, has no role in the management of the CBAM CLO Issuers or with respect to the shares of common stock and warrants of Fusion held by the CBAM CLO Issuers. Rather, pursuant to Management

Agreements with each of the CBAM CLO Issuers, CBAM CLO Management exercises management duties with respect to the acquisition, administration, and disposition of assets held by the CBAM CLO Issuers, including with respect to the Fusion common stock and special warrants. Separately, CBAM Partners has a management agreement with CBOF.<sup>21</sup> Accordingly, CBAM Partners, through its ownership of CBAM CLO Management (which manages the CBAM CLO Issuers) and its management of CBOF, will hold indirectly approximately 12.63% of the voting interests in Fusion.

As a consequence, several additional entities, by virtue of their direct or indirect ownership interests in the CBAM CLO Issuers and CBOF, will hold or control a ten percent or greater indirect equity interest in Fusion under the FCC's ownership attribution rule, as follows:

Security Benefit Life Insurance Company ("Security Benefit Life"), a Kansas company, through separate subsidiaries, as depicted in Attachment 3, holds Subordinated Notes in the CBAM CLO Issuers that, while viewed as debt from a Cayman Islands perspective, are being treated as equity for purposes of this application. As such, these Subordinated Notes represent virtually all of the equity in each of the CBAM CLO Issuers. As a result, Security Benefit Life and its direct parent (described more fully below), will have, post-transaction, an aggregated indirect ownership of approximately 12.04% of the equity interests in Fusion through the CBAM CLO Issuers. The parent of Security Benefit Life's parent, and its direct and indirect parents, will hold an indirect equity interest of 12.63% in Fusion:

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<sup>21</sup> As discussed below, CBOF is wholly owned by Security Benefit Corporation ("SBC") and CBAM Partners is the parent of CBAM CLO Management.

- SBL Holdings, LLC (“SBL Holdings”), a Kansas limited liability company, owns 100% of Security Benefit Life, and thus indirectly holds approximately 12.04% of the equity in Fusion.
- Security Benefit Corporation (“SBC”), a Kansas corporation, owns 100% of SBL Holdings and also directly owns 100% of CBOF, and thus indirectly holds, by this combination, approximately 12.63% of the equity in Fusion.
- Eldridge SBC Holdings LLC (“Eldridge SBC”), a Delaware limited liability company, owns 99.25% of SBC, and thus indirectly holds approximately 12.63% of the equity in Fusion.
- Eldridge Industries, LLC (“Eldridge Industries”), a Delaware limited liability company, owns 100% of Eldridge SBC, and thus indirectly holds approximately 12.63% of the equity in Fusion.
- SBT Investors, LLC (“SBT Investors”), a Delaware limited liability company, owns 85.36% of Eldridge Industries, and thus indirectly holds approximately 12.63% of the equity in Fusion.
- NZC Capital, LLC (“NZC Capital”), a Delaware limited liability company, owns 100% of SBT Investors, and thus indirectly holds approximately 12.63% of the equity in Fusion.
- Mr. Todd Boehly owns 80.5% of NZC Capital, and thus indirectly holds approximately 12.63% of the equity in Fusion.

Security Benefit Life has a primary business as a life insurance company. SBL Holdings, SBC, Eldridge SBC, Eldridge Industries, SBT Investors, NZC Capital, and Mr. Boehly, each has

a principal business of investment activities. Security Benefit Life, SBL Holdings, and SBC, each has a corporate address of 1 Security Benefit Place, Topeka, Kansas, 66636, and Eldridge SBC, Eldridge Industries, SBT Investors, NZC Capital, and Mr. Boehly, each have a corporate address of 600 Steamboat Road, Greenwich, Connecticut, 06830.

As noted, the CBAM CLO Issuers are each managed by CBAM CLO Management, a Delaware limited liability company, such that CBAM CLO Management may be deemed to control, indirectly, 12.04% of the voting interest in Fusion. The entities with interests in CBAM CLO Management, and have indirect control of at least 10% of the interests in Fusion, are as follows:

- CBAM Partners, a Delaware limited liability company, owns 100% of CBAM CLO Management and manages CBOF, which holds a direct interest in Fusion of 0.59%; CBAM Partners thus may be deemed to control, indirectly, 12.63% of the voting interest in Fusion.
- CBAM Holdings, LLC (“CBAM Holdings”), a Delaware limited liability company, owns 100% of CBAM Partners, and thus may be deemed to control, indirectly, 12.63% of the voting interest in Fusion.
- Eldridge AM Holdings, LLC (“Eldridge AM”),<sup>22</sup> a Delaware limited liability company, owns 56.2% of CBAM Holdings, and in turn is wholly held by Eldridge Industries, identified and discussed above, and thus Eldridge AM may be deemed to control, indirectly, 12.63% of the voting interest in Fusion.

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<sup>22</sup> Eldridge AM is majority-owned by Eldridge Industries and, therefore, treated as though it is wholly owned by Eldridge Industries. Eldridge AM ultimately is majority owned by Mr. Boehly. Information regarding the ownership chain between Eldridge Industries and Mr. Boehly has been provided *supra* and is not repeated here.



- Day-to-day management of CBAM Holdings is exercised by its minority equity holder, CBAM Management, LLC (“CBAM Mgt”), a Delaware limited liability company, which may thus be deemed to control, indirectly, 12.63% of the voting interest in Fusion.
- Donald Young, a United States citizen and not a dual citizen, holds a direct 26.6% interest in CBAM Mgt, and Michael Damaso, a United States citizen and not a dual citizen, holds an indirect 26.6% interest in CBAM Mgt through his wholly-owned company, Buddy46, LLC, a New York limited liability company.<sup>23</sup> Consequently, Mr. Young and Mr. Damaso may each also be deemed to control, indirectly, 12.63% of the voting interest in Fusion.

CBAM CLO Management, CBAM Partners, CBAM Holdings, Eldridge AM, and CBAM Mgt (collectively, the “CBAM Managers”) each have a principal business of investment activities. Mr. Damaso and Mr. Young, each has a principal business activity as an investor. The CBAM Managers each have a principal business address of 51 Astor Place, 12<sup>th</sup> Floor, New York, NY 10003. Mr. Damaso and Mr. Young have a principal business address of 51 Astor Place, 12<sup>th</sup> Floor, New York, NY 10003.

Other than as described in this Section A, no other CBAM-related entity or individual will have, post-transaction, an ownership or control interest by which it would be deemed to hold, manage, or control, indirectly or directly, a ten percent (10%) or greater direct or indirect equity or voting interest in Fusion.

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<sup>23</sup> The remaining equity interests in CBAM Mgt. are indirectly held by CBAM Mgt employees, none of whom have an indirect interest in Fusion of more than 10%.

**B. Invesco Senior Floating Rate Fund, Invesco Senior Floating Rate Fund Plus, Invesco Oppenheimer Master Loan Fund, and Invesco Oppenheimer Fundamental Alternatives Fund<sup>24</sup>**

As explained below, Invesco Ltd. (“Invesco Ltd.”), and each of six of its subsidiaries, indirectly or directly, control four funds that, post-transaction and collectively, will hold 11.49% of Fusion’s equity. Invesco Ltd. is a publicly traded, widely-held Bermudan company with corporate headquarters located at 1555 Peachtree Street, N.E., Atlanta, Georgia 30309.

No single person or entity, immediately following the Transaction, will control Invesco Ltd. or own a sufficient share of Invesco Ltd. to have an indirect interest in Fusion of ten percent (10%) or more (indirect equity or voting interest) pursuant to the Commission’s ownership attribution rules.

Invesco Adviser, Inc. (“Invesco Adviser”), a Delaware corporation, and indirect subsidiary of Invesco, Ltd., as will be detailed further herein, manages four funds that, post-transaction and collectively, will hold approximately 11.49% of Fusion stock and, consequently, Invesco Adviser will manage approximately 11.49% of Fusion stock. Invesco Senior Floating Rate Fund (“Invesco Senior”), a Delaware statutory trust, will hold, directly, an approximate 10.47% equity interest in Fusion. Invesco Oppenheimer Master Loan Fund, (“Invesco Master Loan”), a Delaware statutory trust, will hold, directly, an approximate 0.90% equity interest in Fusion. Invesco Senior Floating Rate Fund Plus (“Invesco Senior Plus”), a Delaware statutory trust, will hold, directly, an approximate 0.06% equity interest in Fusion. Invesco Senior, Invesco Master Loan, and Invesco Senior Plus each were established by AIM Counselor Series

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<sup>24</sup> See also page 6 of Attachment 3 of the Application, which provides an ownership chart of the Invesco entities.

Trust (Invesco Counselor Series Trust) (“AIM Counselor”), a Delaware statutory trust. Invesco Senior, Invesco Master Loan, and Invesco Senior Plus (collectively the “AIM Counselor Funds”) and AIM Counselor each are managed by Invesco Adviser.

Invesco Oppenheimer Fundamental Alternatives Fund, (“Invesco Fundamental”), a Delaware statutory trust created by AIM Investment Funds (Invesco Investment Funds) (“AIM Investment”), a Delaware statutory trust, will hold, directly, an approximate 0.06% equity interest in Fusion. Invesco Fundamental and AIM Investment are both managed by Invesco Advisers.

Invesco Advisers has been delegated authority, by the boards of trustees of AIM Counselor and AIM Investment, to control the proxy voting of the shares held by the AIM Counselor Funds and Invesco Fundamental (collectively, the “Invesco Funds”).<sup>25</sup>

AIM Counselor, AIM Investment, and the Invesco Funds each has a principal business of investment activities and corporate headquarters located at 11 Greenway Plaza, Suite 1000, Houston, TX 77046. Invesco Advisers has a principal business as an investment adviser and has corporate headquarters located at 1555 Peachtree Street, N.E., Atlanta, Georgia 30309.

Invesco Advisers is an indirect, wholly-owned subsidiary of Invesco Ltd. through five intermediate parent companies. Invesco Group Services, Inc. (“Invesco Group”), a Delaware corporation with principal businesses of being Invesco’s primary US corporate entity and a corporate headquarters located at 1555 Peachtree St., NE, Suite 1800, Atlanta, Georgia 30309,

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<sup>25</sup> AIM Counselor, AIM Investment and the Invesco Funds share more than a dozen common trustees, with the trustees of AIM Investment and Invesco Fundamentals comprising a subset of the AIM Counselor and AIM Counselor Funds’ trustees. To the extent that these trustees, all of whom are natural persons, collectively may hold control over any of the Invesco Funds, AIM Counselor, or AIM Investment, none of the trustees individually are able to exercise that control.

owns 100% of Invesco Advisers. OppenheimerFunds, Inc., (“OppenheimerFunds”), a Colorado corporation with principal businesses of investment adviser, and a corporate headquarters located at 225 Liberty Street, New York, New York 10281, owns 100% of Invesco Group. Oppenheimer Acquisition Corp. (“Oppenheimer Acquisition”), a Delaware corporation with principal businesses of holding company and a corporate headquarters located at 225 Liberty Street, New York, New York 10281, owns 100% of OppenheimerFunds. Invesco Holding Company (US), Inc. (“Invesco Holding US”), a Delaware corporation with principal businesses of holding company, and whose corporate headquarters is located at 1555 Peachtree Street, NE, Suite 1800, Atlanta, Georgia 30309, owns 100% of Oppenheimer Acquisition. Invesco Holding Company Limited (“Invesco Holding Ltd.”), a United Kingdom corporation with principal businesses of holding company and corporate headquarters located at Perpetual Park Drive, Henley-on-Thames, Oxfordshire, United Kingdom, owns 100% of Invesco Holding US. Invesco Holding Ltd. is directly and wholly owned by Invesco Ltd., a publicly traded, widely held company.

Other than as described in this Section B no other Invesco-related entity or individual will have, post-transaction, an ownership or management interest by which it will be deemed to hold, manage, or control, indirectly or directly, a ten percent (10%) or greater direct or indirect equity or voting interest in Fusion.

**C. Morgan Stanley, North Haven Credit Partners II L.P., North Haven Senior Loan Fund L.P., and Morgan Stanley & Co. LLC<sup>26</sup>**

As explained below, Morgan Stanley, a publicly-traded, widely held Delaware corporation, with corporate headquarters located at 1585 Broadway, New York, NY 10036, indirectly, wholly owns or controls three entities that will hold, post-transaction and collectively, approximately 12.88% of Fusion's equity. No single person or entity controls Morgan Stanley or owns a sufficient share of Morgan Stanley to have, immediately following the Transaction, an indirect interest in Fusion of ten percent (10%) or more pursuant to the Commission's ownership attribution rules.

In addition, as explained below, the following subsidiaries of Morgan Stanley have indirect interests of ten percent (10%) or more of the equity in Fusion: MS Capital Partners Adviser Inc. ("MS Capital Partners") (approximately 10.91%) and MS Holdings Incorporated ("MS Holdings") (approximately 10.91%). Other than as described in this Section C, no other Morgan Stanley-related entity or individual will have, post-transaction, a direct or indirect ownership or management interest by which it would be deemed to hold, manage, or control, indirectly, a ten percent (10%) or greater direct or indirect equity or voting interest in Fusion.

**The North Haven Entities**

North Haven Credit Partners II L.P. ("North Haven II"), a Delaware limited partnership, will hold, directly, an approximate 8.94% equity interest in Fusion. North Haven II is managed by MS Capital Partners, a Delaware corporation. North Haven II's general partner is MS Credit Partners II GP L.P., ("MS Credit Partners II") a Delaware limited partnership.

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<sup>26</sup> See also page 4 of Attachment 3 of the Application, which provides an ownership chart of the Morgan Stanley and North Haven Entities.

MS Capital Partners is also the manager of North Haven Senior Loan Fund L.P. (“North Haven Senior”), a Delaware limited partnership that will hold, directly, an approximate 1.97% equity interest in Fusion. North Haven Senior’s general partner is MS Senior Loan Partners GP L.P., a Delaware limited partnership.

Through its management of both North Haven II and North Haven Senior (collectively, the “North Haven Entities”), MS Capital Partners, indirectly will control the approximately 10.91% in Fusion equity held by the North Haven Entities.

MS Capital Partners is a wholly owned subsidiary of MS Holdings, a Delaware corporation with corporate headquarters located at 1585 Broadway, New York, NY 10036. MS Holdings is thereby deemed to hold an indirect, approximate 10.91% interest in Fusion pursuant to the Commission’s ownership attribution rule. MS Holdings is a wholly-owned subsidiary of Morgan Stanley.

The North Haven Entities have a principal business of investment activities and a corporate headquarters located at 1585 Broadway, 39<sup>th</sup> Floor, New York, NY 10036. MS Capital Partners has a principal business of investment activities and a corporate headquarters located at 1585 Broadway, New York, NY 10036. MS Credit Partners II has a principal business of investment activities and a corporate headquarters located at 1585 Broadway, 39<sup>th</sup> Floor, New York, NY 10036.

Morgan Stanley & Co. LLC

Morgan Stanley & Co. LLC (“MSCO”), a Delaware limited liability company, will hold, directly, an approximate 1.97% equity interest in Fusion. MSCO’s principal business is functioning as a registered broker dealer.

MSCO is indirectly wholly owned by Morgan Stanley through two intermediate parent companies. Morgan Stanley Domestic Holdings, Inc. (“MS Domestic”), a Delaware corporation owns 100% of MSCO. Morgan Stanley Capital Management, LLC, (“MS Capital Mgt.”), a Delaware limited liability company, owns 100% of MS Domestic. Morgan Stanley wholly owns MS Capital Mgt.

MS Domestic and MS Capital Mgt., both with principal businesses of being banking holding companies, each are deemed to hold an indirect, approximate 1.97% interest in Fusion pursuant to the Commission’s ownership attribution rules, and MSCO, MS Domestic, and MS Capital Mgt. each have a principal business address of 1585 Broadway, New York, NY 10036.

Morgan Stanley, MS Holdings, MS Capital Partners, the North Haven Entities, and MSCO (collectively the “Morgan Stanley Entities”) do not operate as telecommunications carriers, nor do they hold Section 214 authorizations or interests in other telecommunications providers. The Morgan Stanley Entities are not foreign carriers, nor are they affiliated with a foreign carrier. The Morgan Stanley Entities are not under the control of any foreign government.

**D. The Vector Funds<sup>27</sup>**

Vector Fusion Holdings (Cayman), LTD (“Vector Fusion”), a Cayman Islands corporation, will be the largest direct interest holder in Fusion and will hold, directly, approximately 21.13% of the equity interests in Fusion.

Vector Fusion is managed by Vector Capital Management, L.P., a Delaware limited partnership (“Vector Capital”). Vector Capital is a four-billion-dollar assets-under-management

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<sup>27</sup> See also page 3 of Attachment 3 of the Application, which provides an ownership chart of the Vector Funds and the Vector Capital-related entities.

private equity firm registered as an investment advisor with the Securities and Exchange Commission. Vector Capital invests in middle market technology businesses through buyouts, recapitalizations, corporate divestitures, credit securities, and restructurings. Vector Capital's general partner is Vector Capital, LLC, a Delaware limited liability company which is wholly owned by the founder of Vector Capital LLC, and Vector Capital, Mr. Alex Slusky. The corporate headquarters of Vector Capital and Vector Capital, LLC, are located at 1 Market Street, Steuart Tower, 23<sup>rd</sup> Floor, San Francisco, CA 94105. Mr. Slusky is a US citizen with a business address of One Market Street, Steuart Tower, 23<sup>rd</sup> Floor, San Francisco, CA 94105.

In addition to managing Vector Fusion, Vector Capital manages the following three funds (together with Vector Fusion, the "Vector Funds") that, collectively, will hold direct interests of approximately 6.74% in Fusion, such that Vector Capital will manage a total of 27.87% of the voting equity interests in Fusion at the closing of the Transaction that is the subject of the Application. Similarly, Vector Capital, LLC, and Mr. Slusky are deemed to control a combined 27.87% indirect interest in the Fusion Licensees:

- VC4 Debt Investments (U.S.), L.L.C., a Delaware limited liability company formed by Vector Capital IV, L.P. to invest in first lien loans, will hold, directly, approximately 2.46%;
- VC5 Debt Investments (Cayman), Ltd., ("VC5 DI") a Cayman Islands corporation formed by Vector Capital V, L.P. ("VC5 DI") to invest in first lien loans, will hold, directly, approximately 1.82%; and
- Vector Trading (Cayman), L.P., a Cayman Islands limited partnership, will hold, directly, approximately 2.46%. Vector Trading (Cayman), L.P. is the trading vehicle for Vector's credit fund, Vector Capital Credit Opportunity Master Fund which is a master limited partnership formed in 2011 in the Cayman Islands. The credit fund invests in a broad range of investments including syndicated debt, secondary market trades, and direct lending.



Vector Capital V, L.P., a Cayman Islands limited partnership formed in 2017 as a \$1.4 billion private equity fund, holds a 99.4% direct interest in both Vector Fusion and VC5 DI and is thereby deemed to hold an indirect approximately 22.95% interest in Fusion pursuant to the Commission's ownership attribution rule.

Vector Capital Partners V, L.P., a Cayman Islands limited partnership, is the general partner of Vector Capital V, L.P. and is deemed to hold an indirect approximately 22.95% interest in Fusion pursuant to the Commission's ownership attribution rule.

Vector Capital Partners V, Ltd., a Cayman Islands corporation, is the general partner of Vector Capital Partners V, L.P. and is deemed to hold an indirect approximately 22.95% interest in Fusion pursuant to the Commission's ownership attribution rule. The ownership of Vector Capital Partners V, Ltd., is widely-held, with no one shareholder owning ten percent (10%) or more of its equity.

The corporate headquarters of Vector Capital V, L.P., Vector Capital Partners V, L.P., and Vector Capital Partners V, Ltd., are located at 190 Elgin Avenue, George Town, CJ KY1-9005.

Each of the four Vector Funds has a principal business of investment activities and a corporate headquarters at One Market Street, Steuart Tower, 23rd Floor, San Francisco, CA 94105.

Other than as described in this Section D, no other Vector Capital-related individual or entity will have, post-Transaction, a direct or indirect ownership or management interest by which it would be deemed to hold, manage, or control, indirectly, a ten percent (10%) or greater equity or voting interest in Fusion.

The Vector Funds and other Vector Capital-related entities described herein do not operate as telecommunications carriers nor do they hold FCC Section 214 authorizations or interests in other telecommunications providers. The Vector Funds and other Vector Capital-related entities described herein are not foreign carriers nor are they affiliated with a foreign carrier. The Vector Funds are not under the control of any foreign government.

## ATTACHMENT 2

### INFORMATION REQUIRED BY 63.04(b)

In accordance with the requirements of § 63.04(b) of the Commission's rules, Fusion provides the following information:

**63.04(a)(6): Description of the Transaction**

The Transaction is described in Section III of the Application.

**63.04(a)(7): Description of Geographic Service Area and Services in Each Area**

A description of the geographic service areas and services provided in each area is described in Section I of the Application.

**63.04(a)(8): Presumption of Non-Dominance and Qualification for Streamlining**

This Application is eligible for streamlined processing for the reasons described in Section V of the Application.

**63.04(a)(9): Other Pending Commission Applications Concerning the Proposed Transaction**

There are no other pending Commission applications concerning the proposed Transaction.

**63.04(a)(10): Special Considerations**

Not Applicable.

**63.04(a)(11): Waiver Requests (If Any)**

None.

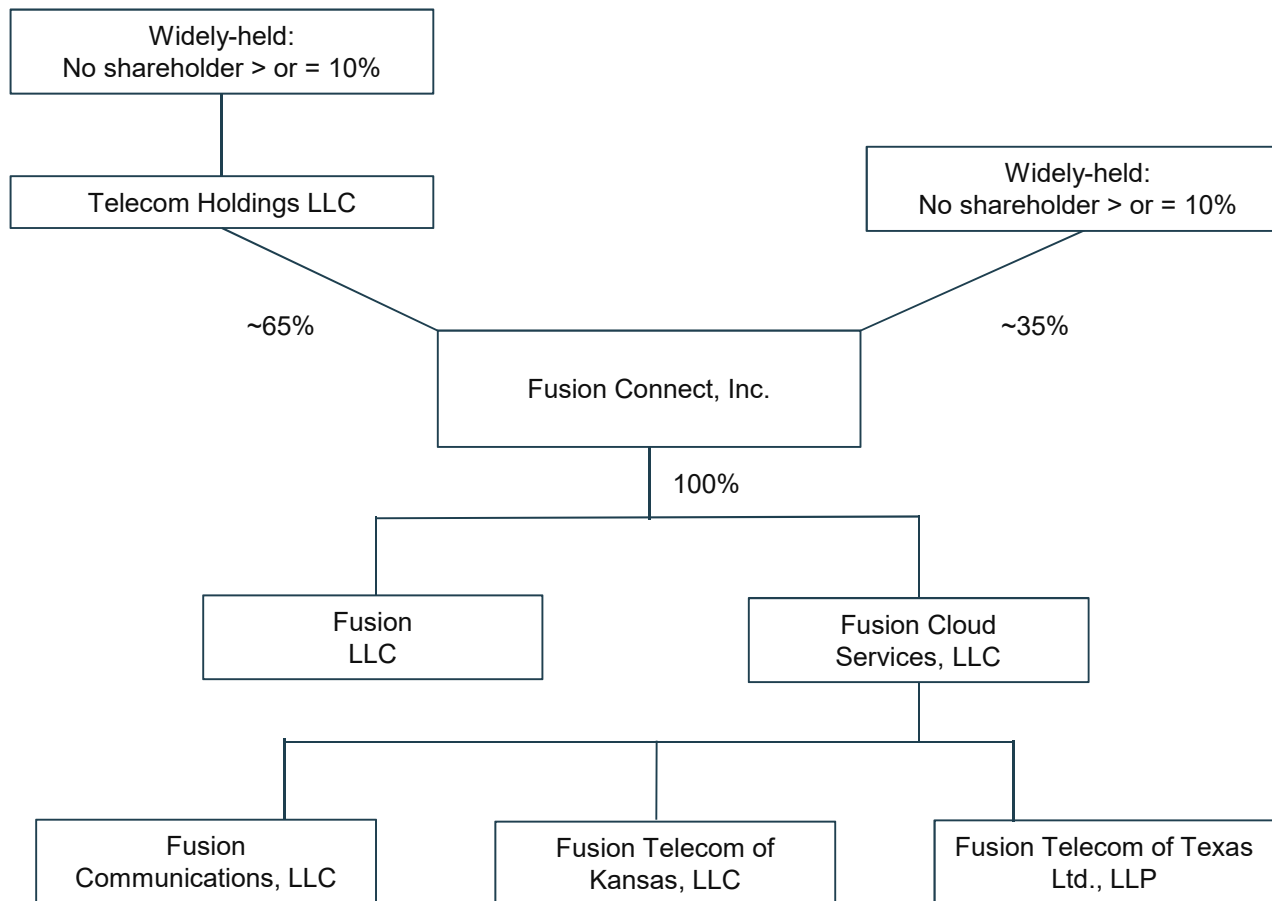
**63.04(a)(12): Public Interest Statement**

The Transaction is in the public interest for the reasons detailed in Section IV of the Application.

**ATTACHMENT 3**

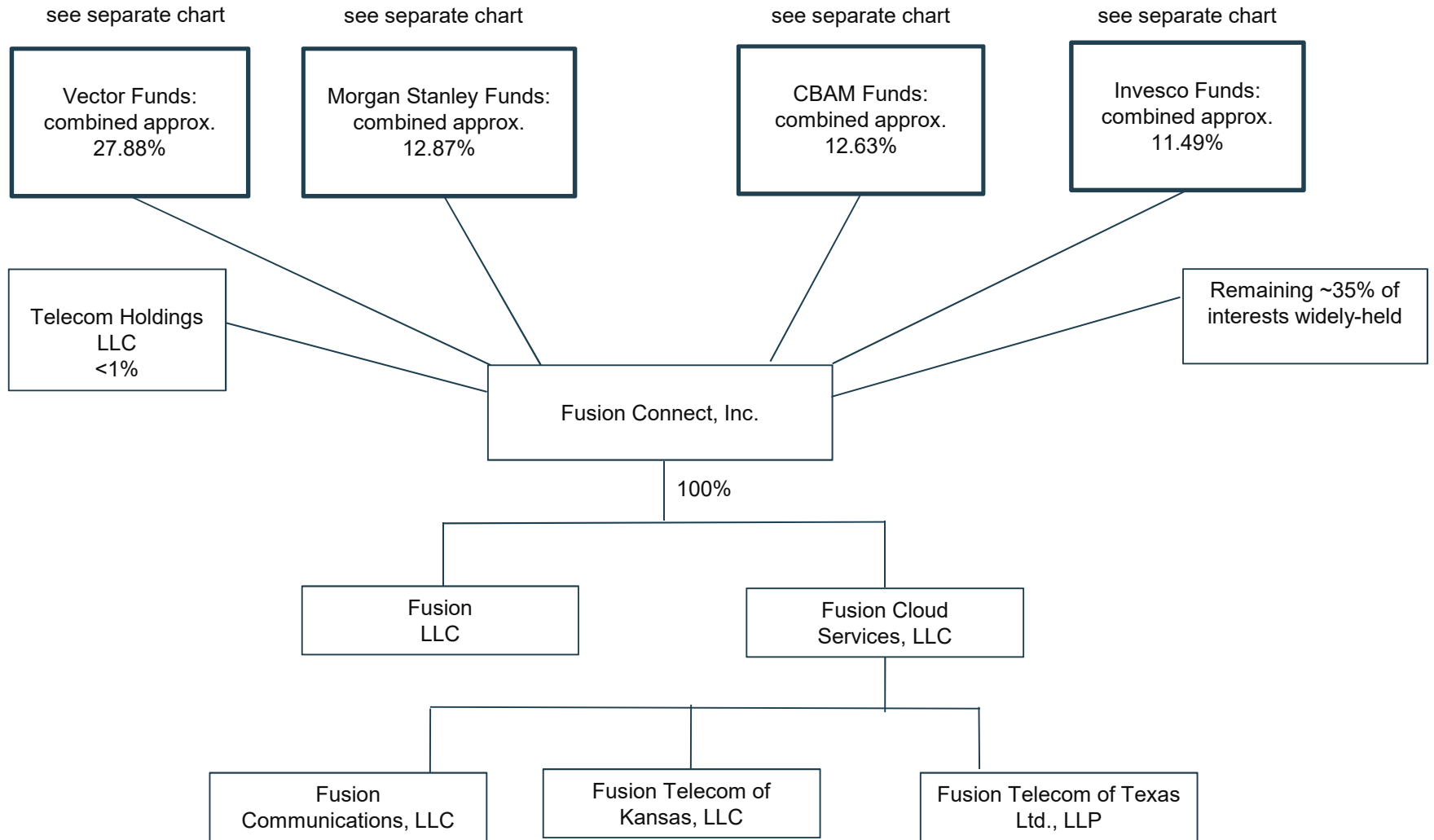
**Ownership Charts, Pre- and Post-Transaction**

## Current (Pre-Transaction)



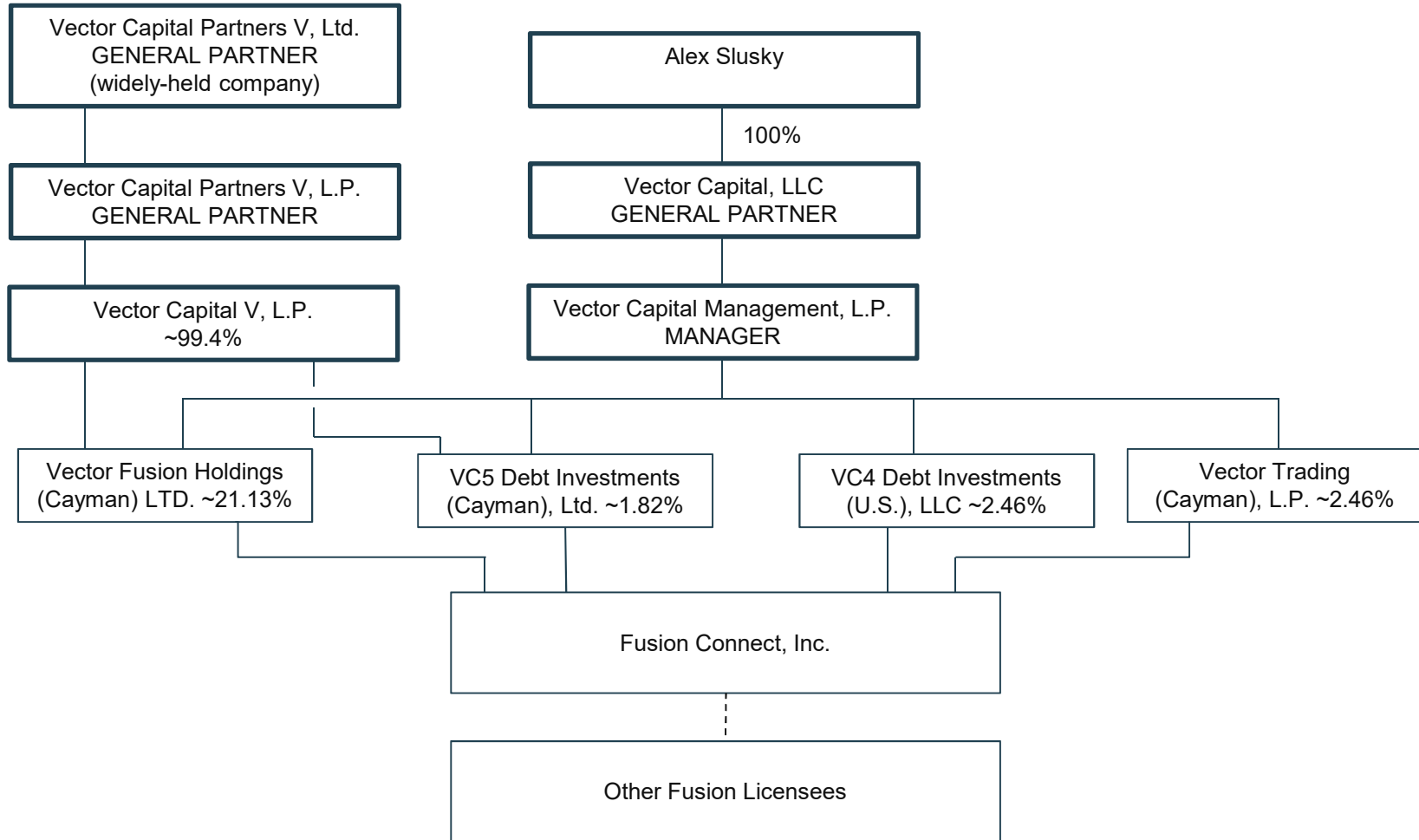
\* Subsidiaries of Fusion Connect, Inc. not holding or operating under a parent company's Section 214 authority have not been included.

## Post-Transaction

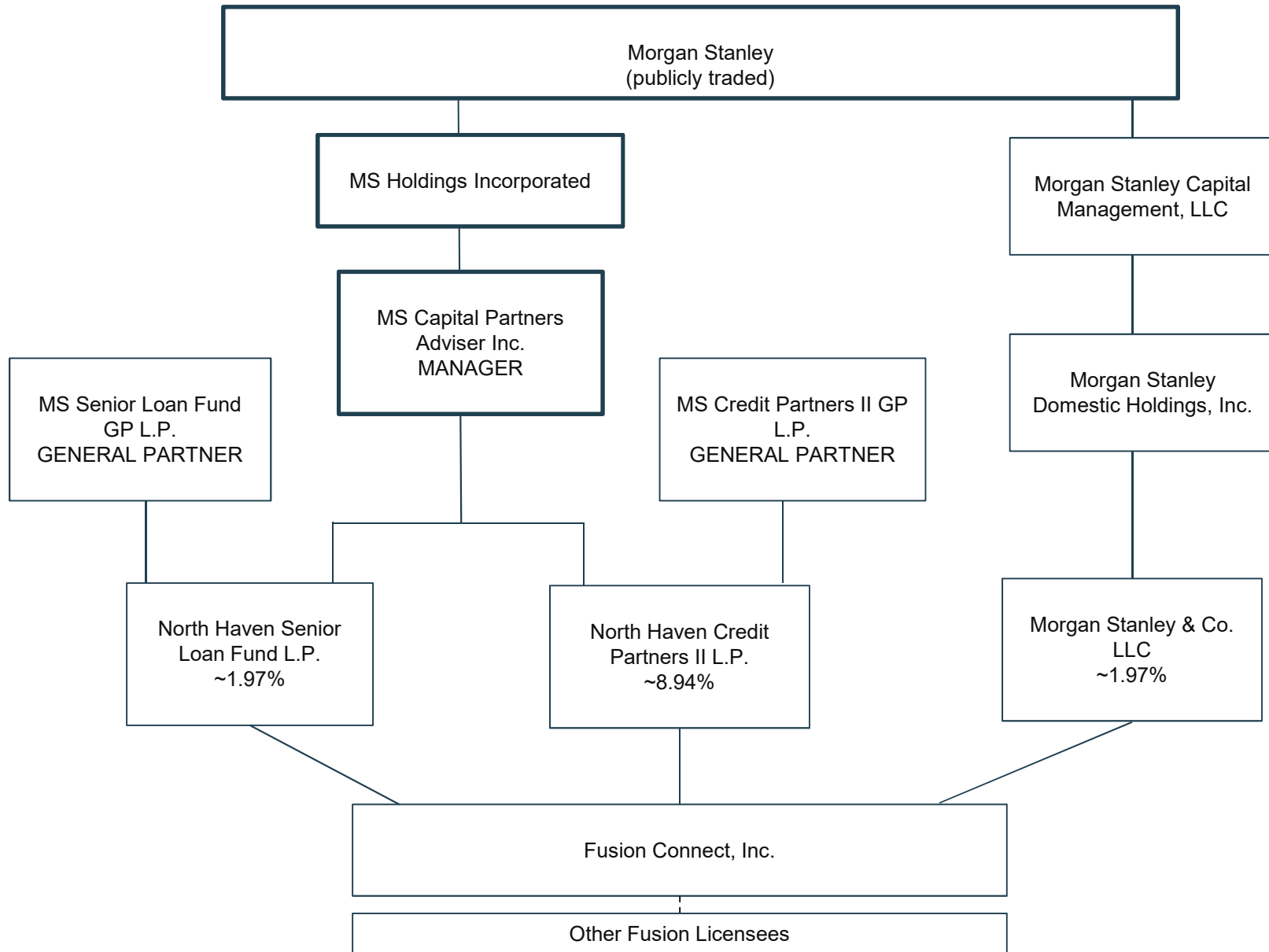


\* Subsidiaries of Fusion Connect, Inc. not holding or operating under a parent company's Section 214 authority have not been included.

## Vector Funds' Interests in Fusion Licensees

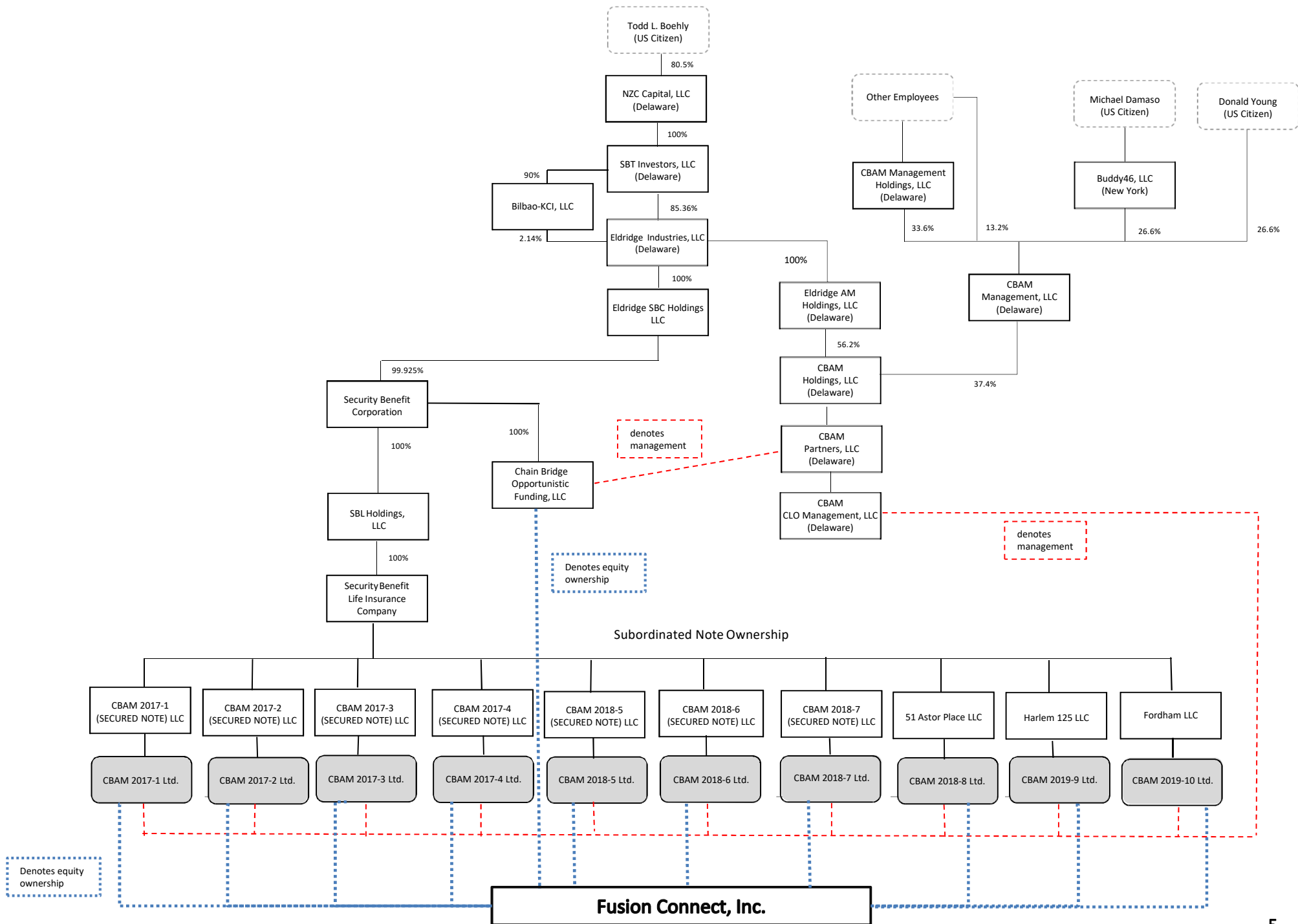


# Morgan Stanley Entities' Interests in Fusion Licensees





# CBAM Entities - Corporate Organizational Chart – Fusion Equity/Voting Interests



### Invesco Funds' Interests in Fusion Connect (and its Subsidiary Licensees)

