October 29, 2021

<u>VIA IBFS</u>
Marlene H. Dortch
Secretary
Federal Communications Commission
45 L Street NW
Washington, D.C. 20554

Re: Notification of a *Pro Forma* Transaction Involving Domestic and International Section 214 Authorization Holders IPC Network Services, Inc. and IPC Systems, Inc.

Dear Ms. Dortch:

Pursuant to Section 214 of the Communications Act of 1934, as amended ("the Act"),[1] and Sections 63.03(d), 63.04, and 63.24(f) of the Rules of the Federal Communications Commission ("FCC" or "Commission"),[2] Centerbridge Capital Partners II, L.P. ("CCP II"), CCP II Finco, LLC ("CCP II Finco"), Hummingbird Circle, LLC ("Hummingbird Circle"), a special purpose acquisition vehicle controlled by certain funds and accounts managed by Strategic Value Partners, LLC ("SVP"), and IPC Corp. (collectively with the Licensees (as defined below), "IPC" or "the Company") (together, the "Parties") notify the Commission of a non-substantial (*pro forma*) transaction involving IPC Network Services, Inc. ("IPC Network Services"), which holds a blanket domestic Section 214 authorization pursuant to 47 C.F.R. § 63.01, and IPC Systems, Inc. ("IPC Systems" and collectively with IPC Network Services, the "Licensees"), which holds an international Section 214 authorization.[3]

Prior to the *pro forma* transaction described below, IPC Corp. was controlled by CCP II, which held approximately 79.54% of the Company's outstanding voting stock, along with Centerbridge Capital Partners SBS II, L.P. ("CCP SBS II"), which held approximately 2.13% of the voting stock, and CCP II Finco,[4] which held approximately 4.32% of the voting stock. The *pro forma*

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[1] 47 U.S.C. § 214.

[2] 47 C.F.R. §§ 63.03(d), 63.04, and 63.24(f).

[3] *See* ITC-T/C-20030220-00092 pursuant to which Gains Acquisition Corp. obtained the international Section 214 authority (ITC-214-20010817-00425) of Gains International Infocom Holdings BV ("GII Holdings") by acquiring Gains International (US) Inc. and Gains International (Europe) Limited, both of which were wholly owned by GII Holdings. Gains Acquisition Corp. thereafter notified the Commission of a *pro forma* transfer of control of Gains Acquisition Corp.'s international Section 214 authority to IPC Information Systems, Inc. *See* ITC-T/C-20040205-00148. The authorization was subsequently assigned in a *pro forma* transfer to IPC Information Systems, LLC (ITC-ASG-20060901-00415) and then in another *pro forma* assignment from IPC Information Systems, LLC to IPC Systems, Inc., in ITC-ASG-20061019-00479, granted October 25, 2006; *see also* ITC-T/C-20141208-00318, pursuant to which CCP II obtained indirect control over the international and domestic Section 214 authorizations of the Licensees.

[4] CCP II Finco is owned by (x) CCP II Debt Acquisition, L.P., a Delaware limited partnership (which holds an approximate 97.39% interest in CCP II Finco) and an investment fund affiliated with CCP II, and (y) CCP SBS II, a Delaware Limited partnership (which holds the remaining approximate 2.61%

transaction closed on October 1, 2021 and was the result of a restructuring agreement among IPC Corp., CCP II Finco, and Hummingbird Circle designed to refinance IPC's first lien debt, inject $125 million of new capital into IPC, and convert IPC's existing second lien debt into reorganized equity.

Specifically, after significant negotiations between the Company and its lenders, the Parties agreed upon a plan to restructure the Company's debt in a manner that will deleverage the Company, inject new capital, and put it in a position to grow and expand its market share in the future. The restructuring includes several steps and is broken into two stages.

In stage one, which is the *pro forma* transaction, IPC Corp.'s first lien debt was refinanced; the second lien debt held by CCP II Finco and Hummingbird Circle LLC was converted into membership units of a newly formed entity, IPC Parent Holdings, LLC ("IPC LLC," which indirectly controls 100% of IPC Corp.); in addition, approximately $125 million of new capital was injected into the Company by CCP II Finco and Hummingbird Circle. In exchange for the conversion of second lien debt and the contribution of new capital, CCP II Finco received approximately 53% of the membership units of IPC LLC and Hummingbird Circle received 47% of the membership units of IPC LLC and a new convertible note.[5] The existing equity interests in IPC Corp. were eliminated as part of the restructuring. Accordingly, ultimate control of the authorization holders is now held by IPC LLC, with CCP II Finco retaining a 53% controlling interest. Because CCP II Finco (and its members) and CCP II are part of the same fund "family," neither the limited partners indirectly holding most of the equity held by CCP II Finco, nor ultimate control of the Licensees, changed as a result of the stage 1 restructuring.

Stage two of this transaction will occur after the Commission has granted a Section 214 transfer of control application seeking consent for Hummingbird Circle to assume control of IPC LLC, and by extension, the Licensees. Upon grant of such consent by the Commission, Hummingbird Circle is expected to convert the note it currently holds into equity and acquire a 60% controlling interest in IPC LLC, and CCP II Finco will become a minority shareholder, with a 40% interest in IPC LLC.

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interest). Because CCP II Finco and its members are part of the same "family" of funds as CCP II, the limited partners are the same as those that held equity interests in the Licensees indirectly through CCP II prior to the restructuring described below.

[5] In addition to the convertible note, Hummingbird Circle, as a minority member of IPC Corp., also received certain board appointment rights, certain conditional nomination rights, and certain minority protection rights**,** including guarantees that IPC Corp. will not take any of the following actions without the consent of CCP II Finco and Hummingbird Circle: (i) issue equity or other securities to related parties and to other parties unless such issuance is in the ordinary course of business and consistent with recent IPC Corp. practices; (ii) conduct any dissolution, liquidation, or bankruptcy activities; (iii) dispose of all or substantially all of IPC Corp.'s assets or equity; (iv) pay dividends and distributions unless such payment is in the ordinary course of business and consistent with recent IPC Corp. practices; (v) settle material disputes or legal proceedings in excess of $100 million; (vi) amend governing documents; (vii) approve related party transactions; or (viii) engage in any redemptions and/or repurchases (subject to customary exceptions, including repurchases of equity held by management).

The Parties certify that this stage one transaction was *pro forma* and that, together with any previous *pro forma* transactions, does not result in a change in the actual control of the Licensees.[6] Further, the Parties certify that the transaction was seamless and in no event resulted – and will not result – in the discontinuance, reduction, loss, or impairment of service to IPC's customers. All existing IPC customers will continue to be served by IPC pursuant to the Licensees' existing authorizations and at existing rates, terms, and conditions. For the Commission's reference, and pursuant to Section 63.24(f)(2)(i), charts depicting the pre- and post-transaction ownership structure are provided as **Exhibit A** hereto.[7]

Pursuant to Section 63.24(f), the Parties also provide the following information regarding the Transaction, as requested in Section 63.18(a) through (d) and (h).

1. Name, Address, and Telephone Number of Each Applicant (Section 63.18(a))

Licensee's Parent Corporation (pre-restructuring):

IPC Corp. (FRN: 0015629140)
3 Second Street
15th Floor
Jersey City, New Jersey 07311
(201) 253-2000

Licensees:

IPC Network Services, Inc. (FRN: 000839816)
3 Second Street
15th Floor
Jersey City, New Jersey 07311
(201) 253-2000

IPC Systems, Inc. (FRN: 0024161481)
3 Second Street
15th Floor
Jersey City, New Jersey 07311
(201) 253-2000

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[6] Prior to the current restructuring, the following events took place, that, when taken together with the current transaction, remain a *pro forma* transfer event. First, CCP II Finco acquired its 4.32% interest in the company; Centerbridge GP Investors II, LLC (which had previously been in the ownership chain) was merged out of existence; and, finally, in December 2020, Mark Gallogly, who controlled the Centerbridge entities along with Jeffrey Aronson, retired, leaving Mr. Aronson as the sole Managing Member. The Commission has stated that an individual going from 50% to 100% voting control is a *pro forma* event. *See, e.g.,* Canton 67, Ltd, Debtor-in-Possession, 7 FCC Rcd 736, 738 (1992); *citing* Barnes Enterprises, Inc., 55 FCC 2d 721 (1975).

[7] It should be noted that, between the initial closing on October 1, 2021 and the submission of this notification, certain changes to the structure were made. In particular, CCP GP II, L.P. replaced Centerbridge Associates II, L.P as the general partner of CCP II Debt Acquisition, L.P. and CCP GP, LLC replaced CCP II Cayman GP Ltd. as the general partner of CCP GP II, L.P.

Transferor:

Centerbridge Capital Partners II, L.P. (FRN: 0024130544)
375 Park Avenue
12th Floor
New York, New York 10152
(212) 672-5000

Transferee:

CCP II Finco, LLC (FRN: 0031542202)
375 Park Avenue
12th Floor
New York, New York 10152
(212) 672-5000

2. Jurisdiction of Organizations (Section 63.18(b))

IPC LLC is a limited liability company organized under the laws of Delaware; IPC Corp. is a corporation organized under the laws of Delaware; IPC Network Services is a corporation organized under the laws of New York; IPC Systems is a corporation organized under the laws of Delaware; CCP II is a limited partnership organized under the laws of Delaware; CCP II Finco is a limited liability company organized under the laws of Delaware; and Hummingbird Circle is a limited liability company organized under the laws of Delaware.

3. Contact Information (Sections 63.18(c))

Correspondence concerning this Joint Application should be directed to the following:

For CCP II and CCP II Finco:

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For Hummingbird Circle:

K.C. Halm
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1301 K Street, N.W., Suite 500 East
Washington, D.C. 20005
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202-973-4487 (fax)
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johnnelson@dwt.com

With a copy to:

c/o Centerbridge Partners, L.P.
375 Park Avenue, 12th Floor
New York, New York 10152
Attn: The Office of the General Counsel
212-672-5000
legalnotices@centerbridge.com
jhendricks@centerbridge.com
bjaffe@centerbridge.com

With a copy to:

David Charnin
100 West Putnam Avenue
Greenwich, Connecticut 06830
(203) 618-3667 (tel.)
dcharnin@svpglobal.com

For IPC Corp. and the Licensees:

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azoracki@kleinlawpllc.com

4. Authorizations Held By Parties (Section 63.18(d))

IPC Network Services holds blanket domestic Section 214 authority pursuant to 47 C.F.R. § 63.01. IPC Systems holds international Section 214 authority to provide global resold and facilities-based telecommunications services between the United States and international points (File Nos. ITC-T/C-20030220-00092; ITC-214-20010817-00425; ITC-T/C-20040205-00148; ITC-ASG-20060901-00415; ITC-ASG-20061019-00479; and ITC-T/C-20141208-00318). Neither CCP II nor CCP II Finco holds international Section 214 authority. Neither Hummingbird Circle, the funds owning Hummingbird Circle, nor SVP holds international Section 214 authority itself or indirectly through any of the companies in SVP's portfolio.

5. Post-Closing Ownership Information (Section 63.18(h))

The following entities now hold a direct or indirect 10% or greater ownership interest in IPC Network Services and IPC Systems post-closing:

Name:	IPC Systems Holdings Corp.
Address:	3 Second Street 15th Floor Jersey City, New Jersey 07311
Citizenship:	Delaware
Principal Business:	Holding Company
Ownership Interest:	100% Direct Voting and Equity Interest in Licensees

Name:	IPC Corp.
Address:	3 Second Street 15th Floor Jersey City, New Jersey 07311
Citizenship:	Delaware
Principal Business:	Holding Company
Ownership Interest:	100% Indirect Voting and Equity Interest in Licensees

Name:	IPC Intermediate Holdings LLC
Address:	3 Second Street 15th Floor Jersey City, New Jersey 07311
Citizenship:	Delaware
Principal Business:	Holding Company
Ownership Interest:	100% Indirect Voting and Equity Interest in Licensees

Name:	IPC Parent Holdings LLC
Address:	3 Second Street 15th Floor Jersey City, New Jersey 07311
Citizenship:	Delaware
Principal Business:	Holding Company
Ownership Interest:	100% Indirect Voting and Equity Interest in Licensees

Name:	CCP II Finco, LLC
Address:	375 Park Avenue 12th Floor New York, New York 10152
Citizenship:	Delaware
Principal Business:	Investment Vehicle
Ownership Interest:	53% Indirect Voting and Equity Interest in Licensees

Name:	CCP II Debt Acquisition, L.P.[8]
Address:	375 Park Avenue 12th Floor New York, New York 10152
Citizenship:	Delaware
Principal Business:	Investment Vehicle
Ownership Interest:	Approximate 97.39% Direct Voting and Equity Interest in CCP II Finco, and 53% Indirect Voting and Equity Interest in Licensees

[8] The ownership of CCP II Debt Acquisition, L.P. is widely distributed, and, other than CCP II Feeder (Cayman), L.P., no investor will hold a 10% or more indirect voting or equity interest in the Licensees.

Name:	CCP II Feeder (Cayman), L.P.[9]
Address:	375 Park Avenue 12th Floor New York, New York 10152
Citizenship:	Delaware
Principal Business:	Investment Vehicle
Ownership Interest:	Approximate 13.89% Direct Equity Interest in CCP II Debt Acquisition, L.P. and approximate 13.89% Indirect Equity Interest in Licensees

Name:	CCP GP IPC, L.P.
Address:	375 Park Avenue 12th Floor New York, New York 10152
Citizenship:	Delaware
Principal Business:	General Partner of CCP II Debt Acquisition, L.P. and CCP II Feeder (Cayman), L.P.
Ownership Interest:	53% Indirect Voting Interest in Licensees

Name:	CCP GP, LLC
Address:	375 Park Avenue 12th Floor New York, New York 10152
Citizenship:	Delaware
Principal Business:	General Partner of CCP GP IPC, L.P.
Ownership Interest:	53% Indirect Voting Interest in Licensees

Name:	Jeffrey Aronson
Address:	375 Park Avenue 12th Floor New York, New York 10152
Citizenship:	United States
Principal Business:	Managing Member of CCP GP, LLC
Ownership Interest:	53% Indirect Voting Interest in Licensees

Name:	Hummingbird Circle LLC
Address:	100 West Putnam Avenue Greenwich, Connecticut 06830
Citizenship:	Delaware
Principal Business:	Holding Company
Ownership Interest:	47% Indirect Voting and Equity Interest in Licensees

[9] The ownership of CCP II Feeder (Cayman), L.P. is widely distributed, and no investor will hold a 10% or more indirect voting or equity interest in the Licensees.

Name:	Strategic Value Dislocation Master Fund, L.P.
Address:	100 West Putnam Avenue Greenwich, Connecticut 06830
Citizenship:	Cayman Islands
Principal Business:	Holding Company
Ownership Interest:	14% Indirect Voting and Equity Interest in Licensees

Name:	Strategic Value Special Situations Master Fund IV, L.P.
Address:	100 West Putnam Avenue Greenwich, Connecticut 06830
Citizenship:	Cayman Islands
Principal Business:	Holding Company
Ownership Interest:	47% Indirect Voting and Equity Interest in Licensees

Name:	Strategic Value Special Situations Fund IV, L.P.
Address:	100 West Putnam Avenue Greenwich, Connecticut 06830
Citizenship:	Cayman Islands
Principal Business:	Holding Company
Ownership Interest:	13% Indirect Voting and Equity Interest in Licensees

Name:	SVP Special Situations GP IV LLC
Address:	100 West Putnam Avenue Greenwich, Connecticut 06830
Citizenship:	Cayman Islands
Principal Business:	Holding Company
Ownership Interest:	47% Indirect Voting Interest in Licensees

Name:	Millbrook Holdings VI LLC
Address:	100 West Putnam Avenue Greenwich, Connecticut 06830
Citizenship:	Delaware
Principal Business:	Holding Company
Ownership Interest:	47% Indirect Voting Interest in Licensees

Name:	SVP Special Situations Employee Feeder IV, LLC
Address:	100 West Putnam Avenue Greenwich, Connecticut 06830
Citizenship:	Delaware
Principal Business:	Holding Company
Ownership Interest:	47% Indirect Voting and Equity Interest in Licensees

Name:	Buffham Holdings LLC
Address:	100 West Putnam Avenue Greenwich, Connecticut 06830
Citizenship:	Delaware
Principal Business:	Holding Company
Ownership Interest:	11% Indirect Voting Interest in Licensees

Name:	Strategic Value Special Situations Offshore Fund IV, L.P.
Address:	100 West Putnam Avenue Greenwich, Connecticut 06830
Citizenship:	Cayman Islands
Principal Business:	Holding Company
Ownership Interest:	33% Indirect Voting and Equity Interest in Licensees

Name:	Strategic Value Special Situations Feeder Fund, IV, L.P.
Address:	100 West Putnam Avenue Greenwich, Connecticut 06830
Citizenship:	Cayman Islands
Principal Business:	Holding Company
Ownership Interest:	43% Indirect Voting and Equity Interest in Licensees

Name:	Victor Khosla
Address:	100 West Putnam Avenue Greenwich, Connecticut 06830
Citizenship:	United States
Principal Business:	Investor
Ownership Interest:	47% Indirect Voting and Equity Interest in Licensees[10]

No other person or entity holds a direct or indirect 10% or greater equity or voting interest in the Licensees post-closing. As noted above, **Exhibit A** provides charts depicting the pre- and post-closing ownership structure of the Licensees. **Exhibit B** sets forth ownership diagrams reflecting the Parties' disclosable interest holders.

* * * * * * *

[10] Mr. Khosla holds these indirect interests in the Licensees through his 100% interests in Millbrook Holdings VII LLC a limited liability company formed in Delaware (as disclosed herein).

Should you have any questions regarding this matter, please do not hesitate to contact the undersigned.

Respectfully submitted,

By: CCP II Finco, LLC and Centerbridge Capital Partners II, L.P.

/s/
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Counsel to Hummingbird Circle

By: IPC Corp. and Licensees

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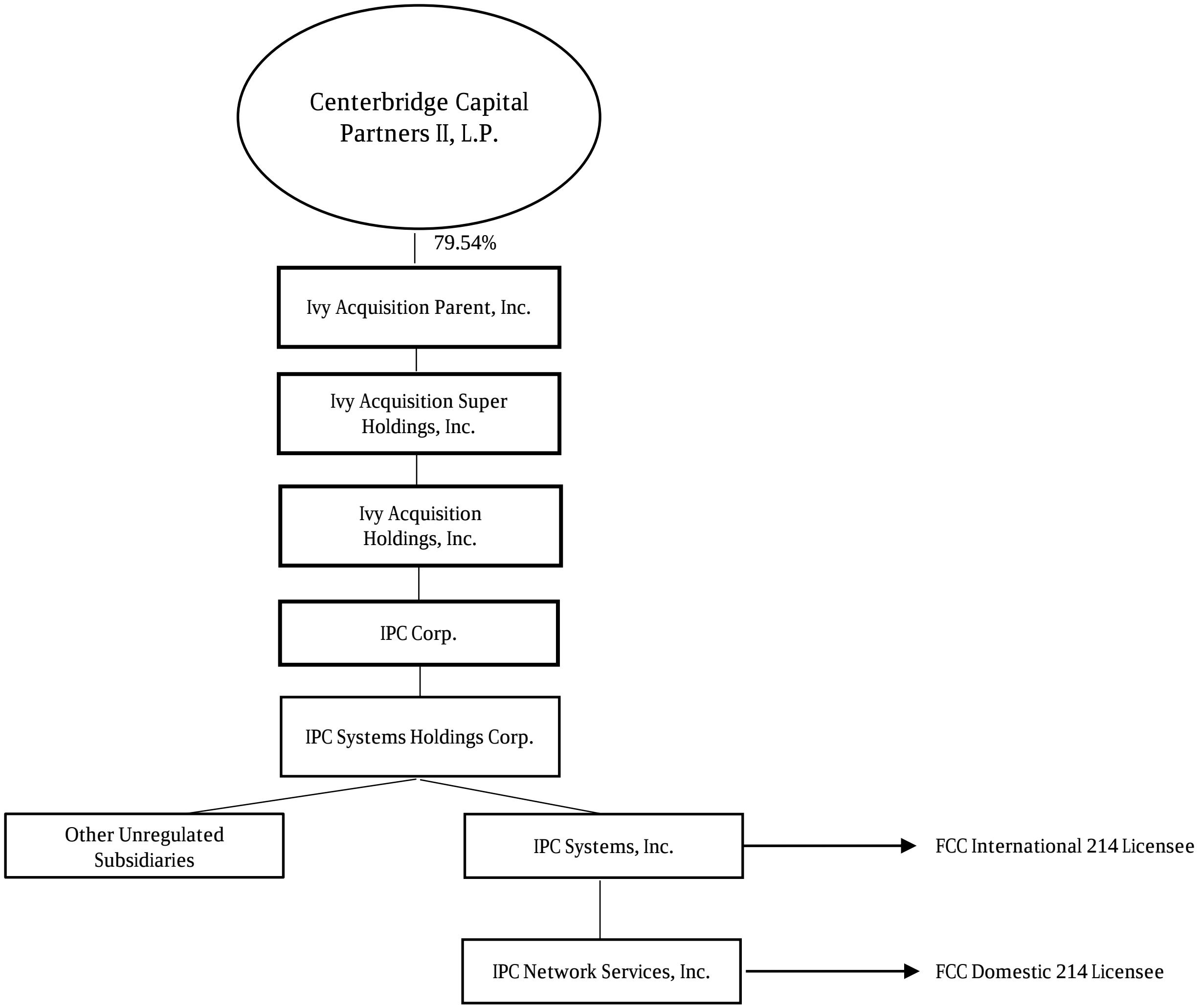
Counsel to IPC Corp., IPC Systems, Inc., and IPC Network Services, Inc.

October 29, 2021

Exhibit A

Pre- and Post-Close Ownership Entity Structure Diagrams

Pre-close Entity Structure Diagram



Post-close Entity Structure Diagram

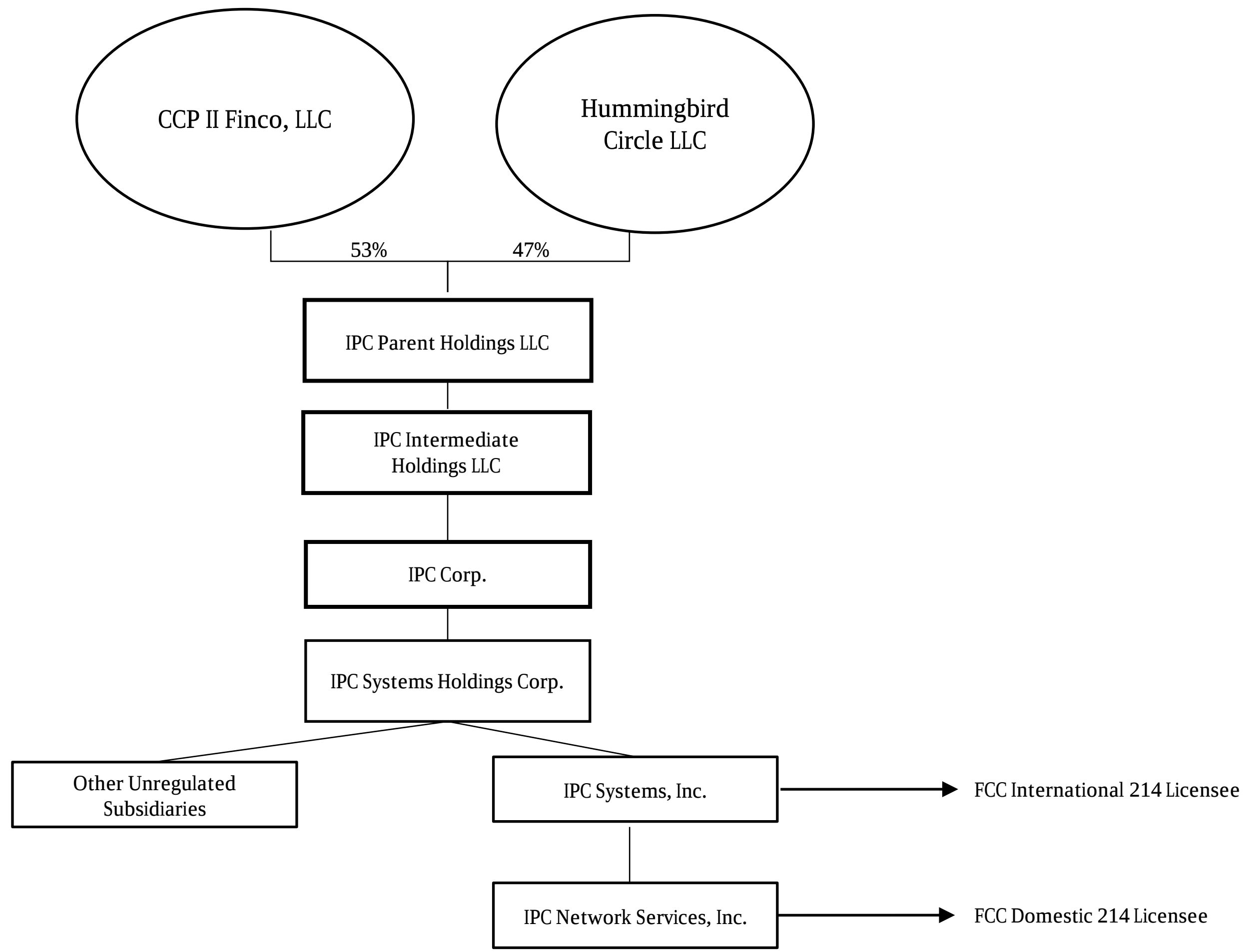
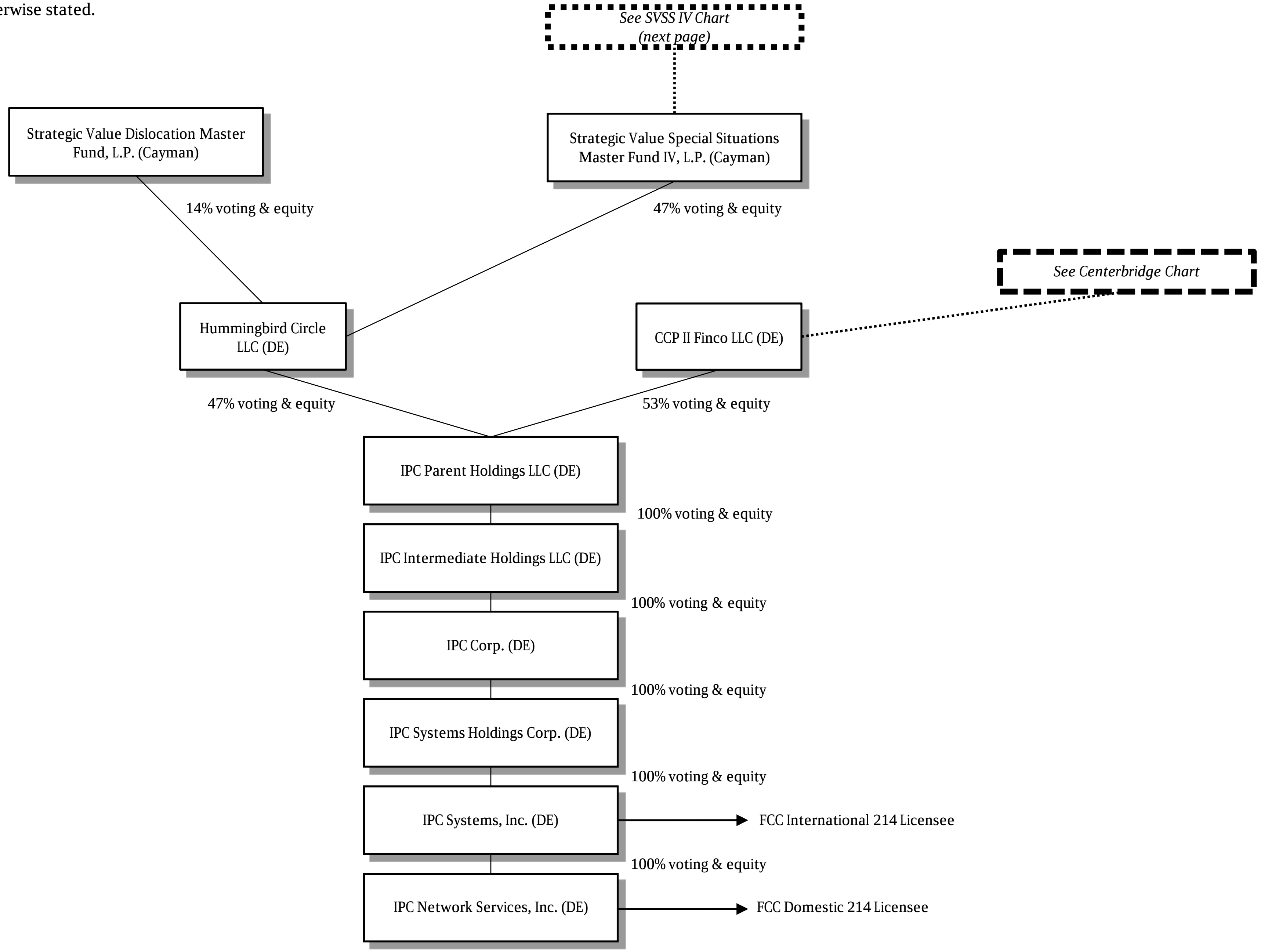


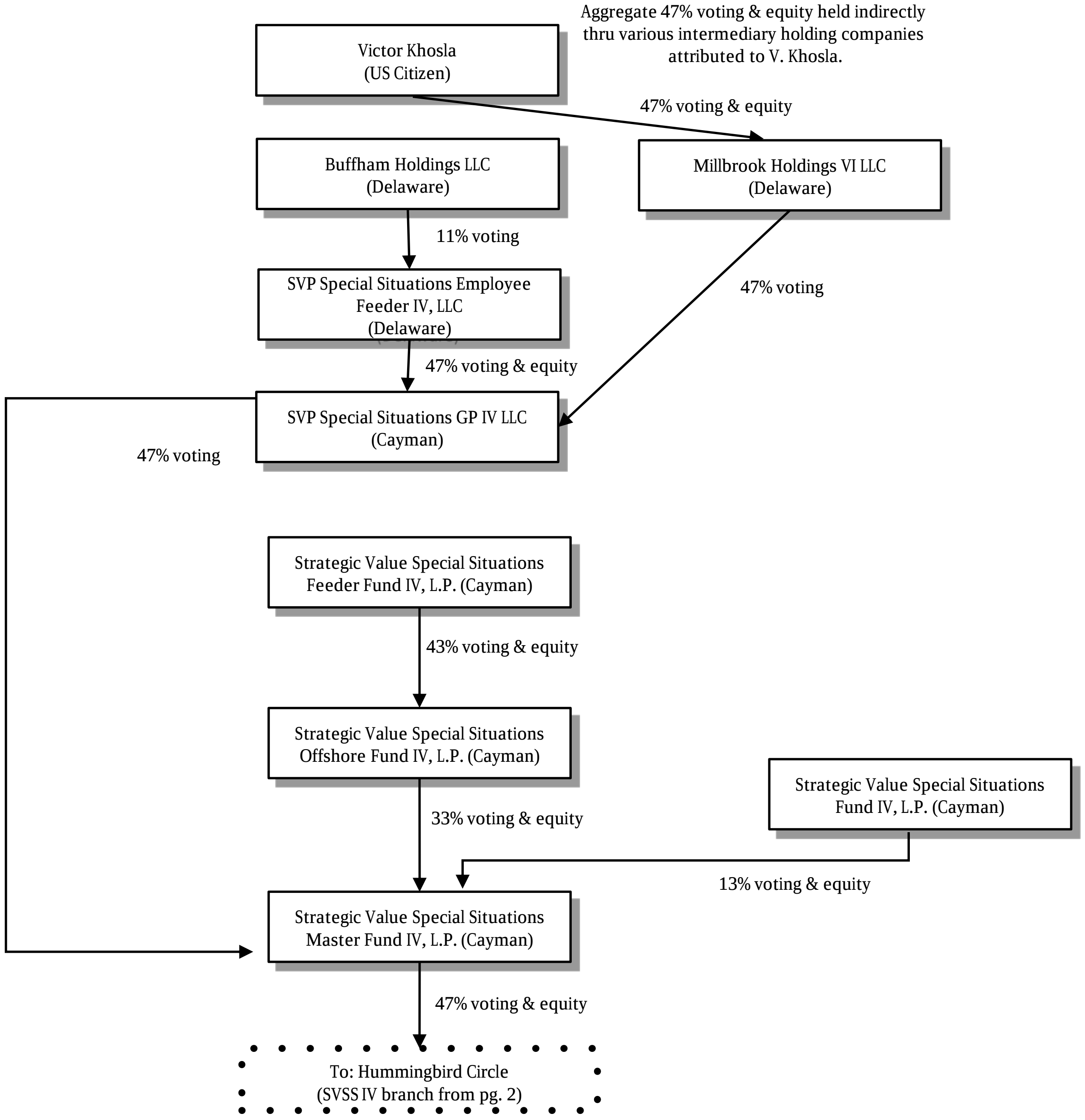
Exhibit B

Disclosable Interest Holder Ownership Structure

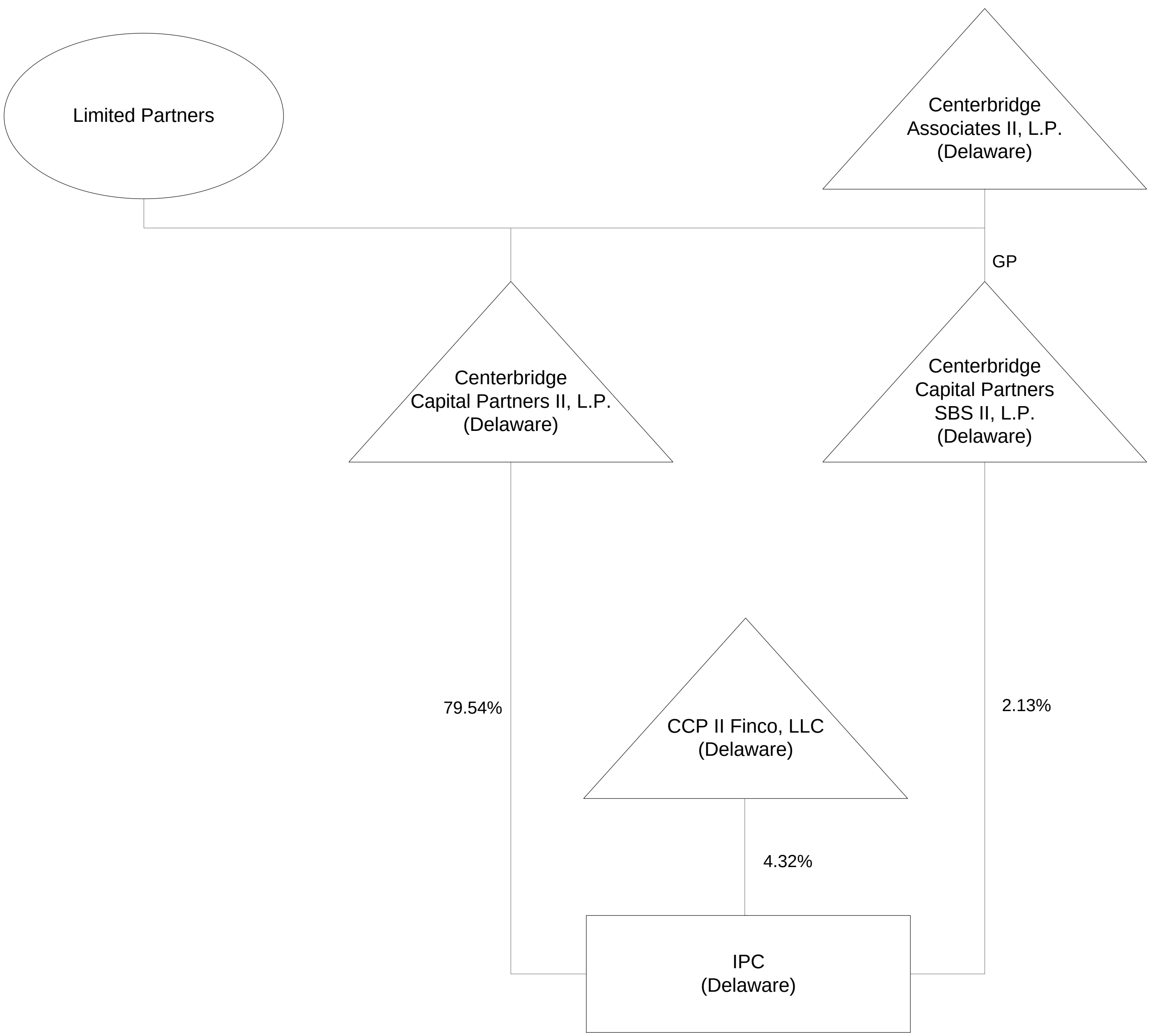
NOTES:
Disclosing indirect ownership interests in Licensees.
No other entity holds a disclosable interest.
Voting and equity interests equivalent, unless otherwise stated.



NOTES:
Disclosing indirect ownership interests in Licensees.
No other entity holds a disclosable interest.
Voting and equity interests equivalent, unless otherwise stated.



IPC Corp. Centerbridge Pre-Restructuring



IPC Corp. Centerbridge Post-Restructuring