

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

In the Matter of)
)
Blue Mountain Networks LLC)
Transferee,)
)
Eastern Oregon Holding Company, LLC)
Transferor,)
)
and)
)
Eastern Oregon Telecom, LLC)
Licensee)
)
Joint Application for Consent to Transfer)
Control of Domestic and International)
Authorizations Pursuant to Section 214 of the)
Communications Act of 1934, as Amended)

**JOINT APPLICATION TO TRANSFER CONTROL OF DOMESTIC AND
INTERNATIONAL SECTION 214 AUTHORIZATIONS**

Pursuant to Section 214 of the Communications Act of 1934, as amended (“the Act”),¹ and Sections 63.04, 63.18, and 63.24 of the Commission’s rules,² Blue Mountain Networks LLC (“Blue Mountain Networks” or “Transferee”) and Eastern Oregon Holding Company, LLC (“Eastern Oregon Holding” or “Transferor”) (the “Applicants”) request the Commission’s consent to transfer control of Eastern Oregon Telecom, LLC (“Eastern Oregon Telecom” or “Licensee”) from Eastern Oregon Holding to Blue Mountain Networks. Eastern Oregon

¹ 47 U.S.C. § 214.

² 47 C.F.R. §§ 63.04, 63.18, and 63.24.

Telecom holds international and domestic Section 214 authority. As further described below, the proposed transfer of control will serve the public interest.

Pursuant to Section 63.04(b), this Joint Application is being filed concurrently with the International Bureau and the Wireline Competition Bureau. The Applicants also request streamlined processing of the Joint Application pursuant to Sections 63.03(b) and 63.12 of the Commission's rules.³

I. DESCRIPTION OF THE PARTIES

A. The Transferor and Licensee

Eastern Oregon Telecom (FRN: 0005040092) is an Oregon limited liability company headquartered in Hemiston, Oregon. Eastern Oregon Telecom is a competitive local exchange carrier ("CLEC") providing local and long distance voice services, Internet access, and data services in and around Hermiston, Umatilla, Irrigon, Boardman, and Pendleton, Oregon, and Plymouth, Washington. Eastern Oregon Telecom is a wholly-owned direct subsidiary of Eastern Oregon Holding (FRN: 0028886331). Joseph Franell and Richard Holbo each indirectly hold 50 percent of the ownership interests of Eastern Oregon Holding and Eastern Oregon Telecom.

B. Blue Mountain Networks

Blue Mountain Networks (FRN: 0028886216) is a Delaware limited liability company that was recently formed for purposes of this transaction. Blue Mountain Networks is 98 percent owned by Blue Mountain Holdings LLC ("Blue Mountain Holdings"), also a Delaware limited liability company recently formed for purposes of this transaction.

ZRF Partners LLC ("ZRF Partners"), a New Jersey limited liability company, is the managing member of and controls Blue Mountain Holdings. ZRF Partners is a growth-oriented

³ *Id.* §§ 63.03(b), 63.12.

private investment firm focused on building value through operational and strategic improvements. The principals of ZRF Partners have substantial experience in the telecommunications sector. Sardar Faisal Nisar, Founder and Managing Director of ZRF Partners, has over twenty years of experience in the telecommunications private equity and investment banking industry. Prior to founding ZRF Partners, he was an investment partner with Baker Capital, a \$1.5 billion telecommunications, media, and technology fund. He also was an investment banker in the Global Communications group of Merrill Lynch. Gary Evans, an Operating Partner at ZRF, was the Founder, President, and Chief Executive Officer of Hiawatha Broadband Communications, a fiber-to-the-home network provider in Minnesota.

In addition, Stephen Barraclough, who may hold up to an approximate 20 percent equity interest in Blue Mountain Holdings, has over 30 years of experience in leading and managing companies across range of industries, including communications. He previously served as Chief Executive Officer of Burlington Telecom, a municipal fiber-to-the-home network in northern Vermont.

II. DESCRIPTION OF THE TRANSACTION

On September 13, 2019, Blue Mountain Networks, Eastern Oregon Holding, and Eastern Oregon Telecom entered into an Equity Purchase Agreement (“Agreement”). Pursuant to the Agreement, Blue Mountain Networks will acquire from Eastern Oregon Holding all of the membership interests of Eastern Oregon Telecom. As a result of the transaction, Eastern Oregon Telecom will become a wholly-owned, direct subsidiary of Blue Mountain Networks. For the Commission’s reference, organization charts illustrating the current and post-closing corporate structure of Eastern Oregon Telecom are provided as Exhibit A.

In a separate transaction, Blue Mountain Networks also has entered into an agreement pursuant to which it proposes to acquire control of Axxis Communication, Inc. (“Axxis

Communication”). Axxis Communication is a CLEC and provides local and long distance voice services, as well as data and transport services, in North Central Oregon and South Central Washington in and around Hood River, Oregon and the Columbia River Gorge area. Axxis Communication’s service area does not overlap with and is not directly adjacent to that of Eastern Oregon Telecom. A separate application also is being filed with the Commission seeking approval to transfer control of Axxis Communication to Blue Mountain Networks.

III. PUBLIC INTEREST STATEMENT

The proposed transaction will serve the public interest. The change in ultimate control of the Licensee will occur at the parent level and will not involve the assignment of operating authority, assets, or customers. The financial, technical, and managerial resources of ZRF Partners are expected to enhance the ability of Eastern Oregon Telecom to compete in the telecommunications marketplace. Moreover, Eastern Oregon Telecom, combined with Axxis Communication (and its affiliate Gorge Networks Inc., which provides Internet access), will become stronger operators in the communications market.

The Licensee’s operational and customer-facing teams also will continue to manage its day-to-day operations and business following completion of the transaction. The Licensee thus will continue to be operated by highly experienced, well-qualified personnel. Immediately after closing, the Licensee will continue to provide competitive and innovative services to existing customers at the same rates, terms, and conditions and in the same geographic areas as currently provided. (Any future changes in the rates, terms, or conditions of service will be undertaken in response to market conditions and consistent with any applicable federal and state requirements.) The transaction will be transparent to customers and is not expected to result in the discontinuance, reduction, loss, or impairment of service to any customer.

In addition, the proposed transaction will not harm competition. Neither ZRF Partners nor its affiliates currently provide or have an ownership interest in any provider of telecommunications services. Moreover, Eastern Oregon Telecom and Axxis Communication do not have overlapping service areas and do not compete in the provision of any telecommunications offerings. Accordingly, neither this transaction nor the Axxis Communication transaction will reduce the number of service providers in any market.

IV. INFORMATION REQUIRED BY 47 C.F.R. § 63.18 AND THE IBFS SECTION 214 MAIN FORM

The Applicants submit the following information, pursuant to 47 C.F.R. § 63.18 and the IBFS Section 214 Main Form, in support of their request for consent to transfer control of Eastern Oregon Telecom, which holds international Section 214 authority, to Blue Mountain Networks:

A. Contact Information – Answer to Question 10 (Section 63.18(c)-(d))

Correspondence concerning this Joint Application should be directed to:

For Transferor and the Licensee:

Joseph Franell
Chairman
Eastern Oregon Holding Company, LLC
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Hermiston, OR 97838
541-289-7010 (tel.)
jfranell@eotnet.us

For Transferee:

Sardar Faisal Nisar
Blue Mountain Networks LLC
c/o ZRF Partners LLC
219 Main Street; P.O. Box 735
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Fnisar@zrfpartners.com

with copies to:

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Eastern Oregon Telecom holds an international Section 214 authorization to provide global telecommunications services on a resold basis (File No. ITC-214-20001113-00654).

Neither Blue Mountain Networks nor any of its current affiliates holds international Section 214 authorizations. Axxis Communication holds an international Section 214 authorization to provide global telecommunications services on a resold basis (File No. ITC-214-20080808-00380).

B. Post-Closing Ownership (Answer to Question 11 – Section 63.18(h))

The following entities will hold a direct or indirect 10 percent or greater ownership interest in Eastern Oregon Telecom as of closing:

Name: Blue Mountain Networks LLC
Address: c/o ZRF Partners LLC
219 Main Street; PO Box 735
Chatham, New Jersey 07928
Citizenship: Delaware
Principal Business: holding company
Ownership interest: 100 percent interest in Eastern Oregon Telecom

Name: Blue Mountain Holdings LLC
Address: c/o ZRF Partners LLC
219 Main Street; PO Box 735
Chatham, New Jersey 07928
Citizenship: Delaware
Principal Business: holding company
Ownership interest: approximately 98 percent interest in Blue Mountain Networks

Name: ZRF Partners LLC⁴
Address: 219 Main Street; PO Box 735
Chatham, New Jersey 07928
Citizenship: Delaware
Principal Business: investment company
Ownership interest: managing member of Blue Mountain Holdings

⁴ ZRF Partners is owned by Sardar Faisal Nisar, who is a U.S. citizen.

Name: Sardar Faisal Nisar
Address: 219 Main Street; PO Box 735
Chatham, New Jersey 07928
Citizenship: USA
Ownership interest: approximately 15-25 percent of Blue Mountain Holdings and owner of ZRF Partners

Name: Saba N. Nisar 2012 Spousal Lifetime Access Trust⁵
Address: 8 Strawberry Lane
Warren, NJ 07059
Citizenship: USA
Principal Business: Family trust
Ownership interest: approximately 15-25 percent of Blue Mountain Holdings

Name: Stephen Thomas Barraclough
Address: 65 Beaver Meadow Rd.
Norwich, VT 05055
Citizenship: USA
Ownership interest: approximately 15-20 percent of Blue Mountain Holdings

Exhibit A provides charts depicting the pre- and post-closing ownership structure of the Licensee. At this time, no other person or entity is expected to hold a direct or indirect 10 percent or greater ownership interest in the Licensee as of closing. However, Blue Mountain Networks continues to finalize its ownership structure, thus the ownership interests listed above could fluctuate slightly and additional investors may be identified prior to closing. It is not anticipated that any such fluctuations in ownership will result in a change in control. To the extent any new investors will hold a 10 percent or greater direct or indirect ownership interest in the Licensee, the Applicants will supplement this Joint Application.

⁵ The trustee of the Saba N. Nisar 2012 Spousal Lifetime Access Trust is Nadeem Nisar and the beneficiaries are Nadeem Nisar and his children (Aleezae Nisar, Waleed Nisar, and Anya Nisar), all of whom are U.S. citizens.

C. Narrative of Transfer of Control and Public Interest Statement (Answer to Question 13)

A description of the proposed transaction and demonstration of how it will serve the public interest are set forth in Sections II and III above.

D. Streamlined Processing (Answer to Question 20 – Section 63.12)

This Joint Application qualifies for streamlined processing pursuant to Section 63.12 of the Commission's rules. The Applicants and the Licensee have no foreign carrier affiliates and will have no such affiliates upon closing of the transaction. They therefore qualify for a presumption of non-dominance under Section 63.10 of the Commission's rules on all U.S.-international routes.

V. INFORMATION REQUIRED BY SECTION 63.04 OF THE COMMISSION'S RULES IN RELATION TO THE TRANSFER OF BLANKET DOMESTIC 214 AUTHORITY

In support of their request for consent to transfer control of Eastern Oregon Telecom to Blue Mountain Networks, the Applicants submit the following information pursuant to Section 63.04(a)(6) through (a)(12) of the Commission's rules.

Section 63.04(a)(6) – Description of the transaction:

A description of the proposed transaction is set forth in Section II above.

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

Eastern Oregon Telecom provides local and long distance voice services, Internet access, and data services in and around Hermiston, Umatilla, Irrigon, Boardman, and Pendleton, Oregon, and Plymouth, Washington.

Section 63.04(a)(8) – Statement as to how the application qualifies for streamlined treatment:

The domestic Section 214 component of this Joint Application qualifies for presumptive streamlined processing pursuant to Section 63.03(b) because Blue Mountain Networks is not a telecommunications provider and currently does not hold a ten percent or greater interest in a wireline telecommunications provider in the United States. Assuming Blue Mountain Networks also obtains control of Axxis Communication, Eastern Oregon Telecom does not overlap in any area served by Axxis Communication. Moreover, Eastern Oregon Telecom and Axxis Communication collectively hold a market share in the interstate, interexchange market of less than ten percent, and will provide competitive telephone exchange services or exchange access services exclusively in geographic areas served by a dominant local exchange carrier that is not a party to the transaction. Neither Blue Mountain Networks, Eastern Oregon Telecom, nor Axxis Communication is dominant with respect to any telecommunications services.

Section 63.04(a)(9) – Identification of all other Commission applications related to this transaction:

A Form 603 application (File No. 0008864098) seeking Commission consent to transfer control of wireless licenses held by Eastern Oregon Telecom from Eastern Oregon Holding to Blue Mountain Networks is being filed concurrently with this Joint Application.

Section 63.04(a)(10) – Statement of whether the applicants request special consideration because either party is facing imminent business failure:

The Applicants do not request special consideration because no party to the proposed transaction is facing imminent business failure.

Section 63.04(a)(11) – Identification of any separately filed waiver requests being sought in conjunction with this application:

No separately filed waiver requests are being sought in conjunction with this Joint Application.

Section 63.04(a)(12) – Statement showing how grant of the application will serve the public interest, convenience and necessity:

A demonstration of how the proposed transaction will serve the public interest is set forth in Section III above.

VI. CONCLUSION

For the reasons stated above, the Applicants respectfully request that the Commission promptly grant this Joint Application.

Respectfully submitted,

By: Blue Mountain Networks LLC

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Counsel to Blue Mountain Networks LLC

By: Eastern Oregon Holding Company, LLC

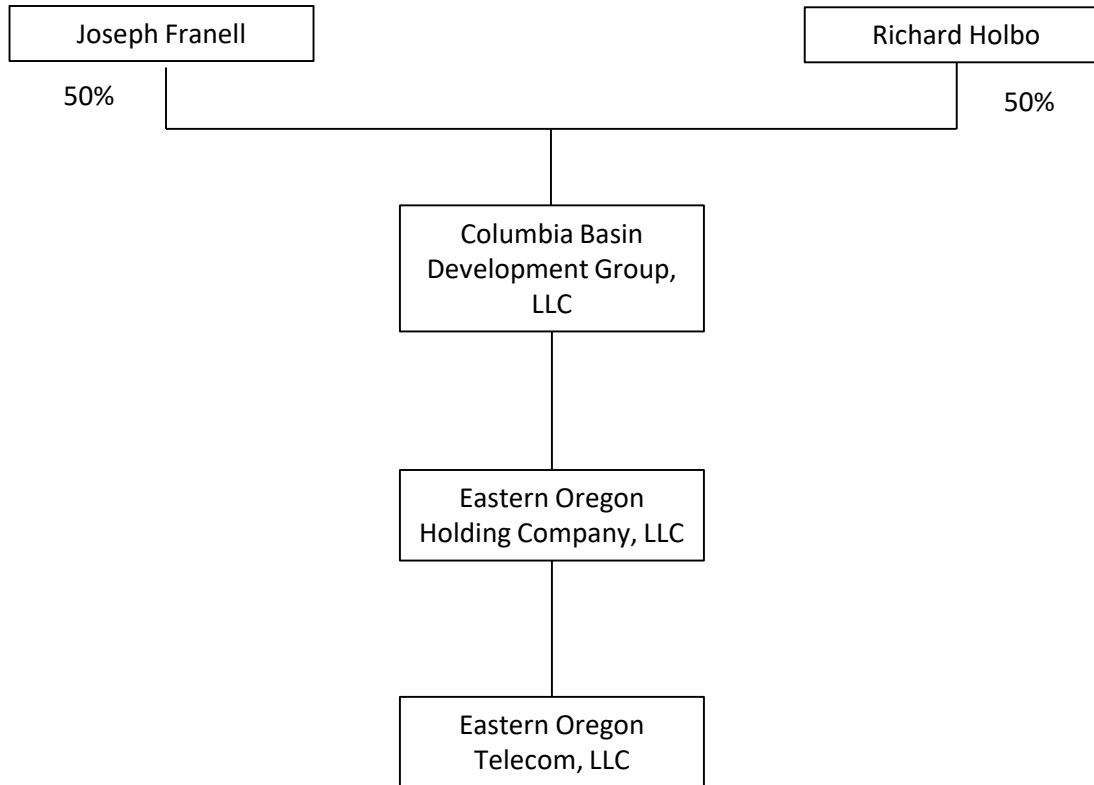
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October 18, 2019

EXHIBIT A

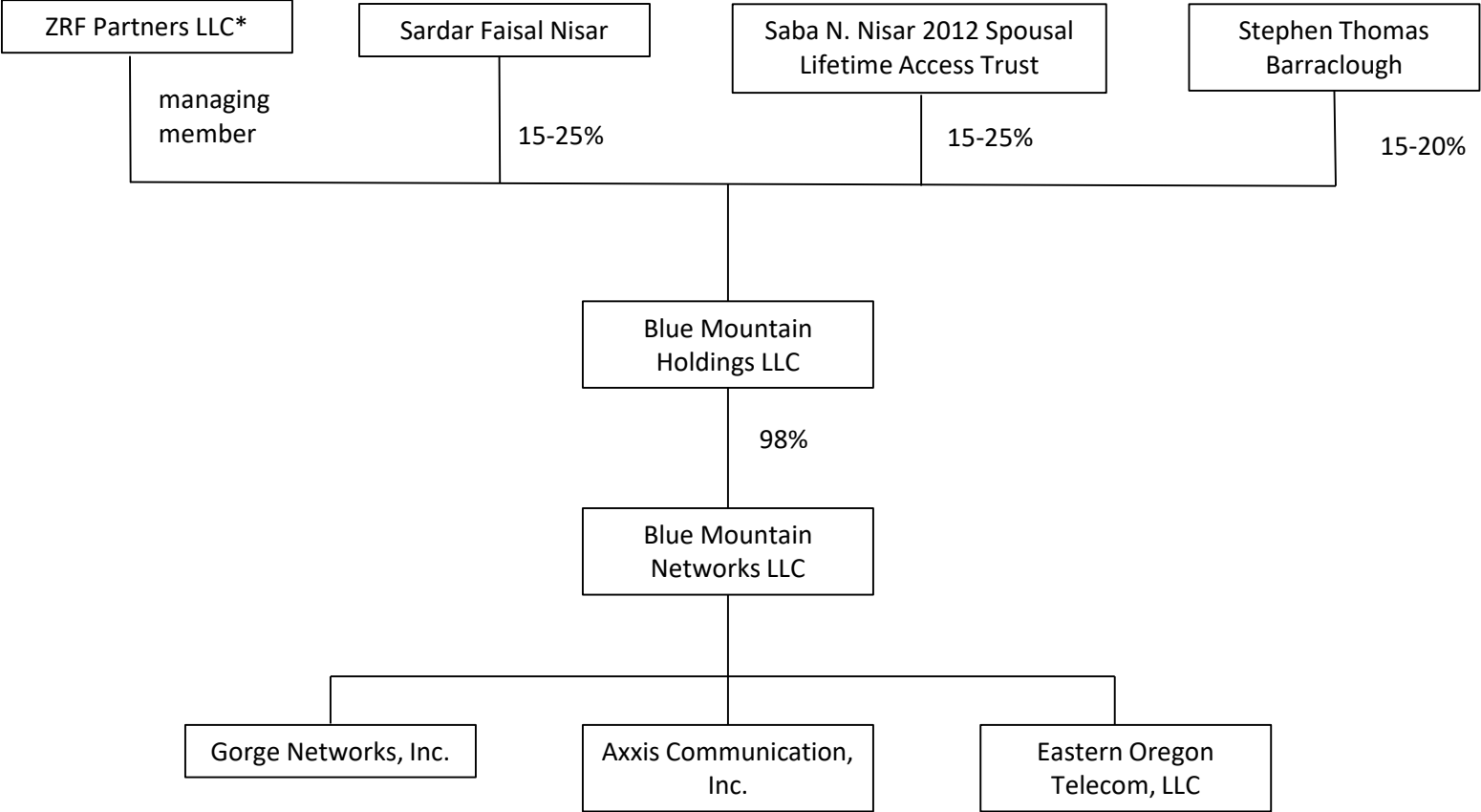
Pre- and Post-Closing Ownership Diagrams

Pre-Closing Ownership



All interests are 100%
unless otherwise noted

Post-Closing Ownership



All interests are 100% unless otherwise noted.

* ZRF Partners LLC is owned by Sardar Faisal Nisar.