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

In the Matter of	)
ERIC KLEIN	<i>)</i> )
(FRN 0030019327),	
Transferor	) WC Docket No
and	) ITC-T/C-2020
REDWOOD SERVICES GROUP, LLC	<i>)</i> )
(FRN 0030028542),	
Transferee	
and	
	)
TELCO EXPERTS, LLC	
(FRN 0017381609),	)
Licensee	)
	)
<b>Joint Application for Consent to Transfer</b>	)
<b>Control of Domestic and International</b>	)
<b>Authorizations Pursuant to Section 214 of</b>	)
the Communications Act of 1934, As Amended	

### **JOINT APPLICATION**

Telco Experts, LLC ("Telco Experts" or "Licensee"); Eric Klein, who holds a 55 percent voting interest in Telco Experts ("Transferor"); and Redwood Services Group, LLC ("Redwood" or "Transferee") (Telco Experts, Transferor, and Transferee, collectively, the "Applicants"), through their undersigned counsel and pursuant to Section 214 of the Communications Act of 1934, as amended, 47 U.S.C. § 214, and Sections 63.04 and 63.24 of the rules of the Federal Communications Commission ("Commission" or "FCC"), 47 C.F.R. §§ 63.03, 63.24, hereby

request approval from the Commission to transfer control of Telco Experts from Mr. Klein to Redwood. Telco Experts holds international and domestic Section 214 authority.

Applicants respectfully request streamlined treatment of the captioned application (the "Application") pursuant to Sections 63.03(b) and 63.12(b)-(c) of the Commission's rules, 47 C.F.R. § 63.03(b), 63.12(b)-(c), for the reasons described below. Consummation of the Transaction (defined below) will serve the public interest by providing additional capital and managerial resources to Telco Experts, which will in turn enhance its ability to maintain and improve its network and services and to better compete in the telecommunications marketplace. The Transaction will not have any effect on, and will be transparent to, Telco Experts' customers.

### I. DESCRIPTION OF THE APPLICANTS

### A. Licensee Telco Experts, LLC and Transferor Eric Klein

Telco Experts is a Delaware limited liability company headquartered at 169 Ramapo Valley Road, Floor 3, Suite 303, Oakland, NJ 07436. It is wholly owned and controlled by its founders, Eric Klein and Adam Goldberg, both of whom are U.S. citizens. Eric Klein, the Transferor, holds a 55 percent voting and equity interest in Telco Experts, and Adam Goldberg holds a 45 percent interest.

Telco Experts is a non-facilities-based reseller that provides switchless international, long distance, and local exchange telecommunications services, as well as toll-free services, voice over internet protocol (or VoIP), and unified communications and Internet access solutions to both residential and business customers. Telco Experts specializes in developing advanced retail enterprise-level communications services through the strategic combination and management of services that it acquires on a wholesale basis from multiple facilities-based carriers and technology companies. Telco Experts currently holds state public utility commission authorizations in 21

states<sup>1</sup> and the District of Columbia, and also provides non-regulated communications services in an additional eleven states.<sup>2</sup> Telco Experts holds blanket domestic Section 214 authority, as well as international Section 214 authority pursuant to FCC File No. ITC-214-20091210-00534 to operate as a global or limited global resale carrier.

### B. Transferor Redwood Services Group, LLC

Redwood is a limited liability company investment vehicle ultimately indirectly controlled by Delaware limited partnership Alpine Investors VI, LP, an affiliate of the Alpine Investors private equity firm ("Alpine"). Alpine is ultimately controlled by its founder Graham Weaver, who is a U.S. citizen. Alpine, which has approximately \$3.0 billion under management, generally makes controlling investments in middle-market software and technology services companies. Alpine focuses on purchasing strong and consistent businesses with recurring revenue. It contributes its extensive operational experience in the technology sector to each of its portfolio companies, as well as providing them access to capital needed to advance their business objectives and improve their service offerings. Alpine's leadership team has worked together for over ten years to make successful and productive investments in the communications and technology sectors.

#### II. DESCRIPTION OF THE TRANSACTION

On September 29, 2020, Telco Experts, Eric Klein, Adam Goldberg, and Redwood entered into a Membership Interest Purchase Agreement pursuant to which Redwood will acquire all of

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<sup>&</sup>lt;sup>1</sup> These states are Arizona, California, Connecticut, Delaware, Florida, Illinois, Kentucky, Louisiana, Maryland, Massachusetts, Minnesota, Missouri, New Hampshire, New York, North Carolina, Ohio, Pennsylvania, Rhode Island, Tennessee, Texas, and Virginia.

<sup>&</sup>lt;sup>2</sup> These states are Alabama, Arkansas, Colorado, Georgia, Indiana, Montana, Nevada, Oklahoma, Oregon, Wisconsin, and Wyoming.

the outstanding membership interests in Telco Experts for a cash payment. The completion of the Transaction is conditioned on, among other things, obtaining required federal and state regulatory approvals. The parties intend to consummate the Transaction as promptly as practicable after all closing conditions are satisfied or waived. As a result of the Transaction, Telco Experts will become a wholly owned, direct subsidiary of Redwood. For the Commission's reference, diagrams illustrating the current and post-Transaction corporate structure of Telco Experts are provided as Exhibit A hereto.

#### III. PUBLIC INTEREST STATEMENT

The proposed Transaction will serve the public interest. The change in ultimate control will occur at the parent level and does not involve an assignment of operating authority, assets, or customers. The technical team of Telco Experts will continue to manage the day-to-day operations and businesses of the company following completion of the Transaction, and its current managers will remain with Telco Experts for at least 6-12 months. Thus, the company will continue to be operated by highly experienced, well-qualified management and technical personnel. In addition, Telco Experts will be able to draw upon the experience of Alpine's management team following the Transaction, as well as additional Alpine-trained managers who are expected to be added to Telco Expert's current management team. Further, as a result of the Transaction, Telco Experts will have enhanced access to capital and financing enabled through Alpine.

After consummation, Telco Experts will continue to provide competitive and innovative service 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 pursuant to customer contracts and any applicable federal and state notice and tariff requirements. The Transaction will be fully transparent to Telco Experts' customers, and will not result in the discontinuance, reduction, loss, or impairment of service to any customer.

### 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 Telco Experts, which holds international Section 214 authority, to Redwood:

### A. Contact Information (47 C.F.R. § 63.18(c), (d), Answer to IBFS Main Form Question 10)

Correspondence concerning the Transaction should be directed to:

For Transferor:

with a copy to:

Eric Klein 169 Ramapo Valley Road Floor 3, Suite 303 Oakland, NJ 07436 Tel: (212) 452-6000 Eric@telcoexperts.com Dana Hoyle 4304 Voncille Street Haltom City, TX 76117 Tel: (817) 724-2125 hoyleregaffairs@gmail.com

For Licensee:

with a copy to:

Telco Experts, LLC 169 Ramapo Valley Road Floor 3, Suite 303 Oakland, NJ 07436 Tel: (212) 452-6000 Dana Hoyle 4304 Voncille Street Haltom City, TX 76117 Tel: (817) 724-2125 hoyleregaffairs@gmail.com

For Transferee:

with a copy to:

Redwood Services Group, LLC Attn: Brad Wittwer c/o Evergreen Services Group, LLC 1 California Street, Suite 2900 San Francisco, CA 94111 Tel: (415) 591-1318 bwittwer@evergreeensg.com Phil Marchesiello Rachel Wolkowitz Wilkinson Barker Knauer, LLP 1800 M. Street, N.W., Suite 800N Washington, DC 20036 Tel: (202) 783-4141 Fax: (202) 783-5851 pmarchesiello@wbklaw.com rwolkowitz@wbklaw.com

Telco Experts holds international Section 214 authority, granted in FCC File No. ITC-214-20091210-00534, to operate as a global or limited global resale carrier, as well as blanket domestic

214 authority. Telco Experts does not hold any other domestic or international Section 214 authority.

### B. Post-Consummation Ownership (47 C.F.R. § 63.18(h), Answer to IBFS Main Form Question 11)

Upon consummation of the Transaction, Redwood will be the direct parent company of Telco Experts.

Name: Redwood Services Group, LLC Address: 1 California Street, Suite 2900

San Francisco, CA 94111

Citizenship: Delaware, U.S.

Interest: 100 percent voting and equity; member and manager of

Telco Experts

Principal Business: Investment management

The following entity will wholly own and control Redwood:

Name: Evergreen Service Group, LLC ("Evergreen")

Address: 1 California Street, Suite 2900

San Francisco, CA 94111

Citizenship: Delaware, U.S.

Interest: 100 percent voting and equity; member and manager of

Redwood

Principal Business: Investment management

The following entity will wholly own and control Evergreen:

Name: Evergreen Service Group Topco, LLC ("Evergreen

Topco")

Address: 1 California Street, Suite 2900

San Francisco, CA 94111

Citizenship: Delaware, U.S.

Interest: 100 percent voting and equity; member and manager of

Evergreen

Principal Business: Investment management

The following entity is the only entity or individual that will hold a direct voting or equity interest in

Evergreen Topco sufficient to represent a 10 percent or greater voting or equity interest in Telco

Experts:

Name: Alpine Investors VI, LP ("Alpine VI")

Address: 1 California Street, Suite 2900

San Francisco, CA 94111

Citizenship: Delaware, U.S.

Interest: 88.5 percent voting and equity; member and manager of

Evergreen Topco

Principal Business: Investment fund

The following entities are the only entities or individuals that will hold a direct voting or equity interest

in Alpine VI sufficient to represent a 10 percent or greater voting or equity interest in Telco Experts:

Name: Alpine General Partner VI, LLC ("Alpine GP")<sup>3</sup>

Address: 1 California Street, Suite 2900

San Francisco, CA 94111

Citizenship: Delaware, U.S.

Interest: 100 percent voting and approximately 2 percent equity;

general partner of Alpine VI

Principal Business: Investment management

Name: Investure PE Fund, LP-Series 1 ("Investure")<sup>4</sup>

Address: 126 Garrett Street, Suite J

Charlottesville, VA, 22902

Citizenship: Delaware, U.S.

Interest: No voting and 18.2 percent equity; limited partner investor

in Alpine VI<sup>5</sup>

Principal Business: Investment fund

The following entity wholly owns and controls Alpine GP:

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<sup>&</sup>lt;sup>3</sup> In addition to the indirect interest that Alpine GP holds in Evergreen Topco through Alpine VI, Alpine GP also holds an additional 4.7 percent indirect voting and *de minimis* equity interest in Evergreen Topco through the following Delaware-organized entities, none of which individually hold a 10 percent or greater direct or indirect voting or equity interest in Telco Experts: Alpine Investors VI-A, LP ("Alpine VI-A"), for which Alpine GP is the general partner; Alpine VI-A Holdings III, LLC ("Alpine VI-A Holdings"), which is wholly owned by Alpine VI-A; and Alpine VI-A Holdings Sub III, LLC ("Alpine VI-A Sub"), which is wholly owned by Alpine VI-A Holdings.

<sup>&</sup>lt;sup>4</sup> No entity or individual holds a sufficient direct or indirect equity interest in Investure to represent a 10 percent or greater indirect equity interest in Telco.

<sup>&</sup>lt;sup>5</sup> Investure has no rights under the Alpine VI liability partnership agreement to be, and in fact is not, actively involved in the management or operation of Alpine VI, although Investure has voting rights over certain limited investor protections.

Name: Alpine SLP VI, LLC ("Alpine SLP")

Address: 1 California Street, Suite 2900

San Francisco, CA 94111

Citizenship: Delaware, U.S.

Interest: 100 percent voting and equity; member and manager of

Alpine GP

Principal Business: Investment management

The following individual solely controls Alpine SLP:

Name: Graham Weaver

Address: 1 California Street, Suite 2900

San Francisco, CA 94111

Citizenship: Delaware, U.S.

Interest: Managing member of Alpine SLP

Principal Business: Investment management

Diagrams illustrating the current and post-Transaction ownership structure of Telco Experts are provided as <u>Exhibit A</u> hereto. Other than as set forth above, following consummation of the Transaction, no other entity or individual will hold a ten percent or greater aggregate direct or indirect equity or voting interest in Telco Experts.

### C. Interlocking Directorates (47 C.F.R. § 63.18(h), Answer to IBFS Main Form Ouestion 12)

None of the Licensee, Transferor, or Transferee have any interlocking directorates with a foreign carrier.

### D. Narrative of Transfer of Control and Public Interest Statement (47 C.F.R. § 63.24(e), Answer to Main IBFS Form Question 13)

The Applicants describe the Transaction and its public interest benefits in <u>Sections II and III</u> of this Application above.

# E. Foreign Carrier Affiliates (47 C.F.R. § 63.18(i), Answer to IBFS Main Form Question 14)

None of the Licensee, Transferor, or Transferee is a foreign carrier or is affiliated with a foreign carrier.

## F. Certifications Regarding Destination Markets (47 C.F.R. § 63.18(j), Answer to IBFS Main Form Question 15)

Upon consummation of the Transaction, the Licensees will not be authorized to provide service to any destination country where: (1) the Licensee, Transferor, or Transferee is a foreign carrier in that country; (2) the Licensee, Transferee, or Transferor controls a foreign carrier in that country; (3) an entity that owns more than 25 percent of the Licensee, Transferor, or Transferee, or that controls the Licensee, Transferor, or Transferee, controls a foreign carrier in that country; and (4) two or more foreign carriers (or parties that control foreign carriers) own, or will own as a result of the Transaction, in the aggregate, more than 25 percent of the Licensee and are parties to, or the beneficiaries of, a contractual relation (*e.g.*, a joint venture or market alliance) affecting the provision or marketing of international basic telecommunications services in the United States.

# G. Non-Dominant Status (47 C.F.R. § 63.18(m), Answer to IBFS Main Form Question 16)

None of the Licensee, Transferor, or Transferee is a foreign carrier or is affiliated with a foreign carrier and therefore none may be deemed dominant for the provision of any international telecommunications services to or from any foreign country.

# H. Eligibility for Streamlined Processing (47 C.F.R. §§ 63.12, 63.18(p), Answer to IBFS Main Form Question 20)

The transfer of control of the international Section 214 authority held by Telco Experts qualifies for streamlined processing pursuant to Section 63.12(a)-(c) of the Commission's rules. Specifically, this transfer of control does not include any of the triggers in Section 63.12(c) of the Commission's rules which would exempt the transfer from streamlined processing. Post-closing, Telco Experts, Redwood, and the owners of Redwood disclosed herein will not be affiliated with

any foreign carriers. 6 In addition, post-closing, none will be affiliated with any dominant U.S. carrier.<sup>7</sup>

#### V. **INFORMATION REQUIRED BY 47 C.F.R. § 63.04**

The Applicants submit the following information, pursuant to 47 C.F.R. § 63.04, in support of their request for consent to transfer control of Telco Experts, which holds domestic Section 214 authority, to Redwood.<sup>8</sup>

#### Α. Description of the Proposed Transaction (47 C.F.R. § 63.04(a)(6))

The Applicants provide a description of the Transaction in Section II of this Application above.

#### В. Description of Geographic Service Areas (47 C.F.R. § 63.04(a)(7))

A description of the geographic service areas of, and services provided by, Telco Experts is provided in <u>Section I(A)</u> of this Application. Other than through Telco Experts, neither the Transferee nor the Transferor provide domestic telecommunications services, and neither has any affiliates that provide domestic telecommunications services in the United States.

#### C. Eligibility for Streamlining (47 C.F.R. § 63.04(a)(8); 47 C.F.R. § 63.03(b))

The transfer of control of the blanket domestic Section 214 authority held by Telco Experts qualifies for streamlined treatment under Section 63.03(b) of the Commission's rules because (i) Telco Experts is not a facilities-based carrier and neither the Transferor nor

<sup>&</sup>lt;sup>6</sup> See 47 C.F.R. § 63.12(c)(1).

<sup>&</sup>lt;sup>7</sup> See id. § 63.12(c)(2).

<sup>&</sup>lt;sup>8</sup> Section 63.04(b) of the Commission's rules provides that applicants submitting a joint domestic/international Section 214 application should include the information requested in Sections 63.04(a)(6) through (a)(12). 47 C.F.R. §§ 63.04(a)(6)-(12), 63.04(b).

Transferee provides telecommunications services (other than through Telco Experts)<sup>9</sup> and (ii) the Transferee is not a telecommunications provider.<sup>10</sup> Moreover, the Transaction (a) will not result in the Transferee holding a market share in the interstate, interexchange market of 10 percent or more because the Licensee does not hold a market share and the Transferee does not hold an interest in any other telecommunications carrier and (b) will not result in the Transferee providing competitive telephone exchange services or exchange access services exclusively in geographic areas served by a dominant local exchange carrier that is a party to the transaction because no dominant local exchange carrier is a party to this transaction.<sup>11</sup> Further, none of the Applicants (i.e., the Licensee, Transferor, and Transferee) are dominant with respect to any service.<sup>12</sup>

### **D.** Related Applications (47 C.F.R. § 63.04(a)(9))

No other applications are required to be filed with the Commission in connection with the Transaction.

### **E.** Special Consideration (47 C.F.R. § 63.04(a)(10))

The Applicants do not request any special consideration of this Application pursuant to Section 63.04(a)(10). No party to the Application is facing imminent business failure.

### F. Waiver Requests (47 C.F.R. § 63.04(a)(11))

The Applicants do not seek any waivers in connection with this Application.

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<sup>&</sup>lt;sup>9</sup> See 47 C.F.R. § 63.03(b)(1)(i).

<sup>&</sup>lt;sup>10</sup> See id. § 63.03(b)(1)(ii).

<sup>&</sup>lt;sup>11</sup> See id. § 63.03(b)(2).

<sup>&</sup>lt;sup>12</sup> See id. § 63.03(b)(2)(i).

### G. Public Interest Statement (47 C.F.R. § 63.04(a)(12))

The Applicants provide a description of how the Transaction will serve the public interest, convenience, and necessity in <u>Section III</u> of the Application above.

### VI. CONCLUSION

For the forgoing reasons, Applicants respectfully request that the Commission act expeditiously to approve the transfer of control of Telco Experts from Eric Klein to Redwood.

TRANSFEROR, ERIC KLEIN

/s/ Eric Klein

Eric Klein 169 Ramapo Valley Road, Floor 3 Suite 303 Oakland, NJ 07436

LICENSEE, TELCO EXPERTS, LLC

/s/ Eric Klein

Eric Klein, Chief Executive Officer 169 Ramapo Valley Road, Floor 3 Suite 303 Oakland, NJ 07436

Dated: September 29, 2020

Respectfully submitted,

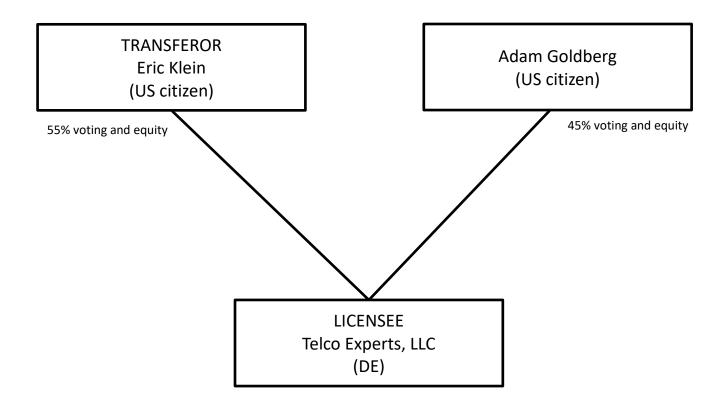
TRANSFEREE, REDWOOD SERVICES GROUP, LLC

/s/ Jeffrey Totten

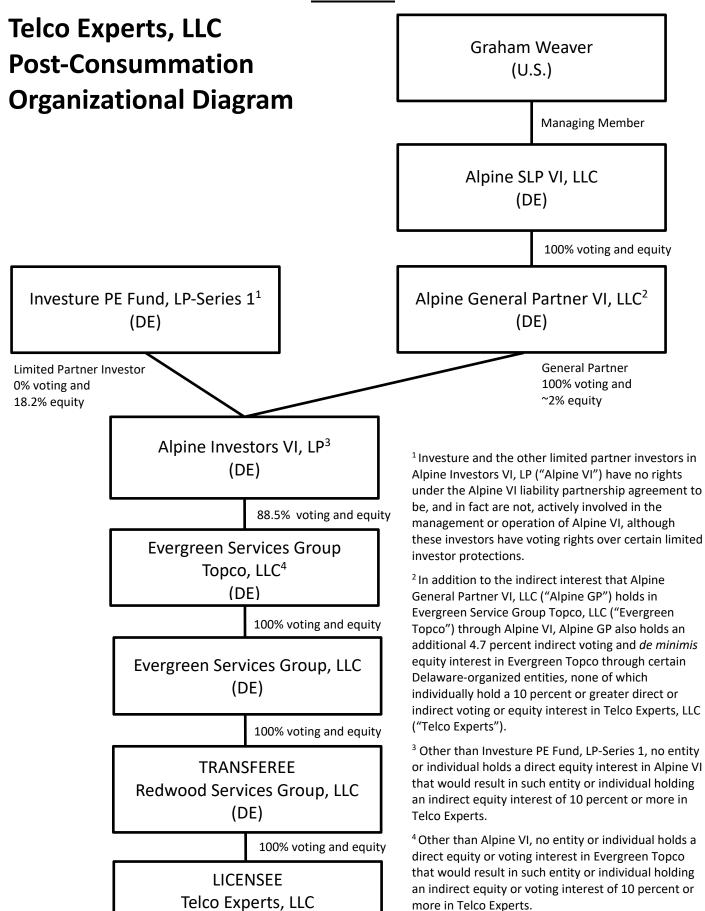
Jeffrey Totten, Chief Executive Officer c/o Evergreen Services Group, LLC 1 California Street, Suite 2900 San Francisco, CA 94111

### **EXHIBIT A**

# Telco Experts, LLC Pre-Consummation Organizational Diagram



#### EXHIBIT A



(DE)