

January 10, 2025

Via Overnight Courier

Nancy Dippell, Secretary
Missouri Public Service Commission
200 Madison Street, PO Box 360
Jefferson City, MO 65102-0360

Re: Post-Closing Notification Regarding the Transfer of Indirect Control of Consolidated Communications of Missouri Company and Consolidated Communications Enterprise Services, Inc. to Condor Holdings LLC

Dear Secretary Dippell:

By this letter, Consolidated Communications Holdings, Inc. (“CCHI”), Consolidated Communications of Missouri Company (“Consolidated-Missouri”), Consolidated Communications Enterprise Services, Inc. (“Consolidated-Enterprise,” and collectively with Consolidated-Missouri, the “Missouri Operating Companies”), and Condor Holdings LLC (“Condor,” and collectively with CCHI and the Missouri Operating Companies, the “Parties”) notify the Missouri Public Service Commission (the “Commission”) of the transfer of indirect control of the Missouri Operating Companies to Condor, which was completed on December 27, 2024. Since Commission approval was not required for the Transaction, this letter is submitted for informational purposes.

In support of this filing, the Parties provide the following information:

Description of the Parties

A. Consolidated Communications Holdings, Inc. (“CCHI”)

CCHI is a major broadband and business communications provider serving consumers, enterprise customers, and wireless and wireline carriers across rural and urban communities in a twenty-one-state service area. Leveraging an advanced fiber network spanning approximately 59,000 fiber route miles, CCHI offers a wide range of communications solutions, including: high-speed Internet access service, voice service, security services, managed services, cloud-based services, and wholesale carrier solutions. Since its founding approximately 125 years ago, CCHI has been dedicated to turning technology into solutions, connecting people and enriching how they work and live, including in rural areas of the Nation. Prior to the Transaction, CCHI was the ultimate parent of the Missouri Operating Companies.

B. Consolidated Communications of Missouri Company (“Consolidated Missouri”)

Consolidated-Missouri, a wholly owned indirect subsidiary of CCHI, is a Missouri corporation with a principal office located at 2116 S. 17th Street, Mattoon, Illinois 61938. In

Missouri, Consolidated-Missouri is authorized by the Commission to operate as an incumbent local exchange carrier.¹

C. Consolidated Communications Enterprise Services, Inc. (“Consolidated-Enterprise”)

Consolidated-Enterprise, a Delaware corporation and an indirect wholly owned subsidiary of CCHI, has a principal office located at 2116 S. 17th Street, Mattoon, Illinois 61938. In Missouri, Consolidated-Enterprise is authorized by the Commission to provide competitive local exchange services² and interexchange services.³

¹ The Commission originally granted the certificate to FairPoint Communications Missouri Inc. (“FairPoint”). See *Joint Application of Cass County Telephone Company, Limited Partnership, LEC Long Distance, FairPoint Communications, Inc., FairPoint Communications Missouri, Inc. d/b/a FairPoint Communications and ST Long Distance, Inc. d/b/a FairPoint Communications Long Distance for Authority to Transfer and Acquire Cass County Telephone Company, Limited Partnership’s and LEC Long Distance, Inc.’s Facilities or Systems Located in the State of Missouri; 2) for Issuance of Certificate, etc.*, Order Approving Transfer of Assets, Granting Certificates of Service Authority, and Designating FairPoint Communications as an Eligible Telecommunications Carrier, Case No. TM-2006-0306 (June 9, 2006). Subsequently, on January 8, 2019, the Commission approved of FairPoint’s name change to Consolidated Communications of Missouri Company. See *In the Matter of the Name Change of FairPoint Communications Missouri, Inc. d/b/a Consolidated Communications to Consolidated Communications of Missouri Company d/b/a Consolidated Communications*, Order Recognizing Name Change, File No. TN-2019-0187 (January 8, 2019).

² SureWest Kansas Inc. (“SureWest”) was authorized by the Commission to provide competitive local exchange services on January 1, 2014. See *In the Matter of the Name Change of SureWest Kansas Licenses, LLC to SureWest Kansas, Inc.*, Order Recognizing Name Change and Approving Tariffs, File No. CN-2014-0183 (January 1, 2014). Subsequently, on January 25, 2016, the Commission approved SureWest’s name change to Consolidated Communications Enterprise Services Inc. See *In the Matter of the Name Change of SureWest Kansas, Inc. to Consolidated Communications Enterprise Services, Inc.*, Order Recognizing Name Change, File No. TN-2016-0153 (January 25, 2016).

³ The Commission originally granted the certificate to provide interexchange services to Consolidated Communications Network Services, Inc. (“CCNS”). See *Application of Consolidated Communications Network Services, Inc. for a Certificate of Service Authority to Provide Competitive Intrastate Interexchange Telecommunications Service in Missouri*, Order Approving Interexchange Certificate of Service Authority and Order Approving Tariff, Case No. XA-2004-0020 (August 21, 2003). Subsequently, on February 27, 2009, the Commission approved CCNS’ name change to Consolidated Communications Enterprise Services, Inc. See *Change of Name for Consolidated Communications Network Services, Inc. to Consolidated Communications Enterprise Services, Inc.*, Order Recognizing Name Change and Approving Tariff Sheets, File No. XN-2009-0276 (February 27, 2009).

D. Condor Holdings LLC (“Condor”)

Condor, a Delaware limited liability company, is a wholly owned subsidiary of Searchlight III CVL, LLC (“Searchlight III CVL”)⁴ that was formed for the purpose of the Transaction. As a result of the Transaction and as described in greater detail below, investment funds affiliated with Searchlight Capital Partners, L.P. (“Searchlight”) hold a majority equity interest in Searchlight III CVL, and investment vehicles affiliated with British Columbia Investment Management Corporation (“BCI”), a corporation incorporated pursuant to the Public Sector Pension Plans Act (British Columbia), hold an indirect, non-controlling minority equity interest in CCHI.

Searchlight, a Delaware limited partnership and registered investment adviser with the United States Securities and Exchange Commission (“SEC”), is a global private equity investment company whose funds invest in companies across various sectors, including communications, media, consumer, and business services. Searchlight has approximately \$15 billion in assets under management and has significant experience working with portfolio companies executing strategies that involve deploying broadband infrastructure, along with a proven track record of partnering with strong management teams to drive long-term value and shareholder returns. Prior to the Transaction, investment funds affiliated with Searchlight (including funds in which BCI is a limited partner) held voting and equity interests in CCHI of approximately 33.8 percent and 67.8 percent, respectively.⁵ These interests were held through Searchlight III CVL, which owned approximately 33.8 percent of CCHI’s common stock (which was voting stock) and 100 percent of CCHI’s Series A preferred stock (which was non-voting stock).

BCI is one of the largest institutional investors in Canada, with C\$233 billion in gross assets under management as of June 7, 2024. Based in Victoria, British Columbia, with offices in Vancouver, New York, and London, BCI manages a portfolio of diversified public and private market investments on behalf of 32 British Columbia public sector clients, including publicly administered pension and trust funds, the Province of British Columbia, and provincial government bodies. BCI and its affiliated funds and entities have a principal place of business at 750 Pandora Avenue, Victoria, BC, V8W 0E4, Canada. Prior to the Transaction, BCI held no voting interest in CCHI, and its passive limited partnership interest in Searchlight III CVL represented a proportionate indirect equity interest in CCHI of approximately 17.7 percent.

⁴ Searchlight III CVL, which was formerly a Delaware limited partnership named Searchlight III CVL, L.P., was converted to a limited liability company in close proximity to consummation of the Transaction.

⁵ All equity and voting interests set forth herein are approximate. The Searchlight-affiliated funds’ pre-Transaction equity interest referred to above was based on the price of CCHI’s common stock and the liquidation preference of the preferred stock as of November 13, 2023. For the avoidance of doubt, references to “voting” and “equity” interests refer to such interests as calculated through successive multiplication, and not beneficial ownership as defined in SEC rules.

Designated Contacts

Questions, correspondence, and other communications concerning this filing should be directed to:

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Description of the Transaction

In close proximity to consummation of the Transaction, Searchlight III CVL was converted to a limited liability company and contributed its common stock in CCHI to Condor, and Condor assigned all of the issued and outstanding stock of Condor Merger Sub Inc., a Delaware corporation and wholly owned subsidiary of Condor ("Merger Sub"), to CCHI. Pursuant to the Agreement and Plan of Merger (the "Agreement"), dated as of October 15, 2023, by and among Condor, Merger Sub, and CCHI, Merger Sub merged with and into CCHI, with CCHI continuing as the surviving corporation, and all issued and outstanding common stock of CCHI (with certain limited exceptions) was converted into the right to receive consideration for the merger at the price of \$4.70 per share in cash. As a result, Condor, which remains a wholly owned subsidiary of Searchlight III CVL, now owns all of CCHI's issued and outstanding common stock, and Searchlight III CVL continues to hold 100 percent of CCHI's Series A preferred stock. Condor has thus become the direct holder of all of the common stock of CCHI and the indirect parent of

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the Missouri Operating Companies, and CCHI, which was previously a publicly traded company (NASDAQ: CNSL), is now privately held.

Searchlight CVL AGG, L.P., a Delaware limited partnership that was formed for the purpose of the Transaction and is affiliated with Searchlight, holds an equity interest in Searchlight III CVL of approximately 77.2 percent, and IMCPE 2020 Inc., which is controlled by BCI, holds an equity interest in Searchlight III CVL of approximately 22.8 percent.

Diagrams depicting the pre- and post-Transaction corporate ownership structure are provided as Exhibit A.

The Transaction was structured as a change of ownership at the holding company level and did not affect any of the operations or legal identity of the Missouri Operating Companies. The Transaction did not result in a change of carrier for any customers or assignments of any existing Commission authorization. Further, Condor has no plans to change the Missouri Operating Companies' current rates or terms and conditions of services in connection with the Transaction. The Missouri Operating Companies' existing tariffs will not be affected by the Transaction and will remain in effect (subject to change in the ordinary course of business). Therefore, the Transaction was seamless to customers, as they did not experience any immediate changes in services or rates, terms, and conditions of service.

The Transaction facilitates infrastructure investment, technological development, and economic expansion without presenting any competition concerns. Indeed, the Transaction allows CCHI to continue its multi-pronged fiber expansion strategy and position itself to become a leading fiber provider across the United States. For example, CCHI plans to expand multi-Gbps (gigabit-per-second) broadband coverage in its current network topography and improve operational efficiency across its approximately 59,000 fiber route miles and two million fiber strand miles. Moreover, CCHI intends to expand its commercial services and carrier solutions by leveraging consumer fiber buildouts to further expand its network. This expansion will ultimately result in the delivery of higher broadband speeds and more advanced services to new and existing customers, including customers in areas that are underserved by high-speed broadband today.

Moreover, the Transaction does not diminish competition. The Transaction did not eliminate any telecommunications service provider in any geographic area. Finally, the Missouri Operating Companies face vigorous competition in each of the markets they serve.

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We would appreciate acknowledgement of receipt and acceptance of this filing, which is being submitted electronically. Please do not hesitate to contact us if you have any questions regarding this submission.

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Respectfully submitted,

/s/ Joshua M. Bobeck

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/s/ Wayne D. Johnsen

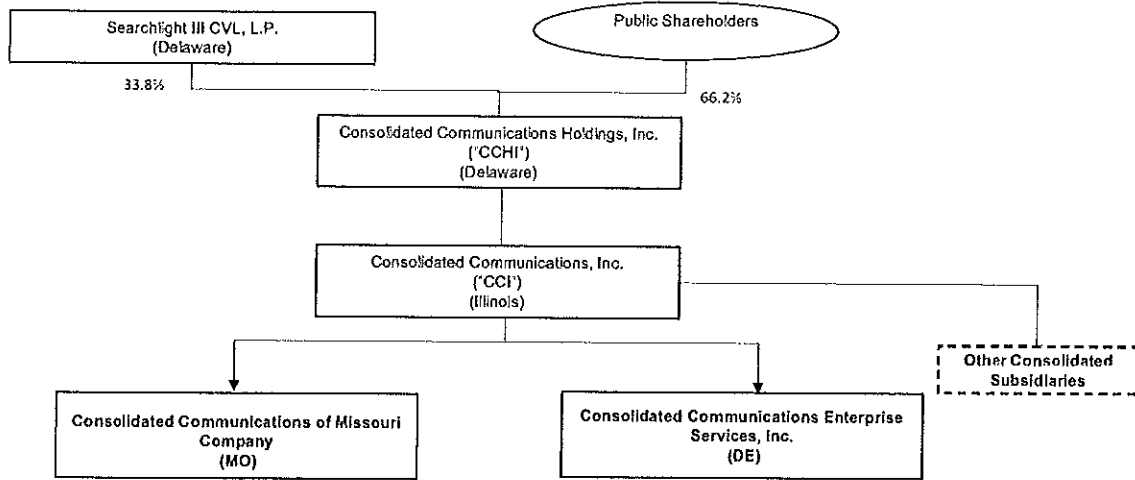
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EXHIBIT A

Pre- and Post-Transaction Ownership Structures

**Consolidated Communications Holdings, Inc.
(Pre-Closing – Missouri – specific)**

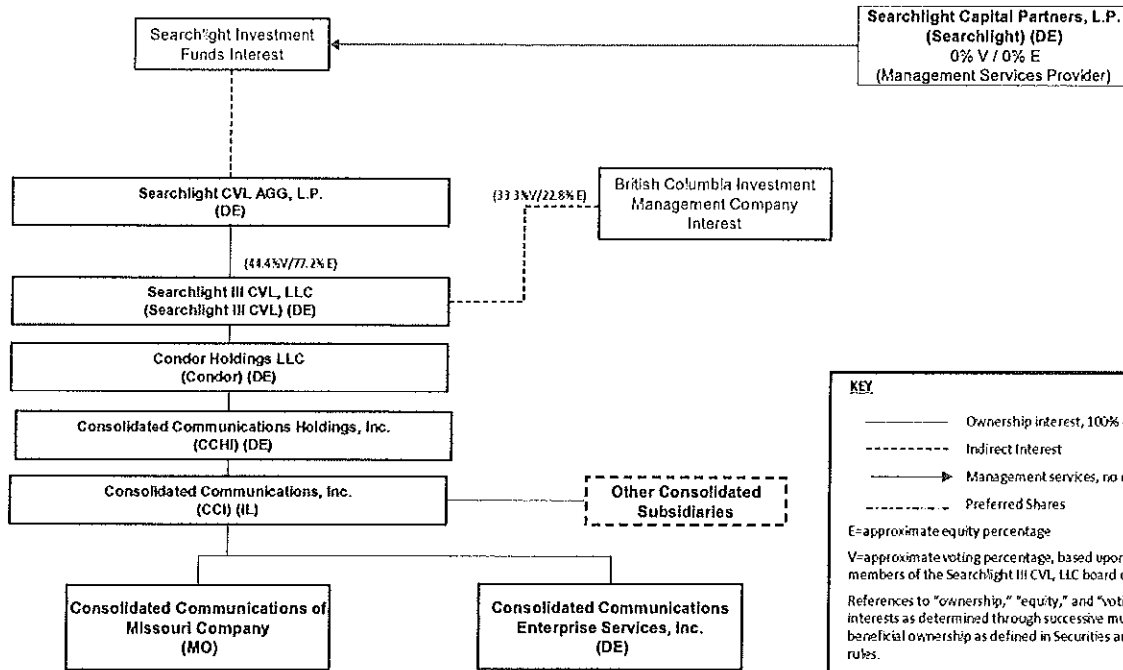


KEY

_____ 100% ownership interest, unless otherwise noted

- References to "ownership," "equity," and "voting" interests throughout these charts refer to such interests as determined in accordance with FCC rules, and not beneficial ownership as defined in Securities and Exchange Commission rules.

**Consolidated Communications Holdings, Inc.
(Post-Closing – Missouri – specific)**



KEY

- Ownership interest, 100% unless otherwise noted
- - - Indirect Interest
- Management services, no ownership interest
- - - Preferred Shares

E=approximate equity percentage
 V=approximate voting percentage, based upon rights to designate members of the Searchlight III CVL, LLC board of managers

References to "ownership," "equity," and "voting" interests refer to such interests as determined through successive multiplication, and not beneficial ownership as defined in Securities and Exchange Commission rules.