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filed electronically in docket office on 01/07/14

January 6, 2014

Via E-Mail and Overnight Courier

Docket No. 14-00001

Chairman James M. Allison
c/o Sharla Dillon, Dockets and Records Manager
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, TN 37243-0505
Sharla.Dillon@tn.gov

RE: Joint Petition of ALEC, LLC and MBS Holdings, Inc. For Transfer of Control to MBS Holdings, Inc.

Dear Chairman Allison:

Enclosed for filing with the TRA are an original and four (4) copies of the above referenced Joint Petition, which was electronically filed with the TRA on January 6, 2014. Also enclosed is a check for \$50.00 to cover the requisite filing fee.

Please date-stamp the enclosed extra copy of this filing and return it in the self-addressed, stamped envelope provided. Should you have any questions concerning this filing, please do not hesitate to contact me or my colleague, Michael Sloan, at (202) 973-4227 or via email at michael Sloan@dwt.com.

Sincerely,

Richard A. Gibbs
Counsel for ALEC, LLC

Enclosures

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BEFORE THE TENNESSEE REGULATORY AUTHORITY

JOINT PETITION OF ALEC, LLC AND)
MBS HOLDINGS, INC. FOR APPROVAL) DOCKET NO: _____
OF A TRANSFER OF CONTROL)

**JOINT PETITION FOR APPROVAL OF
A TRANSFER OF CONTROL**

ALEC, LLC ("ALEC") and MBS Holdings, Inc. ("MBS") (together, "Petitioners"), by and through their undersigned counsel and pursuant to Tenn. Code Ann. § 65-4-113, request that the Tennessee Regulatory Authority ("TRA") grant approval or other authority as may be required to consummate a transaction whereby control of ALEC, a certificated telecommunications company in Tennessee, will be transferred to MBS through MBS's acquisition of ALEC's corporate parent, Integrated Broadband Services, LLC ("IBBS"). As more fully described herein, the transaction will not affect ALEC's operations in Tennessee, including the rates, terms and conditions under which services are currently provided in Tennessee. Accordingly, the transfer of control will effectively be transparent to existing and potential customers in Tennessee.

Petitioners further and respectfully request expedited treatment of this Petition, as Petitioners desire to consummate the transaction before April 30, 2014, or as soon as all federal and state regulatory approvals are obtained, in order to accomplish critical business objectives, and to ensure a seamless transfer of control of ALEC to MBS.

In support of their Petition, Petitioners state as follows:

I. PETITIONERS

A. ALEC, LLC and Integrated Broadband Services, LLC

ALEC is a Kentucky limited liability company with its principal place of business at 250 W. Main St., Suite 1920, Lexington, KY 40507. ALEC is a facilities-based local exchange

carrier, as defined by 47 U.S.C. § 153(26), and is authorized to provide local exchange, interexchange and other telecommunications services pursuant to its certificate of public convenience and necessity granted by the TRA in its Order dated May 11, 1999, Docket No. 98-00599.

ALEC is an indirect, wholly-owned subsidiary (through several intermediaries) of IBBS Holdings, LLC (“Holdings”). One of Holdings’ wholly owned subsidiaries is IBBS, a Georgia limited liability company with its principal place of business at 200 Chastain Center Blvd, Suite 200, Kennesaw, GA 30144. Through its affiliates, including ALEC, IBBS is a provider of operational support software, back office services, and wholesale voice over Internet protocol (“VoIP”) solutions deployed by cable and broadband operators nationally. IBBS utilizes the telecommunications services and connectivity provided by ALEC to serve its customers. IBBS is not a regulated telecommunications entity in this or any other state. ALEC is its only regulated telecommunications carrier affiliate. A pre-transaction organizational chart describing the current corporate relationship between Holdings, IBBS, and ALEC is attached as **Exhibit 1**.

B. MBS Holdings, Inc.

MBS is a Delaware corporation with its principal place of business at 880 Montclair Rd, Suite 400, Birmingham, Alabama 35242. Through its operating affiliates, MBS provides wholesale VoIP solutions for residential and business customers of cable operators and municipalities and is a leading competitive provider of residential, small business, and enterprise VoIP services, broadband monitoring, provisioning, and managed support services. MBS’s affiliate, Momentum Telecom, Inc. (“Momentum”) is authorized to provide local exchange and other telecommunications services in Tennessee.

II. DESIGNATED CONTACTS

The designated contacts for all correspondence, notices, inquiries, and orders in relation to this Petition should be sent to:

Counsel for ALEC:

Michael C. Sloan
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1919 Pennsylvania Avenue NW
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Email: michael Sloan@dwt.com
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And Counsel for MBS:

Bennett Ross
Colleen King
Wiley Rein LLP
1776 K Street NW
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III. DESCRIPTION OF TRANSACTION

Pursuant to a Membership Interest Purchase Agreement executed on December 30, 2013, MBS and Holdings are planning a transaction that, among other things, will result in MBS Intermediate Holdings, LLC, a Delaware limited liability company wholly owned by MBS, acquiring 100% of the outstanding equity of IBBS, the indirect parent of ALEC, and IBBS GP, LLC, a Delaware limited liability company and an affiliate of IBBS. As a result of the transaction, ALEC will become an indirect, wholly-owned subsidiary of MBS. ALEC, however, will continue to operate as ALEC in Tennessee, offering the same services at the same rates,

terms and conditions as it does currently. There are currently no plans to merge ALEC into MBS's local exchange carrier affiliate (Momentum). Accordingly, the transaction will be seamless and transparent to ALEC's customers, who will continue to receive uninterrupted service from ALEC. A post-transaction organization chart showing the relationship between the Petitioners is attached as **Exhibit 2**.

IV. PUBLIC INTEREST CONSIDERATIONS

The proposed transaction is in the public interest. MBS is an excellent partner for IBBS. The synergy between the two companies stems from (i) the similarities in customer bases served, focused on wholesale broadband services providers and consumers (ii) complementary product and technology offerings, and (iii) the service-focused cultures shared by both companies. MBS's strategic acquisition of IBBS and its ALEC affiliate will enhance both companies' business strategy and position in a highly competitive market and will strengthen their ability to compete against other well-established and well-financed competitors.

The transaction will serve the public interest in promoting competition by resulting in a combined enterprise that can achieve greater economies of scale and scope than would otherwise have been the case. By combining the operations of IBBS with those of MBS, the transaction will enable MBS to respond more rapidly to the needs of consumers and provide consumers with a full portfolio of competitive communications services.

The proposed transaction will not involve a change in the entity – ALEC – actually providing regulated telecommunications services in Tennessee, nor will it change any of the rates, terms or conditions of such service. All existing tariffs, if any, will remain in place. Accordingly, this transaction will be transparent to ALEC's customers in Tennessee, as well as the general public. The transaction also is not expected to involve any changes to ALEC's management or operations.

V. RELATED FILINGS IN OTHER JURISDICTIONS

Petitioners are also requesting approval of the proposed transfer of control from the Federal Communications Commission and the following states: Georgia, Mississippi, New Jersey, and Ohio.

VI. REQUEST FOR EXPEDITED TREATMENT

Petitioners respectfully request expedited treatment of this Petition, as Petitioners expect to consummate the transaction by April 30, 2014, or as soon as all federal and state approvals are obtained, in order to accomplish critical business objectives and to ensure a seamless transition of control to MBS. Therefore, Petitioners respectfully request that the TRA grant expedited approval or other authority as may be required to allow Petitioners to complete the transaction described herein as soon as possible.

VII. CONCLUSION

Petitioners submit that the information provided herein demonstrates that the public interest, convenience and necessity will be served by the expeditious grant of this Petition.

WHEREFORE, Petitioners respectfully request that the TRA expeditiously approve the proposed transaction whereby MBS shall acquire indirect control of ALEC through the acquisition of ALEC's corporate parent IBBS.

Respectfully submitted,



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Counsel for IBBS and ALEC



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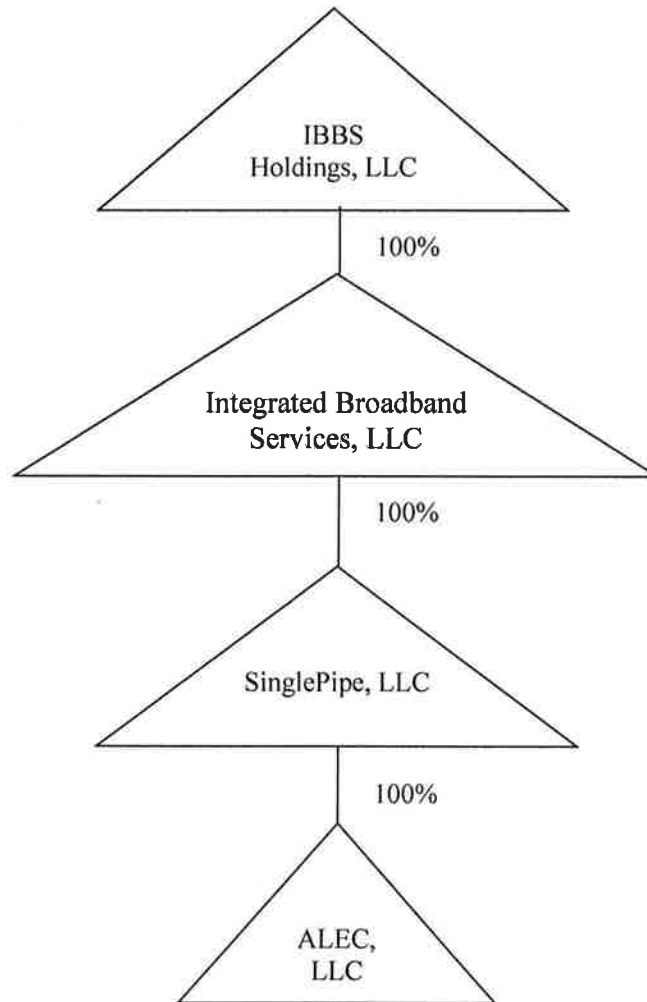
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LIST OF EXHIBITS

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|-----------|---------------------------------------|
| Exhibit 1 | Pre-Transaction Organizational Chart |
| Exhibit 2 | Post-Transaction Organizational Chart |

EXHIBIT 1

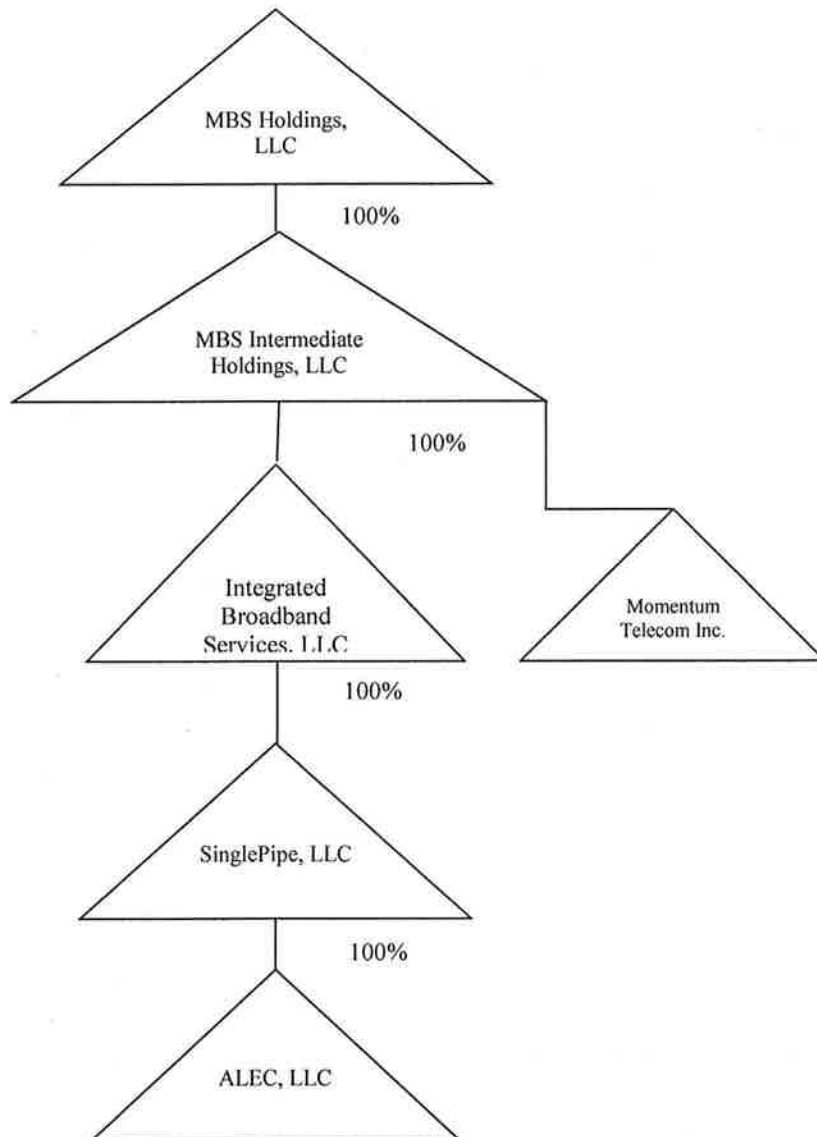
Pre-Transfer Organizational Chart



Affiliates and subsidiaries not relevant to the TRA's review of the transaction are omitted from this chart.

EXHIBIT 2

Post-Transfer Organizational Chart



Affiliates and subsidiaries not relevant to the TRA's review of the transaction are omitted from this chart.