

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the Joint) Application No. C-4979
Application of Mitel Cloud)
Services, Inc., Mitel Networks)
Corporation, Mitel US Holdings,)
Inc., Mitel (Delaware), Inc.,) GRANTED
and Mitel Networks, Inc.,)
Wilmington, Delaware seeking)
approval of Transfer of Control)
to Mitel Cloud Services, Inc.)
to Mitel Networks, Inc.) Entered: May 30, 2018

BY THE COMMISSION:

On April 10, 2018 a joint application was filed by Mitel Cloud Services, Inc., Mitel Networks Corporation, Mitel US Holdings, Inc., Mitel (Delaware), Inc., and Mitel Networks, Inc. (collectively referred to as Joint Applicants) of Wilmington, Delaware, seeking a transfer control to Mitel Networks Inc. Notice of the application was published in The Daily Record, Omaha, Nebraska, on April 13, 2018. No protests were filed; therefore, this application is processed pursuant to the Commission's Rule of Modified Procedure.

O P I N I O N A N D F I N D I N G S

The Parties:

Mitel DE is a Delaware corporation and a direct wholly owned subsidiary of Mitel US. Mitel US is a Delaware corporation and a direct wholly owned subsidiary of Mitel Networks Corporation. Mitel Networks Corporation is a publicly traded Canadian corporation that, to its knowledge, does not have any 10 percent or greater owners other than an institutional investor which publicly reported that it held 12.3 percent of Mitel Networks Corporation common shares as of February 3, 2017. Mitel Networks Corporation has executive offices in Ottawa, Ontario, Canada. It is a provider of integrated communications solutions and services for business customers. Mitel Network Corporations' internet protocol-based communications offerings consist of a combination of telephony hardware products and software applications. Mitel Networks Corporation operates from over 40 locations worldwide.

Mitel Cloud Services, Inc. (Mitel Cloud) holds a certificate to provide competitive local exchange, interexchange, Voice over Internet Protocol (VoIP) and commercial mobile radio (CMRS) services nationwide. Mitel Cloud was granted authority to provide interexchange services in Nebraska on June 6, 1996, in Application No. C-1295 and to provide competitive local exchange services on

July 28, 2009, in Application No. C-4182. Mitel Cloud also provides VoIP services and CMRS within the state. Mitel Cloud is a provider of interstate telecommunications services as a competitive carrier pursuant to Federal Communications Commission (FCC) regulations.

Description of the Transaction:

Mitel Networks Corporation and Mitel US Holdings, Inc., entered into an Agreement and Plan of Merger with Shelby Acquisition Corporation dated July 27, 2017 for the purchase of MNI and its subsidiaries. On December 29, 2017, the former Mitel Networks, Inc., and MNI, both Delaware corporations merged and the surviving company, MNI was renamed Mitel Networks, Inc., the same name previously held by the Former Mitel Networks. The Former Mitel Networks was dissolved during the merger into MNI. Assets of the Former Mitel now belong to MNI. MNI is not a regulated utility.

Pursuant to the terms of the Common Stock Issuance Agreement dated December 29, 2017, MNI agreed to issue Mitel DE 100 shares of common stock in exchange for the transfer by Mitel DE of 1,000 shares of common stock of Mitel Cloud. As a result of this Transaction, MNI is wholly owned by Mitel DE. The direct ownership of Mitel Cloud is therefore transferred from Mitel DE to MNI. However, Mitel Cloud remains indirectly owned by Mitel DE.

According to the Joint Applicants, the transaction will be seamless. Customers of Mitel Cloud were notified. The Joint Applicants state this transaction will not result in the discontinuance or material reduction, loss, or impairment of service to customers, except as otherwise previously agreed to by the parties under contract. All existing customers of Mitel Cloud will continue to be served by Mitel Cloud pursuant to existing authorizations, at existing rates, terms, and conditions.

According to the Joint Applicants, the transaction is part of an internal restructuring due to the previous purchase and transfer of ShoreTel, Inc. and aims to serve the public interest. In addition, the Joint Applicants state the transaction will strengthen the Mitel entities overall while maintaining the managerial, technical and financial resources available to the parties.

Based on the evidence, we find the application to be fair and reasonable and in the public interest. The application should be granted.

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O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application No. C-4979 be, and it is hereby, granted.

ENTERED AND MADE EFFECTIVE at Lincoln, Nebraska, this 30th day of May, 2018.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Cystal Swadlow
Ed. Jensen
Tim Schram

Mary Ridder
Chair

ATTEST:

Phil R. LSE
Executive Director

//s//Frank E. Landis
//s//Mary Ridder