

SECRETARY'S RECORD, NEBRASKA PUBLIC SERVICE COMMISSION

BEFORE THE NEBRASKA PUBLIC SERVICE COMMISSION

In the Matter of the) Application No. C-5008
Application of BCM One, Inc.,)
New York, New York, seeking a) GRANTED
transfer of control to BCM)
Group Holdings, Inc.) Entered: November 19, 2018

BY THE COMMISSION:

On September 26, 2018 an application was filed by BCM One, Inc., (BCM One or Applicant) of New York, New York, seeking a transfer of control to BCM Group Holdings, Inc. Notice of the application was published in The Daily Record, Omaha, Nebraska, on October 1, 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

BCM One is a corporation organized under the laws of the State of New York. The principal office of BCM One is located 521 5th Avenue, 14th Floor, New York, New York. BCM One is authorized to provide interexchange carrier telecommunications services throughout Nebraska pursuant to a Certificate of Public Convenience and Necessity granted in Docket No. C-3083. Francis X. Ahearn holds 43 percent of the Common Stock of the company. Mr. Ahearn is an individual currently residing in the State of Florida. John P. Cunningham holds 43 percent of the Common Stock of the Company. Mr. Cunningham resides in the State of New Jersey. James J. Monaghan holds 14 percent of the Common Stock of BCM One. Mr. Cunningham resides in the State of New York.

As described further below, BCM One will be acquired by a newly formed Delaware corporation, BCM One Group Holdings, Inc. Thompson Street, which is part of a St. Louis, Missouri-based privately held investment firm and a Delaware limited partnership, will hold approximately 70 percent of the equity and voting interests in BCM One Group Holdings, Inc. Thompson Street specializes in growth capital, recapitalization, management buyouts, and private investments in middle market companies.

Description of the Transaction:

On July 18, 2018, Thompson Street and the owners of BCM One signed a Letter of Intent for Thompson Street (together with its co-investors) to acquire BCM One. Pursuant to the LOI and understanding between the parties, BCM One will be acquired by Buyer, a newly formed Delaware corporation, BCM One Group Holdings, Inc. The parties intend that Thompson Street will hold 70 percent

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of the equity and voting interests in the Buyer. The other 30 percent will be held separately and independently by a combination of three current equity owners of BCM One, Francis X. Ahearn, John P. Cunningham, and James J. Monaghan, certain lender co-investors and other commercial partners who will co-invest alongside the seller rollover parties. None of these individual holders will have equity or voting shares of 10 percent or greater. The Chief Operating Officer of BCM One will become the new Chief Executive Officer of BCM One after the closing but the Sellers will remain involved as investors and board members.

The Applicant stated the proposed transaction will affect only the ultimate ownership of BCM One and will not result in any changes in rates, terms, or conditions of service for retail customers. BCM One is not seeking to cancel or assign its Certificate. No customer transfers are planned. Following the transaction, BCM One will continue to offer the same services as offered prior to the transaction.

According to the Applicant, the proposed transfer of control serves the public interest by preserving and enhancing competition that benefits BCM One's business customers. These benefits include competitive pricing and increased availability of a variety of service options. BCM One will also benefit from the additional capital, in addition to added financial and managerial expertise of Thompson Street.

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

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that Application No. C-5008 be, and it is hereby, granted.

ENTERED AND MADE EFFECTIVE at Lincoln, Nebraska, this 19th day of November, 2018.

NEBRASKA PUBLIC SERVICE COMMISSION

COMMISSIONERS CONCURRING:

Mary Riedel
Chair

ATTEST:

Michael H. H. H.
Executive Director

Crystal Knudsen
Frank E. Landis
/s/ Frank E. Landis