

**BEFORE THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**



**FILED**

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A2112004

In the Matter of the Joint Application of

CCP II Finco, LLC,  
Transferor

A.21-12-004

and

Hummingbird Circle, LLC,  
Transferee

and

IPC Corp.,  
on behalf of Licensee

For Approval to Acquire Indirect Control of  
IPC Network Services, Inc. (U-7266-C)  
Pursuant to California Public Utilities Code  
Section 854(a)

**JOINT RESPONSE TO ADMINISTRATIVE LAW JUDGE INQUIRY**

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Dated: September 22, 2022

**THE PUBLIC UTILITIES COMMISSION  
OF THE STATE OF CALIFORNIA**

In the Matter of the Joint Application of

CCP II Finco, LLC,  
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and

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A.21-12-004

**JOINT RESPONSE TO ADMINISTRATIVE LAW JUDGE INQUIRY**

In compliance with the September 7, 2022 *Administrative Law Judge's Ruling After Hearing* ("Ruling"), CCP II Finco, LLC ("CCP II Finco" or "Transferor"), Hummingbird Circle, LLC, ("Hummingbird Circle" or "Transferee"), a special purpose acquisition vehicle controlled by certain funds and accounts managed by a wholly-owned indirect subsidiary of Strategic Value Partners, LLC ("SVP"), and IPC Corp. (together, the "Applicants" or "Parties") respectfully submit this response ("Response") to address Administrative Law Judge Rosas' request for: (i) copies of the FCC's orders, ruling, requests related to, and approval of the transaction at issue in this proceeding; and (ii) information addressing whether the Parties' Joint Application aligns with or promotes the Commission's Environmental and Social Justice ("ESJ") Action Plan.

**I. REQUESTS FOR ADDITIONAL INFORMATION**

- a. The joint applicants shall file and serve copies of the FCC’s approval of the transaction at issue in this Application. The joint applicants’ filing shall also include copies of any orders, rulings, requests, etc., issued by the FCC regarding the transaction at issue in this Application.**

**Response:**

The Parties attach hereto the following documents:

- (i) National Telecommunications and Information Administration’s Petition to Adopt Conditions to Authorizations and Licenses (“Petition”) advising the FCC that the Committee for the Assessment of Foreign Participation in the United States Telecommunications Services Sector (“Committee”) has no objection to the FCC approving the Parties’ transaction provided that the FCC conditions its approval on the assurances reflected in the July 5, 2022 Letter of Agreement (“LOA”) entered into between the Department of Justice and representatives from each of the Parties. Both the Petition and LOA are attached hereto as **Exhibit A**.
- (ii) The FCC Wireline Competition Bureau’s Public Notice granting the Parties’ application to transfer control of IPC Network Services, Inc., from CCP II Finco to Hummingbird Circle subject to the conditions and commitments set out in the LOA.<sup>1</sup> The Public Notice is attached hereto as **Exhibit B**.

The FCC’s approval of the transaction was conditioned only on compliance with the LOA; there were no other issues or conditions imposed by the FCC in connection with its approval. Indeed, other than the items identified in Exhibit A, there were no comments on or oppositions to the transaction, nor were there any questions or issues raised by the FCC or any third parties in response to the transfer of control application reviewed, and approved, by the FCC.

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<sup>1</sup> In addition to the Public Notice issued by the Wireline Competition Bureau, the FCC’s International Bureau issued a similar Public Notice approving the portion of the transaction related to IPC Network Services’ affiliate, IPC Systems, Inc., which does not provide any intrastate private-line services in California.

- b. **The joint applicants shall address whether the Application aligns with or promotes the Commission’s Environmental and Social Justice (ESJ) Action Plan. Specifically, the joint applicants shall identify and discuss the potential achievement of goals set forth in the Commission’s ESJ Action Plan through the approval of the Application. Alternatively, if the parties believe that the transaction at issue is not within the scope of the Commission’s ESJ Action Plan, the parties may explain their position.**

**Response:**

The Commission adopted its ESJ Action Plan to ensure that actions by public utilities do not have disproportionate impacts upon certain communities within the state. The Commission has expressed particular concern with the effects on disadvantaged communities that suffer from a combination of economic, health, and environmental burdens.<sup>2</sup> The ESJ Action Plan serves as a roadmap for advancing equity in the Commission’s programs and policies targeted toward these disadvantaged communities.<sup>3</sup> Specifically, the Commission considers whether a proposed action may have: (i) a disproportionate impact on service quality and availability of service in the community; or (ii) a disproportionate safety impact or burden on the community. With regard to the communications industry, the Commission has highlighted the continued development of and participation in the California LifeLine Program and the California Advanced Services Fund as particular areas of interest under the ESJ Action Plan.<sup>4</sup>

The *Ruling* asks the Parties to specify in what ways the Joint Application aligns with or promotes the goals stated in the ESJ Action Plan or to explain why the communities served and

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<sup>2</sup> See CAL. PUB. UTILS. COMM’N, *Disadvantaged Communities* (last visited Sept. 14, 2022), available at <https://www.cpuc.ca.gov/industries-and-topics/electrical-energy/infrastructure/disadvantaged-communities#:~:text=Disadvantaged%20communities%20refers%20to%20the,of%20asthma%20and%20> (defining “disadvantaged communities” covered by the ESJ Action Plan).

<sup>3</sup> See CAL. PUB. UTILS. COMM’N, ENVIRONMENTAL & SOCIAL JUSTICE ACTION PLAN (Apr. 7, 2022), available at <https://www.cpuc.ca.gov/-/media/cpuc-website/divisions/news-and-outreach/documents/news-office/key-issues/esj/esj-action-plan-v2jw.pdf> (“ESJ Action Plan”).

<sup>4</sup> See *id.* at 40-41.



the transaction at issue are not within the scope of the Plan.<sup>5</sup> The Parties respectfully submit that the transaction at issue in the Joint Application falls outside the scope of the ESJ Action Plan. The Parties applaud the goals of the ESJ Action Plan, and by stating that the instant Joint Application does not fall within the scope of the Plan in no way minimize those laudable ESJ goals.

The Joint Application falls outside the scope of the ESJ Action Plan for several reasons. First, as the Commission has previously observed, transfers of ownership do not adversely impact ESJ concerns when such transactions do not impact service quality, reliability, or the availability of service.<sup>6</sup> In the present instance, the transaction will, for the reasons noted above, have no impact on service quality, reliability, or the availability of service, and no negative impact on those living in disadvantaged communities.

Second, the Licensee, IPC Network Services, Inc., does not currently serve – nor has plans to serve – any residential end user customers in California. Licensee provides only point-to-point private line and IP-based point-to-point connectivity services to large businesses in the financial services industry, which are sophisticated consumers of these services. As such, Licensee does not participate in the California LifeLine Program or the California Advanced Services Fund. Accordingly, the transaction will not impair or jeopardize adequate service to any Californians, particularly those living in disadvantaged and underserved communities.<sup>7</sup>

Third, given that Licensee’s connectivity services are provisioned over circuits leased from facilities-based communications providers, Licensee does not deploy new fiber or facilities and therefore has no direct environmental impact.

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<sup>5</sup> See Ruling at 3.

<sup>6</sup> See A.21-01-013, Decision Granting the Transfer of Ownership Interest of Mrs. Isabel Lita Norworthy and Control of Ducor Telephone Co. (U1007C) to Mr. Eric. N. Votaw, D.21-11-006 at 8-10 (Nov. 4, 2021).

<sup>7</sup> See *id.*

Fourth, the transaction at issue is at the holding company level, and will not affect the operations or legal entities of Licensee. Indeed, the transaction will be seamless to the Parties' business customers, who will experience no change in carrier or any immediate changes in services, rates, price lists, customer contracts, or terms and conditions of service.<sup>8</sup>

Finally, the transaction poses no threat to competition in California, as no competitor will be removed from the market and the transaction will not result in a combination with any of Licensee's competitors or an increase in the market share held by Licensee, such that competition will not be diminished.<sup>9</sup>

Notwithstanding the foregoing, IPC Corp. and Hummingbird Circle's indirect parent, SVP, share the Commission's prioritization of environmental and social justice.

IPC Corp. is incorporating environmental, social, and governance ("ESG") principles into all aspects of its business – actions that will result in Licensee being a more attractive company for Licensee's clients and partners, and especially all of IPC Corp.'s employees. IPC Corp. is committed to doing its part in creating a brighter future for a world that, more and more, expects businesses to act in a socially conscious and responsible manner. Additional details may be found at <https://www.ipc.com/esg/>.

And SVP has incorporated ESG observations since 2012, with the company's level of ESG engagement increasing meaningfully since then and culminating in the company's ESG Statement, which is attached hereto as **Exhibit C**. Indeed, today SVP integrates ESG considerations across its screening and due diligence processes and uses ESG sensitive business guidelines to steer its risk assessment and business decisions with respect to its investments. SVP also identifies and

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<sup>8</sup> See Joint Application at 10, 13, 15.

<sup>9</sup> See *id.* at 14-15.

manages climate-related risks and opportunities that are material in the operation of its business and control over its investments and meets annually with key industry ecosystem partners to review and share its progress on its ESG commitments. As of December 2020, SVP is a signatory to the United Nations-supported Principles for Responsible Investment. SVP is also committed as a firm to creating a diverse and inclusive workplace and society and has set out one-, five-, and ten-year roadmaps defining new ways of doing business to achieve its DEI visions.

## **II. OTHER ISSUES**

During the telephonic status conference held on September 7, 2022, the Parties discussed with ALJ Rosas the possibility of filing a motion for expedited treatment with respect to the Parties' Joint Application. Upon further consideration of the issue and the discussion with ALJ Rosas during the status conference,<sup>10</sup> the Parties have determined that a motion for expedited treatment is inadvisable at this time, such that the Parties will not be filing such a motion. The Parties do note, however, that approval of the Joint Application by this Commission is the only regulatory approval remaining outstanding, and therefore respectfully request a prompt determination that the proposed transaction is not adverse to the public interest.

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<sup>10</sup> See A.21-12-004, Reporter's Transcript of Telephone Proceeding of September 7, 2022 at 14-15 (Sept. 13, 2022).

Respectfully submitted,

**By: CCP II Finco, LLC**

/s/ Wayne Johnsen

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*Counsel to IPC Corp. and IPC Network  
Services*

September 22, 2022

# **EXHIBIT A**

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, DC 20554**

In the Matter of	)	
	)	
Hummingbird Circle, LLC,	)	WC Docket No. 21-436
CCP II Finco, LLC, and	)	File No. ITC-T/C-20211105-00179
IPC Corp.	)	
	)	
Application to transfer control of	)	
domestic and international authorizations	)	
pursuant to Section 214 of the	)	
Communications Act of 1934, as amended,	)	
to provide global or limited global	)	
facilities-based and resale services.	)	

**PETITION TO ADOPT CONDITIONS  
TO AUTHORIZATION AND LICENSE**

Pursuant to Executive Order 13913, the National Telecommunications and Information Administration (NTIA) submits this Petition to Adopt Conditions to Authorizations and Licenses (Petition) on behalf of the Committee for the Assessment of Foreign Participation in the United States Telecommunications Services Sector (Committee).<sup>1</sup> Through this Petition, and pursuant to section 1.41 of the Commission’s Rules, the Committee advises the Commission that it has no objection to the Commission approving the above-captioned application, provided that the Commission conditions its approval on the assurance of Hummingbird Circle, LLC (Hummingbird Circle) to abide by the commitments and undertakings set forth in the July 5, 2022, Letter of Agreement (LOA), a copy of which is attached hereto.<sup>2</sup>

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<sup>1</sup> Exec. Order No. 13913, § 9(h), 85 Fed. Reg. 19643, 19647-48 (2020). The Executive Order directs the Committee to “assist the [Commission] in its public interest review of national security and law enforcement concerns that may be raised by foreign participation in the United States telecommunications services sector.” *Id.* § 3(a), 85 Fed. Reg. at 19643.

<sup>2</sup> 47 C.F.R. § 1.41.

Pursuant to section 214(a) of the Communications Act, the Commission must determine whether a proposed transfer of control of any section 214 authorization will serve the public interest, convenience and necessity.<sup>3</sup> As part of the public interest analysis, the Commission considers whether any such application raises national security, law enforcement, foreign policy, or trade policy concerns related to the applicant's foreign ownership.<sup>4</sup> With regard to these concerns, the Commission has long sought the expertise of the relevant Executive Branch agencies and has accorded deference to their expertise when they have identified such concerns in a particular application.<sup>5</sup>

After discussions with representatives of Hummingbird Circle in connection with the above-captioned application, the Committee has concluded that the additional commitments set forth in the LOA will help ensure that those agencies with responsibility for enforcing the law, protecting the national security, and preserving public safety can proceed appropriately to satisfy those responsibilities.

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<sup>3</sup> 47 U.S.C. § 214(a); *Applications of Cable & Wireless Plc and Columbus New Cayman Limited for Transfer of Control of Cable Landing Licenses and Section 214 Authorizations*, Memorandum Opinion and Order, 30 FCC Rcd 12730, 12734, ¶ 8 (2015).

<sup>4</sup> *See Market Entry and Regulation of Foreign-affiliated Entities*, Report and Order, 11 FCC Rcd 3873, 3888, ¶¶ 38-39 (1995).

<sup>5</sup> *Id.* at 3888, ¶ 39.

Accordingly, the Committee advises the Commission that it has no objection to the Commission granting the above-captioned application, provided that the Commission conditions its consent on compliance with the July 5, 2022, LOA, attached to this filing.

Respectfully submitted,

Josephine Arnold  
Chief Counsel (Acting)

National Telecommunications and  
Information Administration  
1401 Constitution Avenue, NW  
Washington DC 20230  
(202) 482-1816

July 21, 2022



Dated: July 5, 2022

Chief, Foreign Investment Review Section (FIRS)  
Deputy Chief, Compliance and Enforcement (FIRS)  
On Behalf of the Assistant Attorney General for National Security  
United States Department of Justice  
National Security Division  
175 N Street, NE  
Washington, DC 20530

Subject: TT 21-077 TO -078; ITC-T/C-20211105-00179, WC 21-436  
Joint application by IPC Corp for consent to transfer of control of domestic and international authorizations pursuant to Section 214 of the Communications Act of 1934, as amended, to provide global or limited global facilities-based and resale services.

Dear Sir/Madam:

This Letter of Agreement (“LOA” or “Agreement”) sets forth the commitments that IPC Corp. and its subsidiaries, IPC Systems, Inc. (“IPC Systems”), and IPC Network Services, Inc. (“IPC Network Services”) (with IPC Corp, collectively the “IPC Companies”) and Hummingbird Circle, LLC (“Hummingbird Circle”) (all together “Parties”) and CCP II Finco LLC (“Minority Owner”) make to the U.S. Department of Justice (“USDOJ”), including the Federal Bureau of Investigation (“FBI”), to address national security and law enforcement risks arising from the above-referenced application to the Federal Communications Commission (“FCC”) requesting consent for the transfer of control of the IPC Companies, and their domestic and international Section 214 authorizations, from CCP II Finco to Hummingbird Circle. IPC Network Services holds a blanket domestic Section 214 authorization pursuant to 47 C.F.R. § 63.01. IPC Systems holds an international Section 214 authorization to provide global resold and facilities-based telecommunications services between the United States and international points pursuant to Section 214 of the Communications Act of 1934, as amended, 47 U.S.C. § 214, and the implementing regulation at 47 C.F.R. § 63.18(e).<sup>1</sup>

The Parties and Minority Owner certify as true and correct, under penalties outlined in 18 U.S.C. § 1001, all statements they or their representatives have made to USDOJ, including the FBI, the Department of Homeland Security, the Department of Defense, and the FCC in the

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<sup>1</sup> FCC File Nos. ITC-T/C-20030220-00092; ITC-214- 20010817-00425; ITC-T/C-20040205-00148; ITC-ASG-20060901-00415; ITC-ASG-20061019- 00479; and ITC-T/C-20141208-00318.

course of the review of the above-referenced application that was conducted pursuant to Executive Order 13913,<sup>2</sup> and they hereby adopt those statements as the basis for this LOA.

## **Definitions**

1. For purposes of this LOA, the following definitions apply:
  - a. “Access” means: (1) to enter a location; or (2) to obtain, read, copy, edit, divert, release, affect, alter the state of, or otherwise view data or systems in any form, including through information technology (IT) systems, cloud computing platforms, networks, security systems, and equipment (software and hardware). For the avoidance of doubt, Access shall be construed broadly to include rather than exclude considered conduct.
  - b. “Call Detail Record” (“CDR”) means the data records or call log records that contain information about each call made by a user and processed by a switch, call manager, or call server.
  - c. “Customer Proprietary Network Information” (“CPNI”) means as set forth in 47 U.S.C. § 222(h)(1).
  - d. “Cybersecurity Incident Response Plan” means a plan or processes put in place to develop and implement the appropriate activities to take action regarding a detected cybersecurity event that has been determined to have an impact on the organization prompting the need for response and recovery.
  - e. “Date of FCC Approval” means the date on which the FCC releases a public notice granting the FCC Application.
  - f. “Domestic Communications” (“DC”) means:
    - (i) Wire Communications or Electronic Communications, as defined by 18 U.S.C. § 2510, (whether stored or not), from one location within the United States, including its territories, to another location within the United States; or
    - (ii) The U.S. portion of a Wire Communication or Electronic Communication (whether stored or not) that originates or terminates in the United States or its territories.
  - g. “Domestic Communications Infrastructure” (“DCI”) means any system of the IPC Companies that supports any communications originating or terminating in the United States, including its territories, including any transmission, switching, bridging, and routing equipment, and any associated software (with the exception of commercial-off-the-shelf (“COTS”) software used for common business functions, e.g., Microsoft

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<sup>2</sup> 85 Fed. Reg. 19643 (Apr. 8, 2020).

Office) used by, or on behalf of, the IPC Companies to provide, process, direct, control, supervise, or manage DC, but would not include the systems of entities for which the IPC Companies have a contracted arrangement for interconnection, peering, roaming, long-distance, or wholesale network access.

h. “Electronic Surveillance” means:

- (i) The interception of wire, oral, or electronic communications as set forth in 18 U.S.C. § 2510(1), (2), (4) and (12), respectively, and electronic surveillance as set forth in 50 U.S.C. § 1801(f);
- (ii) Access to stored wire or electronic communications, as referred to in 18 U.S.C. § 2701 et seq.;
- (iii) Acquisition of dialing, routing, addressing, or signaling information through pen register or trap and trace devices or other devices or features capable of acquiring such information pursuant to law as set forth in 18 U.S.C. § 3121 et seq. and 50 U.S.C. § 1841 et seq.;
- (iv) Acquisition of location-related information concerning a subscriber or facility;
- (v) Preservation of any of the above information pursuant to 18 U.S.C. § 2703(f); and
- (vi) Access to or acquisition, interception, or preservation of, wire, oral, or electronic communications or information as described in (i) through (v) above and comparable state laws.

i. “Foreign” means non-United States or its territories.

j. “Geolocation Data” means any information collected by any of the IPC Companies from their customers regarding a customer’s location or the customer’s device location.

k. “Government” means any government, or governmental, administrative, or regulatory entity, authority, commission, board, agency, instrumentality, bureau, or political subdivision, and any court, tribunal, judicial, or arbitral body.

l. “Internet Protocol Detail Record” (“IPDR”) means information about internet protocol-based usage and other activities that can be used by operation support systems (“OSS”) and business support systems (“BSS”) by recording data statistics that provide network insight on capacity, subscriber usage, and proactive network maintenance.

m. “Lawful U.S. Process” means U.S. federal, state, or local court orders, subpoenas, warrants, processes, directives, certificates or authorizations, and other orders, legal process, statutory authorizations and certifications for Electronic Surveillance, physical search and seizure, production of tangible things or Access to or disclosure of DC, call-associated data, transactional data, Subscriber Information, or associated records.

n. “Managed Network Service Provider” (“MNSP”) means any third party that has Access to Principal Equipment for the purpose of:

- (i) network operation; provisioning of Internet and telecommunications services; routine, corrective, and preventative maintenance, including switching, routing, and testing; network and service monitoring; network performance, optimization, and reporting; network audits, provisioning, creation and implementation of modifications or upgrades; or
- (ii) provision of DC or operation of DCI, including: customer support; OSS; BSS; Network Operations Centers (“NOCs”); information technology; cloud operations/services; 5G (Software Defined Networking, Network Functions Virtualization, Applications); and datacenter services and operations.

p. “Network Operations Center” (“NOC”) means any locations and facilities performing network management, monitoring, accumulating accounting and usage data, maintenance, user support, or other operational functions for DC.

q. “Offshore” means performing obligations of this LOA using entities and personnel outside of the territorial limits of the United States, whether or not those entities or personnel are employees of the IPC Companies.

r. “Outsource” means, with respect to DC, supporting the services and operational needs of the IPC Companies at issue in this LOA using contractors or third parties.

s. “Personally Identifiable Information” or “PII” means any information that uniquely identifies and correlates to a natural person or can be used to distinguish or trace a natural person’s identity, alone, including the person’s name, social security number, or biometric records, or when combined with other personal or identifying information that is linked or linkable to a specific individual, including date and place of birth, or parent’s surname.

t. “Principal Equipment” means all telecommunications and information network equipment (*e.g.*, hardware, software, platforms, operating systems, applications, protocols) that supports core telecommunications or information services, functions, or operations.

u. “Security” means a condition that results from the establishment and maintenance of protective measures that enable an organization to perform its mission or critical functions despite risks posed by threats to its use of systems. Protective measures may involve a combination of deterrence, avoidance, prevention, detection, recovery, and correction that should form part of the organization’s risk management approach.

v. “Security Incident” means:

- (i) Any known or suspected breach of this LOA, including a violation of any approved plan, policy, or procedure under this LOA;
- (ii) Any unauthorized Access to, or disclosure of, U.S. Records;
- (iii) Any unauthorized Access to, or disclosure of, information obtained from or relating to Government entities; or
- (iv) Any one or more of the following which affect the computer network(s) or associated information systems of the IPC Companies:
  - A. Unauthorized disruptions to a service or denial of a service;
  - B. Unauthorized processing or storage of data;
  - C. Unauthorized modifications to system hardware, firmware, or software, including the identification of vulnerabilities introduced through a cyber supply chain compromise;
  - D. Unplanned incidents that cause activation of the IPC Companies’ Cybersecurity Incident Response Plans;
  - E. Attempts from unauthorized sources to Access systems or data if these attempts to Access systems or data may materially affect the IPC Companies’ ability to comply with the terms of this LOA; or
  - F. An unauthorized occurrence that (1) actually or imminently jeopardizes the integrity, confidentiality, or availability of information or an information system; or (2) constitutes a violation or imminent threat of violation of law, security policies, security procedures, or acceptable use policies.

w. “Sensitive Personal Data” means sensitive personal data as set forth in 31 C.F.R. § 800.241.

x. “Subscriber Information” means any information of the type referred to and accessible subject to the procedures set forth in 18 U.S.C. § 2703(c)(2) or 18 U.S.C. § 2709, as amended or superseded.

y. “U.S. Records” means the IPC Companies’ customer billing records, Subscriber Information, PII, Sensitive Personal Data, CDRs, IPDRs, CPNI, Geolocation Data, and any other information used, processed, or maintained in the ordinary course of business related to the services offered by the IPC Companies within the United States,

including information subject to disclosure to a U.S. federal or state governmental entity under the procedures set forth in 18 U.S.C. § 2703(c), (d) and 18 U.S.C. § 2709.

## **Personnel**

2. The IPC Companies agree to designate and maintain a U.S. law enforcement point of contact (“LEPOC”) in the United States who will be subject to prior approval by USDOJ, including the FBI. The LEPOC shall be a U.S. citizen residing in the United States or its territories unless USDOJ otherwise agrees in writing. The LEPOC must be approved by the FBI to receive service of Lawful U.S. Process including for U.S. Records, and, where possible, to assist and support lawful requests for Electronic Surveillance or production of U.S. Records by U.S. federal, state, and local law enforcement agencies.

3. The IPC Companies agree to provide the LEPOC’s PII to USDOJ within 15 days of the Date of FCC Approval. USDOJ agrees to object or non-object within 15 days from receiving the LEPOC’s PII.

4. The IPC Companies agree to notify USDOJ, including the FBI, in writing at least 30 days prior to modifying their LEPOC for USDOJ and FBI objection or non-objection. For those cases involving the unexpected firing, resignation, or death of the LEPOC, written notice will be provided within five days of such event. Under these circumstances, USDOJ and FBI will object or non-object to the replacement LEPOC within 30 days of notification.

5. The IPC Companies agree that the designated LEPOC will have Access to all U.S. Records, and, in response to Lawful U.S. Process, will make such records available promptly and, in any event, will respond to the request no later than five days after receiving such Lawful U.S. Process unless USDOJ grants an extension.

6. The IPC Companies agree to implement, either directly or through a vendor, a process to screen existing or newly hired personnel who have Access to the IPC Companies’ DC, DCI, or U.S. Records (*e.g.*, IPC Companies’ personnel, IPC Corp subsidiaries’ personnel, or personnel of an Outsourced or Offshored service provider performing under an agreement with the IPC Companies). The personnel screening process shall include background investigations, public criminal records checks, or other analogous means to ascertain a person’s trustworthiness. The IPC Companies further agree to provide USDOJ with a written description of this personnel-screening process no later than 60 days after the Date of FCC Approval. USDOJ agrees to object or non-object within 60 days of receiving such description.

7. The IPC Companies agree to notify USDOJ of all Foreign persons (*e.g.*, Foreign employees, Foreign employees of IPC Corp.’s Foreign subsidiaries, and Foreign employees of approved Outsourced or Offshored service providers) that they intend to allow Access to DC; DCI; and/or U.S. Records relating to telecommunications and/or information services customers, DC, and/or DCI. The IPC Companies agree to make such notification no less than 30 days prior to the date by which they are seeking such Access be granted; or, with respect to any Foreign persons with such Access as of the Date of FCC Approval, within 30 days of the Date of FCC

Approval. The IPC Companies further agree to provide the PII to USDOJ for each Foreign person so identified. USDOJ agrees to object or non-object within 30 days of receiving notice.

### **Security Officer**

8. The IPC Companies agree to designate and maintain a security officer (“Security Officer”) who is a non-dual United States citizen residing in the United States and may also designate and maintain an alternate security officer (“Alternate Security Officer”) to fulfill the responsibilities of the Security Officer in the event of the Security Officer’s unavailability. The proposed Security Officer (and any Alternate Security Officer) must be eligible to obtain and maintain a “Secret” level or higher U.S. Government security clearance immediately upon appointment. The Security Officer and any Alternate Security Officer will have the appropriate authority and skills to implement the terms of this LOA and to address security concerns identified by USDOJ. The Security Officer and any Alternate Security Officer will have the appropriate senior-level corporate authority within the IPC Companies to perform their duties under this LOA. The Security Officer and any Alternate Security Officer will possess the necessary resources and skills to enforce this LOA and to act as a liaison to USDOJ regarding compliance with this LOA and to address any national security or law enforcement issues arising during the IPC Companies’ due course of business. The IPC Companies will provide the Security Officer and any Alternate Security Officer with Access to the IPC Companies’ business information that is necessary for the Security Officer and any Alternate Security Officer to perform their duties.

9. The Security Officer will be available 24 hours per day, 7 days per week, to respond to and address any national security or law enforcement concerns that USDOJ may raise with respect to the IPC Companies or their operations, except that if the IPC Companies designate an Alternate Security Officer, then in the event that the Security Officer is unavailable, the Alternate Security Officer will be available to respond to and address such concerns. Upon request by USDOJ, the Security Officer or, as applicable, Alternate Security Officer, will make himself/herself available in person within the United States or its territories within 72-hours, at a date and location, including in a classified setting, as deemed necessary by USDOJ.

10. The IPC Companies agree to nominate a proposed candidate for Security Officer to USDOJ within 15 days of the Date of FCC Approval, and thereafter will provide at least 10 days’ notice of a Security Officer’s departure, and 30 days’ prior notice of a new Security Officer designation (except in the case of the unexpected firing, resignation, or death of the Security Officer in which case such written notice of such departure or designation must be provided within five days of such event). The IPC Companies further agree to not maintain a vacancy or suspension of the Security Officer position for a period of more than 60 days. In the event that the IPC Companies designate an Alternate Security Officer, the IPC Companies will nominate a proposed candidate for Alternate Security Officer at least 30 days prior to the date on which the IPC Companies proposes to designate an Alternate Security Officer. The IPC Companies agree to provide the proposed Security Officer’s (and any Alternate Security Officer’s) PII with the nomination. All Security Officer nominations and any Alternate Security Officer nominations will be subject to USDOJ review and non-objection and may be subject to a background check at the sole discretion of USDOJ. USDOJ will object or not object to the proposed Security Officer or Alternate Security Officer, if applicable, within 30 days of

notification. The IPC Companies agree to address concerns raised by USDOJ regarding the selection and identity of the Security Officer and any Alternate Security Officer.

### **Lawful U.S. Process and Requests for Information**

11. The IPC Companies agree to comply with all applicable lawful interception statutes, regulations, and requirements, as well as comply with all court orders and other Lawful U.S. Process for lawfully authorized Electronic Surveillance. The IPC Companies further agree to certify to USDOJ their compliance with the Communications Assistance for Law Enforcement Act (“CALEA”), 47 U.S.C. §§ 1001-1010, and its implementing regulations, within 30 days from the Date of FCC Approval.

12. The IPC Companies agree to provide notice of any material modification to their lawful intercept capabilities to USDOJ within 30 days of such modification and will re-certify their compliance with CALEA no more than 60 days following their notice to USDOJ of any material new facilities, services, or capabilities.

13. The IPC Companies agree that the designated LEPOC will have Access to all U.S. Records, and, in response to Lawful U.S. Process, will make such records available promptly and, in any event, will respond to the request no later than five days after receiving such Lawful U.S. Process unless USDOJ grants an extension.

14. The IPC Companies agree not to provide, or otherwise allow the disclosure of, or Access to, U.S. Records, DCI, or DC, to any Foreign Government, Foreign entity, or any Foreign person, without prior written consent of USDOJ under Sections 7 (Foreign Persons), 15 to 17 (Foreign Governments), 29 to 31 (Principal Equipment), or 33 to 35 (Service Providers), or a court of competent jurisdiction in the United States.

15. The IPC Companies agree not to disclose the receipt of Lawful U.S. Process, or compliance with Lawful U.S. Process, to any Foreign Government, Foreign entity, or any person not authorized under the Lawful U.S. Process, without prior written consent of USDOJ, or a court of competent jurisdiction in the United States.

16. The IPC Companies agree to refer any requests for information described in Paragraphs 14 or 15 from a Foreign person or a Foreign Government, including any legal process from a Foreign Government, to USDOJ as soon as possible, but in no event later than five days after such a request, or legal process, is received by, or made known to, the IPC Companies, unless disclosure of the request, or legal process, would be in violation of U.S. law, or in violation of an order of a court of competent jurisdiction in the United States.

17. The IPC Companies agree not to comply with such requests from Foreign Governments and Foreign persons without prior written consent of USDOJ, or an order of a court of competent jurisdiction in the United States.

18. The IPC Companies agree to ensure that U.S. Records are not subject to mandatory destruction under any Foreign laws.



## **Unauthorized Access and Security Incidents**

19. The IPC Companies agree to take all appropriate measures to prevent unauthorized Access to U.S. Records, DC, and the DCI.

20. The IPC Companies agree to take all appropriate measures to prevent any unlawful use or disclosure of information relating to U.S. Records or DC.

21. The IPC Companies agree to prepare: (1) a Cybersecurity Plan; and (2) a comprehensive System Security Plan (“SSP”) (together the “Plans”), each of which shall be guided by the current version of the National Institute of Standards and Technology (NIST) Cybersecurity Framework, and incorporate applicable controls found in NIST SP 800-53, NIST SP 800-171, or other international information security standards. The IPC Companies will provide copies of those Plans to USDOJ within 60 days of the Date of FCC Approval for objection or non-objection. Furthermore, the IPC Companies agree that the Plans will be updated when appropriate to conform with evolving information security standards and that the IPC Companies will make and implement additional modifications to these Plans to address concerns raised by USDOJ. USDOJ agrees to object or non-object within 60 days of receiving each version of the Plan.

22. The IPC Companies agree that the Plans will include, among other things, policies relating to their information security, supply chain security (including for IPC devices), cybersecurity incident response, remote Access, physical security, cybersecurity, third-party contractors, Outsourcing and Offshoring, maintenance and retention of system logs, periodic control assessments, protection of Lawful U.S. Process, protection of U.S. Records and DC obtained by the IPC Companies in the ordinary course of business, and the IPC Companies’ plans regarding new contracts or amendments to existing contracts with third-party service providers requiring those third parties to: a) notify the IPC Companies when required under Paragraphs 25 and 26, and b) screen personnel as required under Paragraphs 6 and 7.

23. The IPC Companies further agree to take timely and appropriate remedial measures, as recommended by the U.S.-Computer Emergency Readiness Team/Cybersecurity and Infrastructure Security Agency (“US-CERT”/“CISA”), an Information Sharing and Analysis Center (“ISAC”), or similar U.S. authority, to respond to and recover from any cyber or supply chain incident and mitigate vulnerabilities.

24. The IPC Companies agree to notify USDOJ at least 30 days prior to changing the location for storage of U.S. Records or DC. USDOJ will object or non-object within 60 days of receipt of the IPC Companies’ submission. Such notice shall include:

- a. A description of the type of information to be stored in the new location;
- b. The custodian of the information (even if such custodian is the IPC Companies);
- c. The location where the information is to be stored;
- d. Updated SSP and Cybersecurity Plans detailing the physical/logical protections at the new location; and
- e. The factors considered in deciding to store that information in the new location.

### **Reporting Incidents and Breaches**

25. The IPC Companies agree to report to USDOJ promptly, and in any event no later than 72 hours, after they learn of information that reasonably indicates a known or suspected:

- a. Security Incident;
- b. Unauthorized Access to, or disclosure of, any information relating to services provided by the IPC Companies, or referring or relating in any way to the IPC Companies' customers in the United States or its territories;
- c. Any unauthorized Access to, or disclosure of, DC in violation of federal, state, or local law; or
- d. Any material breach of the commitments made in this LOA.

26. The IPC Companies agree to require any third-party service provider to disclose to the IPC Companies any data breach of any U.S. Records or DC, or any loss of U.S. Records or DC, whether from a data breach, or other cause, within 72 hours of the third party discovering the breach or loss. The IPC Companies agree further to require any third-party service provider to disclose to the IPC Companies, within 72 hours of discovery, any critical exposure, threats, and vulnerabilities associated with the products or services provided to the IPC Companies that are the result of the insertion of counterfeits, unauthorized production, tampering, theft, or insertion of malicious software and hardware into such products or services or into the third-party providers' supply chain.

27. The IPC Companies agree to notify USDOJ, including the points of contact ("POCs") listed in this LOA, in writing of any Security Incident or breach described in this LOA. Such notification shall take place no later than 72 hours after the IPC Companies have knowledge, or are informed by a third party providing Outsourced or Offshored services to the IPC Companies, that the incident, intrusion, or breach has taken or is taking place, or sooner when required by statute or regulations.

28. The IPC Companies agree to notify the FBI and U.S. Secret Service as provided in 47 C.F.R. § 64.2011 within seven business days after reasonable determination that a person without authorization, or in exceeding their authorization, has gained Access to, used, or disclosed CPNI, whether through the IPC Companies' network or that of a third party used by the IPC Companies, and shall electronically report the matter to the central reporting facility through the following portal: <https://www.cpnireporting.gov>.

### **Principal Equipment**

29. The IPC Companies agree to provide USDOJ, within 30 days of the Date of FCC Approval, a Principal Equipment list. USDOJ will object or non-object to the Principal Equipment list within 60 days of receipt. The Principal Equipment list shall include the following:

- a. A complete and current list of all Principal Equipment, including:

- (i) a description of each item and the functions supported,
- (ii) each item's manufacturer (even if IPC), and
- (iii) the model and/or version number of any hardware or software.

- b. The name, address, phone number, and website for any vendors, contractors, or subcontractors involved in providing, installing, operating, managing, or maintaining the Principal Equipment.

30. The IPC Companies agree to notify USDOJ in writing at least 30 days prior to introducing any new Principal Equipment of a different make or model than the Principal Equipment identified and approved pursuant to Paragraph 29 or subsequently approved by USDOJ pursuant to this paragraph, or modifying any of their Principal Equipment. USDOJ will object or non-object to such new Principal Equipment or modification to the Principal Equipment within 30 days of receipt of notice.

31. The IPC Companies agree to provide USDOJ with the name, address, phone number, and website of any providers, suppliers, and entities that will perform any maintenance, repair, or replacement that may result in introduction of new Principal Equipment or modification to Principal Equipment or systems or software used with or supporting the Principal Equipment. USDOJ will object or non-object to the nominated providers, suppliers, and entities selected by the IPC Companies within 30 days of receipt of notice.

32. The IPC Companies agree to provide to USDOJ updated DCI network diagrams and topology maps showing all facilities, devices, interfaces, Points of Presence ("PoPs"), exchange points, and NOCs within 60 days from the Date of FCC Approval.

### **Outsourced and Offshored Services**

33. The IPC Companies agree to provide USDOJ within 30 days of the Date of FCC Approval a list of all Outsourced or Offshored service providers that provide services to the IPC Companies (even if the contracting party is one of IPC Corp.'s foreign subsidiaries). USDOJ will object or non-object to the Outsourced and Offshored service provider list within 60 days of receiving it. The list should include any Outsourced or Offshored service provider that provides services for:

- a. MNSP services;
- b. NOC(s);
- c. Network maintenance services;
- d. Billing or customer support services;
- e. Any operation or service that could potentially expose the DCI, DC, or U.S. Records; and
- f. Deploying any network elements, hardware, software, core network equipment, and network management capabilities, including those that are owned, managed, manufactured, or controlled by a Foreign Government.

The IPC Companies further agree to provide the name, address, phone number, website, and description of services provided for each Outsourced or Offshored provider included on the list submitted to USDOJ pursuant to this paragraph.

34. The IPC Companies agree to notify USDOJ in writing no less than 30 days prior to the use of any new Outsourced or Offshored service providers that will provide any of the services described in Paragraph 33. The IPC Companies agree that such notification shall include all of the identifying information contained in Paragraph 33 for the new Outsourced or Offshored service provider.

35. USDOJ will object or non-object to any new Outsourced or Offshored service providers within 30 days of receiving notice.

#### **Network Operations Centers**

36. The IPC Companies agree to notify USDOJ in writing at least 60 days prior to changing the location of their NOC(s). DOJ will object or non-object to any new NOC location within 60 days of receiving notice of the proposed location change. The IPC Companies will provide the address, owner (even if the IPC Companies), Principal Equipment, and MNSP(s) (as well as any new Outsourced or Offshored service providers) of the new NOC(s) with the notification, as well as appropriately updated SSP and Cybersecurity Plans.

#### **Change in Ownership and Service Portfolio**

37. The Parties agree to provide USDOJ notice of any material changes to licensees IPC Systems and/or IPC Network Services' business, including but not limited to corporate structure changes of IPC Systems, IPC Network Services or the parent entity of either, business model changes, corporate name changes, corporate headquarter location changes, or business operation location changes no less than 30 days in advance of such change.

38. The Parties and Minority Owner agree to provide USDOJ notice of any ultimate beneficial ownership changes as described herein. The Parties and Minority Owner will notify USDOJ 30 days in advance of the following ownership changes: (1) a change of the person(s) in ultimate control of the general partners or any of their respective successors as general partner, managing member or other similar managing fiduciary of Strategic Value Partners, LLC (or its subsidiary Hummingbird Circle)'s or CCP II Finco LLC's funds, vehicles and/or accounts that invest, directly or indirectly, into the IPC Companies; (2) any new investment by, or change in existing rights of, any limited partner of any of the Strategic Value Partners, LLC (or its subsidiary Hummingbird Circle)'s or CCP II Finco LLC's funds, vehicles and/or accounts that invest, directly or indirectly, into the IPC Companies that results in such limited partner obtaining a right to: (a) indirectly or directly contribute to the management or control of the activities of Strategic Value Partners, LLC (or its subsidiary Hummingbird Circle), CCP II Finco LLC, and/or the IPC Companies; and/or (b) gain Access to DC, DCI, or U.S. Records. In addition, with respect to any calendar month during which any non-U.S. ultimate beneficial owner has acquired a direct or indirect equity interest (voting or non-voting) in the IPC Companies of five percent or more, the IPC Companies, Strategic Value Partners, LLC, or CCP II Finco LLC shall provide an updated list of all non-U.S. ultimate beneficial owners holding or controlling a direct or indirect equity stake (voting or non-voting) of five percent or more in the IPC Companies no later than the end of the following calendar month.

39. The Parties and Minority Owner also agree to provide USDOJ notice within 30 days of initiating any bankruptcy proceeding or any other legal proceeding undertaken for the purpose

of liquidating, reorganizing, refinancing, or otherwise seeking relief from all or some of the Parties' or Minority Owner's debts.

40. The IPC Companies agree to provide USDOJ notice of any material addition to their current portfolio of service offerings, including offering other services beyond their current service portfolio, no less than 30 days in advance of such change. USDOJ will object or non-object to the proposed new services within 30 days of receiving such notice.

### **Annual Report**

41. The IPC Companies agree to provide an annual report to USDOJ regarding the companies' compliance with this LOA, to include:

- a. If the IPC Companies submitted no notifications to USDOJ pursuant to this LOA during the preceding year, a certification that there were no developments that the IPC Companies were required to report under the LOA during the year;
- b. Description of the IPC Companies' handling of U.S. Records, DC, and Lawful U.S. Process (*i.e.*, whether handled properly and in accordance with the assurances contained herein);
- c. List of individuals with Access to DC, DCI, and/or U.S. Records, including the PII for each Foreign person so identified;
- d. Updated Principal Equipment and Offshored and Outsourced Service Provider Lists;
- e. Notice if the IPC Companies have used in the past year, or plan to use in the future, logic-bearing (*e.g.*, readable, writable, programmable) hardware, firmware, or software in their DCI, systems, trading turrets, or other products/services that was designed, produced, or maintained by suppliers owned or controlled by, or subject to the jurisdiction or direction of, a U.S. Foreign Adversary (as designated by the Department of Commerce under Executive Order 13873 or any U.S. federal agency given subsequent comparable authority);
- f. Notice if the IPC Companies have used in the past year, or plan to use in the future, logic-bearing (*e.g.*, readable, writable, programmable) hardware, firmware, or software in its DCI, systems, trading turrets, or other products/services from a provider listed on the FCC's Covered List (*See* FCC, List of Equipment and Services Covered by Section 2 of the Secure Networks Act, <https://www.fcc.gov/supplychain/coveredlist>), the Commerce Department's Entity List, or subject to a removal or exclusion order issued by the Secretary of Homeland Security, the Secretary of Defense, or the Director of National Intelligence pursuant to the SECURE Technology Act, 41 U.S. Code § 1321 *et seq.*;
- g. List of any relationships with Foreign-owned telecommunications partners, including any network peering (traffic exchange) or interconnection relationships;
- h. Updated network diagrams and topology maps showing all facilities, devices, interfaces, PoPs, exchange points, and NOCs;
- i. Updated SSP and Cybersecurity Plans;
- j. Updated organizational chart showing all owners with a five percent or greater voting or equity ownership share;
- k. Report(s) of any Security Incidents;

- l. A re-identification of any location(s) in which the IPC Companies store U.S. Records and the types of U.S. Records collected and stored;
- m. A re-identification of the name of and contact information of the LEPOC, Security Officer, and Alternate Security Officer;
- n. A list of all filings or notices to the FCC in the prior year, and a copy of these filings if requested by USDOJ;
- o. Certification of compliance with CALEA and any other applicable U.S. lawful interception statutes, regulations, and requirements;
- p. A description of the services that the IPC Companies provide in the United States to include: the specific services provided using an FCC license or authorization and other services they provide in the United States that do not require FCC license or authorization. Such a description should also detail any services provided to government or critical infrastructure customers; and
- q. Notification of any reasonably foreseeable matter that would give rise to a reporting obligation under this LOA.

The annual report will be due one year after the Date of FCC Approval and every year thereafter. The IPC Companies agree to send electronic copies of the annual report and all notices and communications required under this LOA to the following individuals or any other individuals that USDOJ identifies to the IPC Companies in the future: Christine Quinn, USDOJ (at [Christine.Quinn3@usdoj.gov](mailto:Christine.Quinn3@usdoj.gov)); and Eric Johnson, USDOJ (at [Compliance.Telecom@usdoj.gov](mailto:Compliance.Telecom@usdoj.gov)). Upon USDOJ request, the IPC Companies agree to provide USDOJ with paper copies of any annual report, notices, or communications required under this LOA.

### **Site Visits**

42. The IPC Companies agree to permit USDOJ's requests for site visits and information, approve all requests to conduct on-site interviews of the IPC Companies employees, and provide all documents necessary to verify the implementation of and compliance with the terms of this LOA, or to identify grounds for modification of this LOA.

### **General Provisions**

43. If USDOJ finds that the terms of this LOA are inadequate to resolve any national security or law enforcement risks, the Parties and Minority Owner agree to resolve USDOJ's concerns, according deference to the USDOJ's views on the need for modification. Rejection of a proposed modification shall not alone be dispositive, but failure to resolve national security or law enforcement concerns may result in a request that the FCC modify, condition, revoke, cancel, terminate, or render null and void any relevant license, permit, or other authorization granted by the FCC to the Parties and Minority Owner or their successors-in-interest, or any other appropriate enforcement action required to address the concern.

44. The Parties and Minority Owner agree that in the event that the Parties and Minority Owner breach the commitments set forth in this LOA, to include conduct contrary to timely USDOJ objection to any notice submitted pursuant to this LOA, a recommendation may be made that the FCC modify, condition, revoke, cancel, enter other declaratory relief, or render null and void any relevant license, permit, or other authorization granted by the FCC to the IPC

Companies or their successors-in-interest, in addition to pursuing any other remedy available by law or equity.


45. For purposes of counting days in this LOA, the day of the event that triggers the period is excluded, but every day thereafter is counted, including intermediate Saturdays, Sundays, and legal holidays. Include the last day of the period, but if the last day is a Saturday, Sunday, or legal holiday, the period continues to run until the end of the next day that is not a Saturday, Sunday, or legal holiday.

46. The Parties and Minority Owner agree to permit disclosure of information submitted to the FCC in confidence pursuant to 47 C.F.R. § 0.442 to federal government departments, agencies, and offices whose principals are listed in Section 3 of Executive Order 13913.

47. The IPC Companies understand that, upon execution of this LOA by an authorized representative or attorney, or shortly thereafter, the FCC will be notified that there is no objection to grant of the application.

48. The Minority Owner agrees not to take any action to obstruct or otherwise impede the Parties' compliance with the commitments set forth in Sections 1 through 47 of this LOA.

For the IPC Companies

 James Tonks, Chief Legal Officer

For Hummingbird Circle LLC

  
James Dougherty, Chief Financial Officer

For CCP II Finco LLC  
Minority Owner

\_\_\_\_\_  
Jared S. Hendricks, Authorized Signatory

Companies or their successors-in-interest, in addition to pursuing any other remedy available by law or equity.

45. For purposes of counting days in this LOA, the day of the event that triggers the period is excluded, but every day thereafter is counted, including intermediate Saturdays, Sundays, and legal holidays. Include the last day of the period, but if the last day is a Saturday, Sunday, or legal holiday, the period continues to run until the end of the next day that is not a Saturday, Sunday, or legal holiday.

46. The Parties and Minority Owner agree to permit disclosure of information submitted to the FCC in confidence pursuant to 47 C.F.R. § 0.442 to federal government departments, agencies, and offices whose principals are listed in Section 3 of Executive Order 13913.

47. The IPC Companies understand that, upon execution of this LOA by an authorized representative or attorney, or shortly thereafter, the FCC will be notified that there is no objection to grant of the application.

48. The Minority Owner agrees not to take any action to obstruct or otherwise impede the Parties' compliance with the commitments set forth in Sections 1 through 47 of this LOA.

For the IPC Companies

James Tonks James Tonks, Chief Legal Officer

For Hummingbird Circle LLC

For CCP II Finco LLC  
Minority Owner

Jared S. Hendricks Jared S. Hendricks  
Authorized Signatory



## **EXHIBIT B**



# PUBLIC NOTICE

**Federal Communications Commission**  
45 L St., N.E.  
Washington, D.C. 20554

News Media Information 202 / 418-0500  
Internet: <https://www.fcc.gov>

**DA 22-801**  
**Released: July 28, 2022**

**DOMESTIC SECTION 214 APPLICATION GRANTED FOR THE TRANSFER OF CONTROL  
OF IPC NETWORK SERVICES, INC.  
FROM CCP II FINCO, LLC TO HUMMINGBIRD CIRCLE, LLC**

**WC Docket No. 21-436**

By this Public Notice, the Wireline Competition Bureau (Bureau) grants, as conditioned, the application filed by CCP II Finco, LLC (CCP II Finco), Hummingbird Circle, LLC (Hummingbird Circle), Strategic Value Partners, LLC (SVP), and IPC Corp. (together, Applicants), pursuant to section 214 of the Communications Act of 1934, as amended, and sections 63.03-04 of the Commission's rules, requesting consent to transfer control of IPC Network Services, Inc. (IPC Network Services) from CCP II Finco to Hummingbird Circle.<sup>1</sup>

On November 24, 2021, the Bureau released a public notice seeking comment in this proceeding and did not receive comments or petitions in opposition to the Application.<sup>2</sup>

On July 21, 2022, the National Telecommunications and Information Administration (NTIA), on behalf of the Committee for the Assessment of Foreign Participation in the United States Telecommunications Services Sector (Committee), submitted a Petition to Adopt Conditions to Authorization and License (Committee Petition).<sup>3</sup> We grant the Committee Petition and condition grant of the Application on compliance by the Applicants with the commitments and undertakings set out in the Letter of Agreement filed with the Committee Petition.

When analyzing a transfer of control or assignment application that includes foreign investment, we also consider public interest issues related to national security, law enforcement, foreign policy, or

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<sup>1</sup> See 47 U.S.C. § 214; 47 CFR §§ 63.03-04. Joint Application for Consent to Transfer Control of IPC Systems, Inc., and IPC Network Services, Inc., Pursuant to Section 214 of the Communications Act of 1934, As Amended, WC Docket No. 21-436 (filed Nov. 5, 2021) (Application). Applicants filed a supplement to their application. Letter from Wayne Johnsen and Scott Delacourt, Counsel to CCP II Finco, LLC, K.C. Halm and John C. Nelson, Jr., Counsel to Hummingbird Circle, LLC, Andrew M. Klein and Allen C. Zoracki, Counsel to IPC Corp. and Licensees, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 21-436 (filed Dec. 16, 2021) (correcting and clarifying post-transaction ownership information). Applicants also filed an application for the transfer of control of IPC Systems, Inc. (IPC Systems) and its authorizations associated with international services. See ITC-T/C-20211105-00179. Any action on this domestic section 214 application is without prejudice to Commission action on other related, pending applications.

<sup>2</sup> Domestic Section 214 Application Filed for the Transfer of Control of IPC Network Services, Inc. from CCP II Finco, LLC to Hummingbird Circle, LLC, WC Docket No. 21-436, Public Notice, DA 21-1473 (WCB 2021).

<sup>3</sup> Petition to Adopt Conditions to Authorization and License, WC Docket No. 21-436, ITC-T/C-20211105-00179 (filed Jul. 21, 2022) (Committee Petition).

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trade policy concerns.<sup>4</sup> As part of our public interest analysis, the Commission coordinates with the relevant Executive Branch agencies that have expertise in these particular issues.<sup>5</sup> The Commission accords deference to the expertise of these Executive Branch agencies in identifying issues related to national security, law enforcement, foreign policy, or trade policy concerns raised by the relevant Executive Branch agencies.<sup>6</sup> The Commission, however, ultimately makes an independent decision on the application based on the record in the proceedings.<sup>7</sup>

Pursuant to Commission practice, the Application and the associated international application, IB File No. ITC-T/C-20211105-00179, were referred to the relevant Executive Branch agencies for their review of any national security, law enforcement, foreign policy, or trade policy concerns related to the foreign ownership of the Applicants.<sup>8</sup> On December 3, 2021, the Committee notified the Commission that it was reviewing the Application for any national security and law enforcement concerns that may be raised by foreign participation in the United States telecommunications services sector and requested that the Commission defer action on the Application.<sup>9</sup> We deferred action in response to this request from the Committee. On March 25, 2022, the Committee notified the Commission that the Applicants had provided complete responses to initial questions posed by the Committee and that the Committee was conducting an initial review to assess whether granting the Application would pose a risk to the national security or law enforcement interests of the United States.<sup>10</sup>

In the Committee Petition, the Committee advises the Commission that it has no objection to the

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<sup>4</sup> See *Process Reform for Executive Branch Review of Certain FCC Applications and Petitions Involving Foreign Ownership*, IB Docket 16-155, Report and Order, 35 FCC Rcd 10927 (2020) (setting rules and procedures for referring applications for Executive Branch review consistent with Executive Order No. 13913) (*Executive Branch Review Order*); *Rules and Policies on Foreign Participation in the U.S. Telecommunications Market; Market Entry and Regulation of Foreign-Affiliated Entities*, Report and Order and Order on Reconsideration, 12 FCC Rcd 23891, 23918-21, paras. 59-66 (1997) (*Foreign Participation Order*), *recon. denied*, 15 FCC Rcd 18158 (2000) (in opening the U.S. telecommunications market to foreign entry in 1997, the Commission affirmed that it would consider national security, law enforcement, foreign policy, and trade policy concerns related to reportable foreign ownership as part of its overall public interest review of application for international section 214 authority, submarine cable landing licenses, and declaratory rulings to exceed the foreign ownership benchmarks of section 310(b) of the Act). See also *Applications of T-Mobile US, Inc. and Sprint Corporation for Consent to Transfer Control of Licenses and Authorizations, et al.*, WT Docket 18-197, Memorandum Opinion and Order, Declaratory Ruling, and Order of Proposed Modification, 34 FCC Rcd 10578, 10732-33, para. 349 (2019) (*T-Mobile/Sprint Order*).

<sup>5</sup> See *Executive Branch Review Order*, 35 FCC Rcd at 10935-36, paras. 17, 24.

<sup>6</sup> *Id.* at 10930, para. 7 (citing *Foreign Participation Order*, 12 FCC Rcd at 23920-21, paras. 65-66; *Amendment of the Commission's Regulatory Policies to Allow Non-U.S. Licensed Space Stations to Provide Domestic and International Satellite Service in the United States; Amendment of Section 25.131 of the Commission's Rules and Regulations to Eliminate the Licensing Requirement for Certain International Receive-Only Earth Stations*, IB Docket No. 96-111, CC Docket No 93-23, RM-7931, Report and Order, 12 FCC Rcd 24094, 24171-72, paras. 179, 182 (1997)). See also *T-Mobile/Sprint Order*, 34 FCC Rcd at 10733, paras. 349; *Review of Foreign Ownership Policies for Broadcast, Common Carrier and Aeronautical Radio Licensees under Section 310(b)(4) of the Communications Act of 1934, as Amended*, Report and Order, 31 FCC Rcd 11271, 11277, para. 6 (2016), *Pet. for recon. dismissed*, 32 FCC Rcd 4780 (2017).

<sup>7</sup> 47 CFR § 1.40001(b) (“The Commission will consider any recommendations from the [E]xecutive [B]ranch on pending application(s) . . . that may affect national security, law enforcement, foreign policy, and/or trade policy as part of its public interest analysis. The Commission will evaluate concerns raised by the [E]xecutive [B]ranch and will make an independent decision concerning the pending matter.”).

<sup>8</sup> See 2021 Public Notice at 3.

<sup>9</sup> Letter from Christine M. Quinn, Department of Justice, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 21-436; ITC-T/C-20211105-00179, and Attach. (filed Dec. 3, 2021).

<sup>10</sup> Letter from Christine M. Quinn, Department of Justice, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 21-436; ITC-T/C-20211105-00179, and Attach. (filed Mar. 25, 2022).

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Commission granting the Application provided that the Commission conditions its approval on the assurances “of Hummingbird Circle, LLC (Hummingbird Circle) to abide by the commitments and undertakings set forth in the July 5, 2022, Letter of Agreement (LOA)” attached to the Committee Petition.<sup>11</sup>

In accordance with the request of the Committee, and in the absence of any objection from the Applicants, we grant the Committee Petition, and, accordingly, we condition grant of the transfer of domestic section 214 authority on compliance by the Applicants with the commitments and undertakings set out in the LOA that apply to the Application.<sup>12</sup> A failure to comply with and/or remain in compliance with any of the provisions of the LOA shall constitute a failure to meet a condition of this grant and the underlying authorizations and licenses and thus grounds for declaring the underlying authorizations and licenses terminated without further action on the part of the Commission. Failure to meet a condition of this grant and the underlying authorizations and licenses may also result in monetary sanctions or other enforcement action by the Commission.

**Grant of Application, Subject to Condition**

We find, upon consideration of the record, that the proposed transfer will serve the public interest, convenience, and necessity.<sup>13</sup> This grant of the Application is conditioned as set out in this Public Notice.

Pursuant to sections 214 of the Act, 47 U.S.C. §§ 214 and sections 0.91, 0.291, 63.03, and 63.04 of the Commission’s rules, 47 CFR §§ 0.91, 0.291, 63.03-63.04, we grant the Application with the condition described above. Pursuant to section 1.103 of the Commission’s rules, 47 CFR § 1.103, the consent granted herein is effective upon the release of this Public Notice. Petitions for reconsideration under section 1.106 or applications for review under section 1.115 of the Commission’s rules, 47 CFR §§ 1.106, 1.115, may be filed within 30 days of the date of this Public Notice.

Pursuant to sections 4(i)-(j) and 214(a), of the Communications Act of 1934, as amended, 47 U.S.C. §§ 154(i)-(j) and 214(a), and sections 63.03-63.04, of the Commission’s rules, 47 C.F.R. §§ 63.03-63.04, we grant the Committee Petition to Adopt Conditions to Authorization and License filed by the NTIA. Grant of the Application is conditioned upon compliance by the Applicants with the Letter of Agreement from James Tonks, IPC Companies, James Dougherty, Hummingbird Circle, LLC, and Jared S. Hendricks (authorized signatory), CCP II Finco LLC, to Chief, Foreign Investment Review Section (FIRS) and Deputy Chief, Compliance and Enforcement (FIRS), on behalf of the Assistant Attorney General for National Security, National Security Division, United States Department of Justice, dated July 5, 2022. Any failure to comply and/or remain in compliance with any of the conditions set out in the Public Notice shall constitute a failure to meet a condition of the grant and the underlying authorizations and licenses and thus grounds for declaring the authorizations and licenses terminated without any further action on the part of the Commission. Failure to meet a condition of the grant and the underlying authorizations and licenses may also result in monetary sanctions or other enforcement action by the Commission.

For further information, please contact Dennis Johnson, Wireline Competition Bureau, (202) 418-0809.

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<sup>11</sup> Committee Petition at 1.

<sup>12</sup> *T-Mobile/Sprint Order*, 34 FCC Rcd at 10732-33, para. 349; *Foreign Participation Order*, 12 FCC Rcd at 23918-21, paras. 59-66.

<sup>13</sup> See 47 U.S.C. § 214(a); 47 CFR § 63.03.

## **EXHIBIT C**

# **SVPGLOBAL ESG STATEMENT**

**March 31, 2021**

## **INTRODUCTION**

Since the inception of our firm in 2001, SVP Global has used our investment capabilities to deliver strong investment results without undue risk for clients through market cycles.

As illustrated below, we began incorporating ESG observations for prospective investments in 2012 and have increased our level of ESG engagement meaningfully since then in our investment process and especially in our control investments.

As of December 2020, SVPGlobal is a signatory to the United Nations-supported Principles for Responsible Investment ("UN PRI").

We are also committed as a firm to create a diverse and inclusive workplace and society. We have set out a 1-, 5- and 10-year roadmap defining new ways of doing business to achieve our vision.

## **BELIEFS**

Integrating Environmental, Social and Governance standards across our investments, especially with our control portfolio companies, as well as SVP's business practices is aligned with our firm's ethical culture, investment value creation and the following core beliefs:

- ESG risks are financial risks
- ESG factors can positively impact financial value creation as well as limit downside outcomes

## **INVESTMENT PROCESS**

- We integrate ESG considerations across our investment screening and due diligence for all investments and ownership for control investments. ESG sensitivity is reviewed within the context of each specific investment
- ESG **sensitive business guidelines** steer our analysts' initial ESG risk assessment
- Full investment due diligence includes detailed review of **material ESG factors** in developing each position's investment thesis
- We most directly promote/ monitor ESG considerations where we have control or significant influence

- **ESG KPIs** are incorporated across all control investments in value creation plans based on materiality
- We are committed to transparently **reporting** on progress

## **GOVERNANCE**

We see ESG integration as core to achieving our firm mission and as such, ESG policies and progress towards integration receives the highest level of attention from senior management. Our ESG Steering Committee reports to senior management and comprises the most senior investment and business leaders. Our entire investment team is engaged in reviewing ESG factors for all our investments, and we have designated Champions within the team to lead the internal effort. Our operating team works closely with Portfolio investment chairs and senior management to integrate ESG within our control investments.

## **ESG for SVP BUSINESS:**

We align SVP's own business practices with our broader ESG commitment.

### **Environmental:**

Identify and manage climate-related risks and opportunities that are material in the operation of our business. Monitor changes in legal and regulatory risks

### **Social:**

See our Diversity & Inclusion Statement

### **Governance:**

Senior investment and business leaders set policies, provide oversight, and coordinate activities

- **ESG Steering Committee**
- **Diversity & Inclusion Council**
- **Employee Resource Group** fosters inclusive environment
- Annual meetings with **key industry eco-system partners** across our eco-system to review/share progress on commitments