



UT-121243

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July 26, 2012

**VIA UPS OVERNIGHT MAIL**

David Danner  
Executive Director  
Washington Utilities and Transportation Commission  
1300 South Evergreen Park Dr. SW  
Olympia, WA 98504-7250

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2012 JUL 27 AM 11:51  
STATE OF WASH  
UTIL. AND TRANSP  
COMMISSION

Re: Notice of Anticipated Indirect Change of Control of Astound Broadband, LLC

Dear Mr. Danner:

Astound Broadband, LLC (“Astound” or “Licensee”), WaveDivision Holdings, LLC, (“Wave Parent” or “Transferor”), and OH WDH Holdco, LLC (“Oak Hill Holdco” or “Transferee”) hereby notify the Washington Utilities and Transportation Commission (“Commission”) of an indirect change in control of Astound Broadband, LLC.

The parties to this transaction are not seeking the Commission’s review or approval of this transaction. Because Astound is a competitively classified company, no formal approval by the Commission is necessary. See WAC 480-121-063(1)(k) (waiving RCW Chapter 80.12 and WAC Chapter 480-143 for “competitively classified companies”). Thus, this notice and background information is simply provided as a courtesy to the Commission.

**BACKGROUND**

Astound was granted registration as a competitive telecommunications company by the Commission effective February 28, 2009 in Docket UT-090160. Astound provides wholesale telecommunications services which are used as inputs to providers of interconnected VoIP services to residential and business customers in Washington, as well as in California and Oregon. In addition, Astound has applied for, and expects to obtain, authority to provide similar wholesale telecommunications services in Maryland. Astound also owns and controls 100% of the issued and outstanding shares of Wave Business Services, LLC, a U.S. entity formed under the laws of Washington as a limited liability company, with principal offices at 401 Kirkland Parkplace, Suite 500, Kirkland, WA 98033, which owns and operates communications conduit and dark fiber facilities in Oregon and Washington.

Astound is a U.S. entity formed under the laws of Washington, as a limited liability company, with principal offices at 401 Kirkland Parkplace, Suite 500, Kirkland, WA 98033.

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Astound is a wholly-owned subsidiary of Wave Parent, which owns and controls 100% of the issued and outstanding equity ownership interests of Astound.

Wave Parent is a U.S. entity formed under the laws of Delaware, as a limited liability company, with principal offices at 401 Kirkland Parkplace, Suite 500, Kirkland, WA 98033. Wave Parent owns and operates a multi-service communications business which provides cable television, broadband Internet access, and voice over Internet Protocol (VoIP) services to residential and commercial subscribers.

Oak Hill Holdco, is a limited liability company, formed under the laws of Delaware, with principal offices at 201 Main Street, Suite 1018, Fort Worth, TX 76102. Oak Hill Holdco was formed for the purpose of acquiring Wave Parent, and is majority-owned and controlled by various Cayman Islands private equity funds, including Oak Hill Capital Partners III, L.P. and Oak Hill Capital Partners III (AIV I), L.P. These funds are all managed and controlled by private equity fund manager OHCP MGP III, Ltd., the voting members of which are all U.S. citizens. The equity in these Oak Hill private equity funds is held by numerous, primarily U.S.-based investors, including individuals, trusts, institutions and business entities.

### THE TRANSACTION

Pursuant to a Unit Purchase Agreement dated May 30, 2012 (“Purchase Agreement”) among Wave Parent; each of the parties holding equity ownership interests in Wave Parent, as sellers;<sup>1</sup> and Transferee, as purchaser, Wave Parent will become a wholly-owned subsidiary of Transferee and Transferee will thereby acquire control of Licensee. In short, the proposed transaction will result in a change in the ultimate control of Licensee. However, Astound’s registration and operations as a competitive telecommunications company will continue unchanged. The transaction will not cause any immediate change in the direct ownership or legal structure of the Licensee.

Immediately upon the closing of the transaction, Astound’s management, operations, and service offerings will remain intact and continue as is, without change. Thus, this transaction will not, upon closing, result in a change in the current Licensee’s operations. Further, Astound will continue to provide service to existing customers pursuant to the current rates, terms and conditions of such services. Future changes in those rates, terms and conditions, if any, will be undertaken pursuant to the applicable federal and state notice and tariff requirements. The transaction will be transparent to customers as there will be no interruption or disruption of service to customers.

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<sup>1</sup> The other sellers are Sandler Capital Partners V, L.P., SCP V FTE WaveDivision Holdings, L.P., SCP V Germany WaveDivision Holdings, L.P., WaveDivision Capital, LLC, WaveDivision Networks, LLC, and Steve C. Friedman.  
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The aforementioned transaction will serve the public interest. Under new ultimate ownership, Licensee will continue to provide high-quality telecommunications services, while gaining access to the additional resources and operational expertise of Transferee. The transfer of control, therefore, will give Licensee the ability to become a stronger competitor, to the ultimate benefit of consumers. As a result, the transaction will strengthen Licensee's ability to compete with other, much larger telecommunications providers in Washington and elsewhere, to the benefit of consumers and the telecommunications marketplace.

Astound's contact information, which remains unchanged, is:

Astound Broadband, LLC  
401 Kirkland Parkplace, Suite 500  
Kirkland, WA 98033  
(Tel.) 425-576-8200

Correspondence concerning this notice should be sent to:

For Transferor:

K.C. Halm  
Davis Wright Tremaine LLP  
Suite 800  
1919 Pennsylvania Avenue, N.W.  
Washington, D.C. 20006-3402  
(202) 973-4242 (Tel)  
(202) 973-4499 (Fax)  
kchalm@dwt.com

With copies to:

Jim Penney  
WaveDivision Holdings, LLC  
Exec. V.P., Business and Legal Affairs  
401 Kirkland Parkplace, Suite 500  
Kirkland, WA 98033  
(425) 576-8300 (Tel)  
jpenney@wavebroadband.com

For Transferee:

Patrick S. Campbell  
Paul, Weiss, Rifkind, Wharton &  
Garrison LLP  
2001 K Street NW  
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(202) 204-7371 (Fax)  
pcampbell@paulweiss.com

With copies to:

Kevin G. Levy  
OH WDH Holdco, LLC  
c/o Keystone Group, L.P.  
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Fort Worth, TX 76102  
(817) 390-8503 (Tel)  
(817) 887-5876 (Fax)  
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Should you have any questions about this notice, please contact the undersigned, or the counsel for the Parties listed above. Thank you.

Respectfully submitted,

Davis Wright Tremaine LLP

A handwritten signature in cursive script that reads "Alan J. Galloway". The signature is written in black ink and is positioned above the printed name.

Alan J. Galloway

AJG/cap