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Our file no.: 0000321508

January 16, 2008

Via Overnight Delivery and Email

Ms. Carole J. Washburn, Executive Secretary
Washington Utilities and Transportation Commission
1300 South Evergreen Park Drive, S.W.
Olympia, Washington 98504

Re: Notification of the Indirect Transfer of Control of Broadview Networks, Inc.

Dear Ms. Washburn:

Broadview Networks Holdings, Inc. ("Broadview Holdings") and its subsidiary Broadview Networks, Inc. ("Broadview") (collectively, "Parties"), through their undersigned counsel, file this letter to advise the Washington Utilities and Transportation Commission ("Commission") of a transfer of control of the Broadview Holdings, and the indirect transfer of control of Broadview.¹

It is the Parties' understanding that Commission approval is not required to complete the transaction described herein. Accordingly, the Parties submit this letter for informational purposes only to ensure the continuing accuracy of the Commission's records. In support of this notification, the Parties state as follows:

Description of the Parties

Broadview Holdings is a privately held Delaware corporation with offices located at 800 Westchester Avenue, Suite N-501, Rye Brook, New York 10573. Broadview Holdings is the ultimate parent company of Broadview. Broadview is a network-based electronically integrated communications provider which serves small and medium-sized businesses in the northeastern and mid-Atlantic United States. Broadview is authorized to provide competitive telecommunications services in over 20 states and holds authority from the FCC to provide international and interstate service. In Washington, Broadview is

¹ On October 1, 2007, Broadview Holdings and its other subsidiaries operating in Washington, ATX Licensing, Inc. ("ATX") and BridgeCom International, Inc ("BridgeCom"), notified the Commission of the transaction described in this letter. When the notice letter regarding ATX and BridgeCom was filed, Broadview was not authorized by the Commission to provide telecommunications services in Washington and therefore was not included in the letter. The Parties file this letter to specifically notify the Commission of the transfer of control of Broadview.

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authorized as a competitive telecommunications carrier pursuant to its registration in Docket No. UT-072193, effective on December 13, 2007. Further information regarding Broadview's technical, managerial, and financial qualifications has been submitted previously to the Commission, is therefore a matter of public record, and is incorporated herein by reference.

Description of the Transaction

Broadview Holdings plans to conduct a public offering of Broadview Holdings' stock. The public offering will consist of the sale of both new shares of common stock and existing common stock currently owned by Broadview Holdings' existing stockholders. While Broadview Holdings will receive proceeds from the sale of new shares of its common stock, Broadview Holdings will not receive any of the proceeds from the sale of shares of its common stock by the existing stockholders of Broadview Holdings. The proceeds of the sale of new shares of common stock may be used for working capital and general corporate purposes, which may include funding capital expenditures, acquisitions and investments. As a result of the public offering, ownership of Broadview Holdings may be dispersed among multiple new shareholders and control of Broadview Holdings and its subsidiaries, including Broadview, and their respective Boards of Directors may be relinquished by its current owners.

The largest of the current owners of Broadview Holdings are Baker Capital (which controls approximately 15%) and MCG Capital Corporation (which controls approximately 47%). No other shareholder currently owns or controls 10% or greater of Broadview Holdings. MCG Capital Corporation controls more than 50.0% of the stock entitled to vote and is contractually entitled to appoint a majority of the Board of Directors of Broadview Holdings.

Following the public offering, it is not anticipated that any new shareholder would own 10% or more of Broadview Holdings, although Baker Capital and MCG Capital Corporation may each retain a 10% or greater stake in Broadview Holdings. The Parties therefore notify the Commission of the indirect transfer of control of Broadview that may result from the public offering.

Although the transaction may change the underlying ownership of Broadview Holdings, it is not anticipated that the transaction will change the day-to-day management and operations of Broadview Holdings or its licensed subsidiaries, including Broadview. It is anticipated that current management will remain in place and Broadview will continue to offer service with no change in the rates or terms and conditions of service. Therefore, any change in ownership is anticipated to be seamless and transparent to consumers in Washington.

Public Interest Statement

The Parties submit that the transaction described herein will serve the public interest. The proposed transaction will provide Broadview Holdings, as well as its subsidiaries, access to

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additional equity financing. Such financing will allow the Parties greater resources and flexibility to implement their business plans, ultimately making Broadview a stronger competitor to the benefit of Washington customers.

Further, the transaction will be conducted in a manner that is anticipated to be transparent to customers in Washington. A transfer of control of Broadview Holdings will not result in any transfer of authorizations. Following consummation of the proposed transactions, Broadview will continue to provide high-quality communications services to their customers without interruption and without immediate change in rates, terms or conditions.

* * * *

An original and one (1) copy of this letter are enclosed for filing. This letter is also being filed via email. Please date-stamp the enclosed the extra copy of this letter and return it in the attached self-addressed, stamped envelope provided. Please contact the undersigned if the Commission has any questions regarding this matter.

Respectfully submitted,


Catherine Wang
Brett P. Ferenehak
Kimberly A. Lacey

Counsel for the Parties

STATE OF NEW YORK
COUNTY OF WEST CHESTER

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VERIFICATION

I, Charles Hunter, state that I am Executive Vice President and General Counsel of Broadview Networks Holdings, Inc.; that I am authorized to make this Verification on behalf of Broadview Networks Holdings, Inc., and as the ultimate parent of the Broadview Networks, Inc., Broadview Networks, Inc.; that the foregoing filing was prepared under my direction and supervision; and that the contents are true and correct to the best of my knowledge, information, and belief.



Charles Hunter
Executive Vice President and General Counsel
Broadview Networks Holdings, Inc.

Sworn and subscribed before me this 14 day of December, 2007.



Notary Public

My commission expires 9/21/09

COREY RINKER
NOTARY PUBLIC, STATE OF NEW YORK
No. 02R16013491
QUALIFIED IN WESTCHESTER COUNTY
MY COMMISSION EXPIRES 9/21/2009