

# Morgan Lewis

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December 17, 2021

## **VIA ELECTRONIC FILING**

Public Utility Commission of Oregon  
201 High Street SE, Suite 100  
Salem, Oregon 97301-3398  
Attention: Filing Center

**Re: CP 1356 - Notice of Transfer of Direct Control of Stratus Networks,  
Inc. to Saturn Acquisition Company, Inc.**

Dear Sir or Madam:

This letter notifies the Public Utility Commission of Oregon ("Commission") that Saturn Acquisition Company, Inc. ("Acquisition Company") acquired direct control of Stratus Networks, Inc. ("Stratus Networks," and together with Acquisition Company, the "Parties") on December 15, 2021. Commission approval or prior notice was not required for the Transaction (as defined below). Accordingly, this letter is submitted for informational purposes.

### **Description of the Parties**

#### **A. Stratus Networks, Inc.**

Stratus Networks is an Illinois corporation with its business headquarters at 4700 North Prospect Lane, Peoria Heights, IL 61616. Stratus Networks was owned by John Petrakis and Kevin Morgan.

Stratus Networks offers competitive long distance, VoIP, private line, data and/or Internet services in approximately 35 states including Oregon. In Oregon, Stratus Networks is authorized to provide interexchange telecommunications services pursuant to a Certificate granted in Docket CP 1356 on March 29, 2007 in Order No. 07-113, as amended for a name change on March 11, 2013.

#### **B. Saturn Acquisition Company, Inc.**

Acquisition Company is a corporation formed under the laws of Delaware. Acquisition Company is a wholly owned indirect subsidiary of Saturn Networks Holdings, Inc., which is majority owned and controlled by Novacap Saturn Holdings, L.P., a limited partnership formed under the laws of the State of Delaware ("Novacap Saturn"), while the previous owners of Stratus Networks hold a minority, non-controlling interest in Acquisition Company. Novacap Saturn is, as discussed below, ultimately controlled by certain principals of Novacap Management Inc. ("Novacap"). Novacap is a leading North American-based private equity group founded in 1981 and has extensive experience purchasing, owning and operating diverse businesses, including its current ownership interest in, and control of, Horizon

Telecom, Inc. and its wholly-owned subsidiaries, Horizon Technology, Inc. and The Chillicothe Telephone Company, which primarily operate in Ohio.

### **Designated Contacts**

All correspondence and communications with respect to this Notice should be addressed or directed as follows:

For Stratus Networks to:

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with copies to:

Kevin Morgan  
Stratus Networks, Inc.  
4700 North Prospect Lane  
Peoria Heights, IL 61616  
[regulatory@stratusnet.com](mailto:regulatory@stratusnet.com)

For Acquisition Company to:

Sherrese Smith  
John Gasparini  
PAUL HASTINGS LLP  
2050 M Street, NW  
Washington, DC 20036  
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with copies to:

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Josiane Turcotte  
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3400, rue de l'Éclipse, Bur. 700  
Brossard, Québec, J4Z 0P3,  
Canada  
Phone: (450) 651-5000  
Fax: (450) 651-7585

### **Description of the Transaction**

Pursuant to the Purchase Agreement by and among Stratus Networks, certain of its affiliates, the previous owners of Stratus Networks, and Acquisition Company, dated as of October 14, 2021 (the "Agreement"), the Parties transferred control of the federal and state authorizations to provide telecommunications services held by Stratus Networks through a transaction by which Acquisition Company acquired 100% of the outstanding shares and membership interests in Stratus Networks (the "Transaction"). Stratus Networks became a direct, wholly-owned subsidiary of Acquisition Company. Novacap Saturn and ultimately Novacap control 58.4% of the equity of Acquisition Company post-closing, while the previous owners of Stratus Networks took a 41.6% interest in Acquisition Company.

Stratus Networks will continue to operate in the same service territories and will, in the immediate future, continue to provide services to its customers under the same rates and on

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the same terms and conditions following the Transaction as it did before the closing of the Transaction. There are no plans in place to transfer any of Stratus Networks' customers to a new carrier or to change any customer service or billing contact information as a result of the Transaction. Accordingly, the Transaction was transparent and seamless to consumers.

For the Commission's reference, please see the attached **Exhibit A** depicting the Pre- and Post-Transaction charts of Stratus Networks.

\* \* \* \*

Please acknowledge receipt and acceptance of this electronic filing. If you have any questions regarding this notification, please contact the undersigned.

Respectfully submitted,

/s/ Danielle Burt

Danielle Burt

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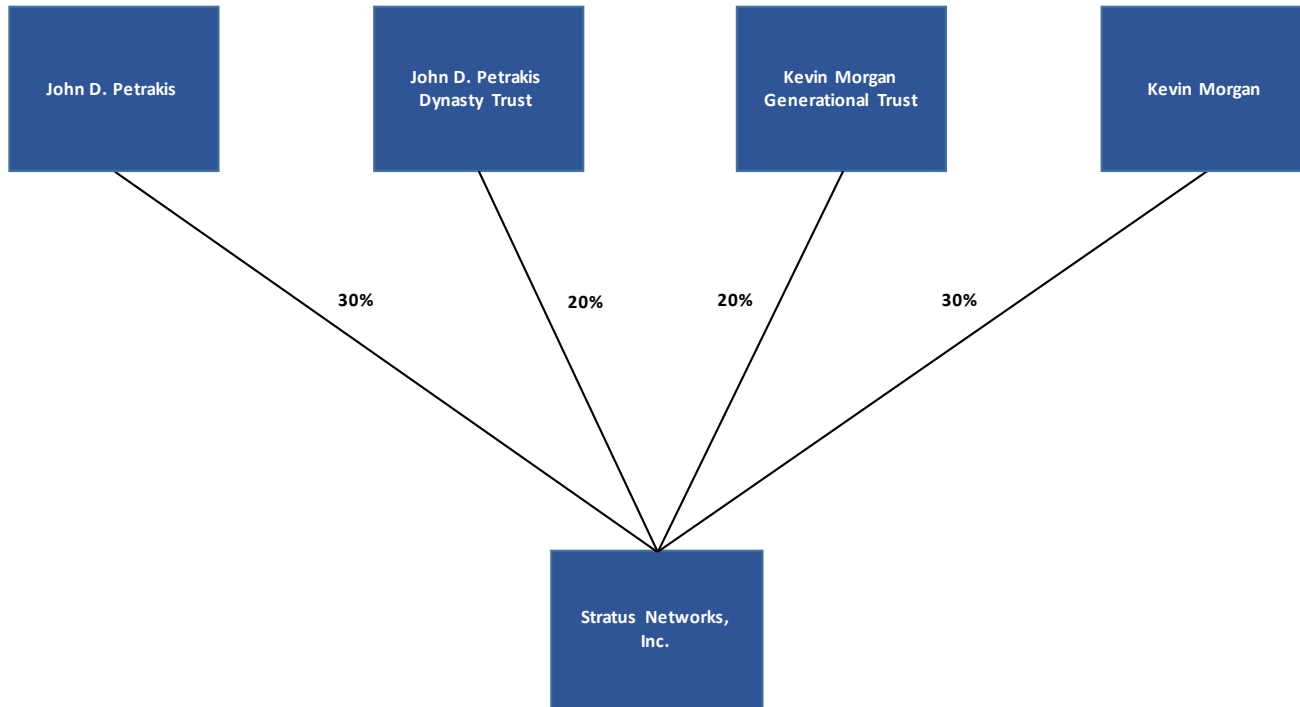
[thomas.garrity@morganlewis.com](mailto:thomas.garrity@morganlewis.com)

*Counsel for Stratus Networks, Inc.*

**EXHIBIT A**

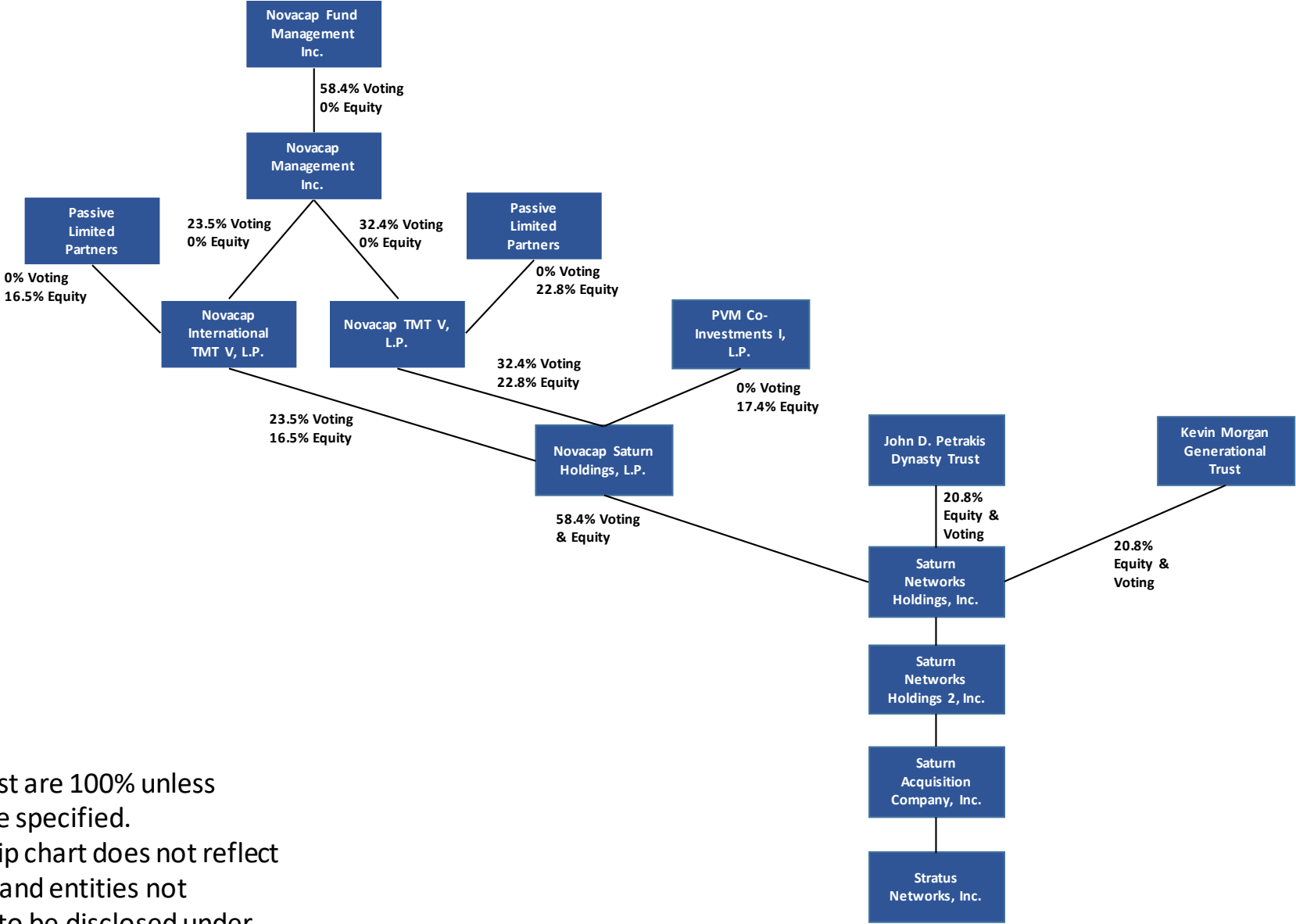
**Pre- and Post-Transaction Charts**

# Pre-Closing Organizational Chart



All percentages reflect both voting and equity interests.

# Post-Closing Organizational Chart



All interest are 100% unless otherwise specified.  
 Ownership chart does not reflect interests and entities not required to be disclosed under applicable Commission rules.