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## CLEC and Wireless Mergers and Acquisitions Process

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Version	Date	Updated by	Description
1.0	12/15/04	Jim Caldwell	Final Draft

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## Mergers and Acquisitions Procedures

**Description** The Mergers and Acquisitions Process is designed to assist Wholesale Customers during their merger, acquisition, and consolidation of accounts. The process supports all Wholesale Customers and provides instructions and guidance during the transaction.

The process begins with the acquiring CLEC or Wireless carrier contacting Windstream Wholesale Services to determine how the transaction will be managed. The acquiring CLEC or Wireless carrier will also be responsible for providing a spreadsheet inventory of the transferring assets. The CLEC or Wireless carrier will be provided a checklist to guide them through the process.

This process is an effort to provide comprehensive information useful during and at the conclusion of the Merger and Acquisition process. These pages contain the documents and forms essential to the process, frequently asked questions as well as a method to contact us for further assistance.

If you have any questions, please contact your Windstream Wholesale Services Support team via e-mail to [wci.wholesale.services@windstream.com](mailto:wci.wholesale.services@windstream.com) or visit web site [http://www.windstream.com/wireline\\_wholesale/wireline.html](http://www.windstream.com/wireline_wholesale/wireline.html) for additional information. Windstream will respond in 3 business days.

**Merger and Acquisition Definition** A merger is defined as the consolidation of two companies. In a merger, the merged company ceases to exist as a separate business and legal entity. The acquiring company assumes the assets, liabilities, franchises, and powers of the merged company by operation of law (i.e., automatically).

An acquisition applies when Company A acquires some or all of the property of company B. Typically asset acquisitions involve the transfer of some of the telephone "exchanges" operated by the selling company.

- Restrictions**
- No interruption or disconnection in service use.
  - No relocation of all existing service.
  - The new customer (Assignee) assumes all outstanding indebtedness for such services, any un-expired portion of the minimum period, and the termination liability (if any) associated with the services involved in the transfer. If the new customer does not agree to assume responsibility for all charges, Transfer of Service is not applicable and O (Out – Disconnect) orders & I (Install) are required.
  - An outright purchase
  - Acquisition of an existing business
  - The merging of two or more existing businesses
  - Establishment of a new/changed business structure; i.e.

**Ownership transfer** No service order(s) will be issued/released to execute a Transfer of Service prior to the receipt of proper written agreement from both the Assignor (former owner) and the Assignee (new owner). If the former company has already been dissolved, the Transfer Document will not be appropriate.

**Rates for changes** The cost of implementing the merger and acquisition changes within Windstream is dependent of the quantity and type of services involved in the merger and the tariff rates.

- Forms** The forms utilized are:
- Credit Profile
  - CLEC Profile or Wireless Profile
  - Transfer of Ownership of Records – Local UNE Loops
  - Transfer of Ownership of Records – Special Access Circuits
  - Transfer of Ownership of Records – Switched Access

## Process for CLEC and Wireless mergers and acquisitions

**Process Description**

The CLEC or Wireless carrier requesting the changes due to the merger or acquisition would follow these steps.

Step	Action
1	Contact Windstream according to the Interconnections Agreement. The Windstream Wholesale Services group will guide you through the process and advise where to submit forms.
2	Request and received approvals for the merger and acquisitions with appropriate local, state, and federal agencies including the PSC/PUC's.
3	Verify all NECA changes and additions.
4	Complete and submit to Windstream: <ul style="list-style-type: none"> <li>• Letter providing the details of the "assumption of services". Letter should be from the "acquiring" customer and on their letterhead.</li> <li>• Letter from the "acquired" customer on their letterhead with details of who is acquiring them and approval for Windstream to disclose current billed services, the monthly recurring charges, amounts in arrears, current balances.</li> <li>• Provide all legal names that are used or will be used in the application to Windstream. (Contact Wholesale Services for the Transfer Agreement)</li> <li>• Updated Credit Profile</li> <li>• Updated CLEC Profile or Updated Wireless Profile</li> </ul>
5	Provide inventory on Transfer of Ownership forms (spreadsheets) and include record changes for: <ul style="list-style-type: none"> <li>• Local service               <ul style="list-style-type: none"> <li>➢ UNE Loops</li> <li>➢ Resale</li> <li>➢ Facility based – Ported Only</li> </ul> </li> <li>• Special Access circuits</li> <li>• Switched Access (Trunking)</li> </ul>
6	Provide documentation on how the 'transferring' customer's ACNA and/or OCN will be used in the issuance of service orders, if applicable.
7	Update accounts to new provider. <ul style="list-style-type: none"> <li>• LSPAC will create Orders to transfer UNE Loops, Resale, and Facility based to new account.</li> <li>• ICSC will create Orders to transfer Special Access and Switched Access to the new account.</li> </ul>
8	For Collocates, complete the Collocation Process.

## Collocations Process

The CLEC will complete the following steps when a collocation is part of the merger or acquisition.

*Note:*

Where the customer has an existing collocation in a central office and the customer will be acquiring an additional collocation of the same type (physical or virtual) through a merger or acquisition, Windstream will have the option to request the consolidation of collocations into one space, where it is technically feasible.

Step	Action
1	Customer prepares a written application, but does not submit the application until the Transfer of Ownership agreement is finalized and the distribution of applications is authorized. (Collocation applications are in Microsoft Word and available from the Windstream Wholesale Services support team.)
2	Submit a Letter of Authorization (LOA) for the transfer and release of the of the collocation arrangement(s). <ul style="list-style-type: none"> <li>▪ Should be from the <b>transferring</b> customer on their letterhead.</li> <li>▪ Should include the Reference Number for each arrangement.</li> </ul>
3	Submit a letter providing the details of the "assumption of services". <ul style="list-style-type: none"> <li>▪ Should be from the <b>acquiring</b> customer on their letterhead.</li> <li>▪ Should document how the transferring customer's ACNA will be used in the issuance of service orders for services.</li> </ul>
4	Submit a complete list of the Collocation Billing Account Numbers (BANS) that will be transferred.
5	Submit a complete list of all terminations (CFA) and circuits for each arrangement that will be transferred. <ul style="list-style-type: none"> <li>▪ Use the attached template and provide all requested information.</li> </ul>
6	Complete Transfer Ownership Agreement including all information and details. Sign agreement and submit a copy of the Collocation application to transfer ownership for each collocation arrangement being transferred.
7	Submit a Virtual Collocation Equipment Inventory/Acceptance List for each virtual collocation arrangement.
8	Contact your Contract Negotiator to discuss any necessary contractual revisions.
9	The customer (buyer) and/or certified vendor is responsible for ALL re-stenciling. This includes, but is not limited to, Virtual equipment and/or cable/pair interconnection points.

## Checklist

**CLEC or Wireless Checklist**      The following checklist should guide the CLEC or Wireless carrier through the mergers and acquisitions process.

<input type="checkbox"/>	Contact Windstream Wholesale Services for forms and spreadsheets
<input type="checkbox"/>	Request and receive regulatory approvals
<input type="checkbox"/>	Verify NECA Charges and Additions
<input type="checkbox"/>	Letter from the "acquired" customer on their letterhead with details of who is acquiring them and approval for Windstream to disclose current billed services, the monthly recurring charges, amounts in arrears, current balances.
<input type="checkbox"/>	Letter providing the details of the "assumption of services" to Windstream on acquiring company letterhead. Include all legal names that will be used.
<input type="checkbox"/>	Contact your Contract Negotiator to discuss any necessary contractual revisions.
<input type="checkbox"/>	Submit updated Credit Profile
<input type="checkbox"/>	Submit updated CLEC Profile
<input type="checkbox"/>	Submit Transfer of Ownership document
<b>Provide inventory on change of ownership forms (spreadsheets) for:</b>	
<input type="checkbox"/>	Local services inventory <ul style="list-style-type: none"> <li>➤ UNE Loops</li> <li>➤ Resale</li> <li>➤ Facility based – Ported Only</li> </ul>
<input type="checkbox"/>	Special Access circuits Inventory
<input type="checkbox"/>	Switched Access inventory (including trunking)
<input type="checkbox"/>	Document how the 'transferring' customer's ACNA and/or OCN will be used in the issuance of service orders, if applicable.
<b>Collocate</b>	
<input type="checkbox"/>	Collocate written application
<input type="checkbox"/>	Submit LOA (Letter of Authorization) from transferring company
<input type="checkbox"/>	Submit letter from acquiring company
<input type="checkbox"/>	Collocation BANS (Billing Account Numbers)
<input type="checkbox"/>	Submit a complete list of all terminations (CFA) and circuits for each arrangement that will be transferred.
<input type="checkbox"/>	Submit a hard copy of the application to transfer ownership for each collocation arrangement being transferred once the Transfer Agreement has been signed and all information and details are complete.
<input type="checkbox"/>	Submit a Virtual Collocation Equipment Inventory/Acceptance List for each virtual collocation arrangement.
<input type="checkbox"/>	Re-stenciling - This includes, but is not limited to, Virtual equipment and/or cable/pair interconnection points. CLEC's responsibility.

## Glossary

**Merger** - The consolidation of two companies. In a merger, the merged company ceases to exist as a separate business and legal entity. The surviving company assumes the assets, liabilities, franchises, and powers of the merged company by operation of law (i.e., automatically)

**Asset acquisition** - Company A acquires some or all of the property of company B. Typically asset acquisitions involve the transfer of some of the telephone "exchanges" operated by the selling company.

**Company** - A legal entity, formed under the laws of a particular state usually to operate a business of some type (e.g., provision of telephone service). Other types of legal entities that may perform similar functions include cooperatives, partnerships, limited liability corporations (LLCs), sub chapter S corporations, etc. For simplicity, all are referred to as "companies" in this document. As a legal entity, a "company" has the status similar to a person and can sign contracts, employ people, own assets (including other companies), and buy and sell goods and services.

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## FAQ's

**Question 1:** My company, 123 Telecom, has just merged with XYZ Telecom. What do I need to do to get their customers brought over to 123 Telecom's ACNA?

**Answer:** If you are a CLEC- then refer to the notices section in your ICA.

**Question 2:** If my company has merged in the corporate world, why do I have to go through a merger process with Windstream?

**Answer:** If Windstream is not notified, you will still operate as separate entities.

**Question 3:** My company, 123 Telecom, already does business with Windstream and the company we just merged with, XYZ Telecom, does as well. Why are we charged to go through the merger process with Windstream?

**Answer:** There are costs associated with the changes that Windstream must make to align our records with the new single entity.

**Question 4:** Why do I need to provide a list of customers/circuits to Windstream in order to combine my inventory?

**Answer:** Windstream requires an explicit listing of all products that are affected by the merger or acquisition to ensure that the assets you have acquired are correctly identified.

**Question 5:** My company already has a deposit on file with Windstream. Why do I have to go through the credit process again now that my company has been through a merger or acquisition?

**Answer:** You are assuming additional assets that may require analysis.

**Question 6:** My company just merged with another provider. We both currently have PSC certification. Do we have to contact the PSC/Regulatory boards about our merger?

**Answer:** Yes

**Question 7:** My company has not kept very good records over the years. What can I do if I cannot provide Windstream an acceptable inventory of my circuits/customers?

**Answer:** Windstream has an internal organization that will assist you in preparing the inventory.

**Question 8:** How long will the Windstream mergers and acquisitions process take?

**Answer:** The timeframes are dependent upon the types and quantities of services impacted by the merger or acquisition.

**Question 9:** What will the Windstream merger and acquisition process cost?

**Answer:** The rates are dependent upon the services that are impacted by the merger or acquisition.

**Question 10:** Can my Windstream Wholesale Services Group handle this process for me?

**Answer:** Your merger and acquisition process involves many Windstream representatives, of which your Wholesale Services Group is one.

**Question 11:** What documentation should I provide to Windstream to begin the merger and acquisition process?

**Answer:** Please refer to the section “Process for CLEC’s requesting change”.

**Question 12:** Will new account numbers be assigned after completion of the merger or acquisition?

**Answer:** Establishment of new accounts or use of existing accounts is dependent on the merger or acquisition activities and will be communicated to you via the Merger and Acquisition teams.

**Question 13:** How can I be assured that the merger and acquisition process is complete?

**Answer:** Wholesale Services will coordinate the merger on your behalf and contact you during the process and upon completion.