



March 13, 2019  
Via Overnight Delivery

Mr. Adam Teitzman, Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

**REDACTED**

**RE: CTI Fiber Services, LLC  
Application for Authority to Provide Telecommunications Company Service Within the State of Florida**

Dear Mr. Teitzman:

Enclosed for filing please find (1) copy of the Application for Original Authority to Provide Telecommunications Service In the State of Florida submitted on behalf of CTI Fiber Services, LLC and (1) copy of the supporting Exhibits. A check in the amount of \$500.00 has already been submitted to the Commission for this filing.

Also enclosed, pursuant to the requirements of Rule 25-22.006(5)(a), are one (1) highlighted copy and two (2) redacted copies of the financial statements of CTI Fiber Services, LLC. The enclosed material is confidential and should be treated accordingly pursuant to Chapter 364.183(1), Florida Statutes.

Please acknowledge receipt of this filing by date-stamping the extra copy of this cover letter and returning it to me in the self-addressed, stamped envelope provided for that purpose.

Any questions you may have regarding this filing should be directed to my attention at 407-740-3004. Thank you for your assistance in this matter.

Sincerely,

Nelson Fernandez  
Consultant

tms: FLx1900

Enclosures  
NF/sw

COM \_\_\_\_\_  
AFD \_\_\_\_\_  
APA \_\_\_\_\_  
ECO \_\_\_\_\_  
ENG \_\_\_\_\_  
GCL \_\_\_\_\_  
IDM   L    
CLK \_\_\_\_\_

RECEIVED-FPSC  
2019 MAR 14 AM 10:04  
COMMISSION  
CLERK

# FLORIDA PUBLIC SERVICE COMMISSION

## OFFICE OF INDUSTRY DEVELOPMENT AND MARKET ANALYSIS

### APPLICATION FOR ORIGINAL AUTHORITY OR TRANSFER OF AUTHORITY TO PROVIDE TELECOMMUNICATIONS SERVICE IN THE STATE OF FLORIDA

---

#### INSTRUCTIONS

This form should be used as the application for an original certificate and transfer of an existing certificate (from a Florida certificated company to a non-certificated company). In the case of a transfer, the information shall be provided by the transferee. If you have other questions about completing the form, call **(850) 413-6600**.

Print or type all responses to each item requested in the application. If an item is not applicable, please explain. All questions must be answered. If unable to answer the question in the allotted space, please continue on a separate sheet.

Once completed, submit the **original and one copy** of this form along with a **non-refundable** fee of **\$500.00** to:

**Florida Public Service Commission  
Office of Commission Clerk  
2540 Shumard Oak Blvd.  
Tallahassee, Florida 32399-0850  
(850) 413-6770**

# APPLICATION

This is an application for (check one):

**Original certificate** (new company)

**Approval of transfer of existing certificate:** Example, a non-certificated company purchases an existing company and desires to retain the original certificate rather than apply for a new certificate.

Please provide the following:

1. Full name of company, including fictitious name(s), that must match identically with name(s) on file with the Florida Department of State, Division of Corporations registration:

CTI Fiber Services, LLC

2. The Florida Secretary of State corporate registration number:

M19000000407

3. F.E.I. Number: 83-1655413

4. Structure of organization:

The company will be operating as a:  
(Check all that apply):

- |  |  |
|--|--|
| <input type="checkbox"/> Corporation               | <input type="checkbox"/> General Partnership                     |
| <input type="checkbox"/> Foreign Corporation       | <input type="checkbox"/> Foreign Partnership                     |
| <input type="checkbox"/> Limited Liability Company | <input type="checkbox"/> Limited Partnership                     |
| <input type="checkbox"/> Sole Proprietorship       | <input checked="" type="checkbox"/> Other, please specify below: |
|  | Foreign LLC  |

**If a partnership**, provide a copy of the partnership agreement.

**If a foreign limited partnership**, proof of compliance with the foreign limited partnership statute (Chapter 620.169, FS). The Florida registration number is: \_\_\_\_\_

5. Who will serve as point of contact to the Commission in regard to the following?

(a) This application:

Name: Nelson Fernandez  
Title: Consultant to CTI Fiber Services  
Street Address: 151 Southhall Lane, Suite 450  
Post Office Box:  
City: Maitland  
State: Florida  
Zip: 32751  
Telephone No.: 407-740-3004  
Fax No.: 407-740-0613  
E-Mail Address: nfernandez@inteserra.com

(b) Ongoing operations of the company:

(This company liaison will be the point of contact for FPSC correspondence. This point of contact can be updated if a change is necessary but this must be completed at the time the application is filed).

Name: Lisa Linares  
Title: VP of Strategic Initiatives  
Street Address: 5000 CentreGreen Way, Suite 325  
Post Office Box:  
City: Cary  
State: North Carolina  
Zip: 27513  
Telephone No.: 919-893-2841  
Fax No.:  
E-Mail Address: llinares@ctitowers.com  
Company Homepage: <http://www.ctitowers.com/>

(c) Optional secondary point of contact or liaison:

(This point of contact will not receive FPSC correspondence but will be on file with the FPSC).

Name: None.  
Title:  
Street Address:  
Post Office Box:  
City:  
State:  
Zip:  
Telephone No.:  
Fax No.:  
E-Mail Address:

6. Physical address for the applicant that will do business in Florida:

Street address: 5000 CentreGreen Way, Suite 325  
City: Cary  
State: North Carolina  
Zip: 27513  
Telephone No.: 919-893-2841  
Fax No.:  
E-Mail Address: llinares@ctitowers.com

7. List the state(s), and accompanying docket number(s), in which the applicant has:

(a) **operated** as a telecommunications company. \_\_\_\_\_  
None.

(b) **applications pending** to be certificated as a telecommunications company.  
Arizona, North Carolina, Tennessee.

(c) **been certificated** to operate as a telecommunications company. \_\_\_\_\_  
None.

(d) **been denied authority** to operate as a telecommunications company and the  
circumstances involved. \_\_\_\_\_  
None.

(e) **had regulatory penalties imposed** for violations of telecommunications  
statutes and the circumstances involved. \_\_\_\_\_  
None.

(f) **been involved in civil court proceedings** with another telecommunications  
entity, and the circumstances involved. \_\_\_\_\_  
None.

8. The following questions pertain to the officers and directors. Have any been:

(a) adjudged bankrupt, mentally incompetent (and not had his or her competency  
restored), or found guilty of any felony or of any crime, or whether such actions may  
result from pending proceedings?  Yes  No

If yes, provide explanation.

(b) granted or denied a certificate in the State of Florida (this includes active and  
canceled certificates)?  Granted  Denied  Neither

If granted provide explanation and list the certificate holder and certificate number.

---

---

If denied provide explanation.

---

---

(c) an officer, director, and partner in any other Florida certificated telecommunications company?  Yes  No

If yes, give name of company and relationship. If no longer associated with company, give reason why not.

---

---

9. Florida Statute 364.335(1)(a) requires a company seeking a certificate of authority to demonstrate its managerial, technical, and financial ability to provide telecommunications service.

**Note:** *It is the applicant's burden to demonstrate that it possesses adequate managerial ability, technical ability, and financial ability. Additional supporting information may be supplied at the discretion of the applicant. For the purposes of this application, financial statements MUST contain the balance sheet, income statement, and statement of retained earnings.*

- (a) **Managerial ability:** An applicant must provide resumes of employees/officers of the company that would indicate sufficient managerial experiences of each. Please explain if a resume represents an individual that is not employed with the company and provide proof that the individual authorizes the use of the resume.
- (b) **Technical ability:** An applicant must provide resumes of employees/officers of the company that would indicate sufficient technical experiences or indicate what company has been contracted to conduct technical maintenance. Please explain if a resume represents an individual that is not employed with the company and provide proof that the individual authorizes the use of the resume.
- (c) **Financial ability:** An applicant must provide financial statements demonstrating financial ability by submitting a balance sheet, income statement, and retained earnings statement. An applicant that has audited financial statements for the most recent three years must provide those financial statements. If a full three years' historical data is not available, the application must include both historical financial data and pro forma data to supplement. An applicant of a newly established company must provide three years' pro forma data. If the applicant does not have audited financial statements, it must be so stated and signed by either the applicant's chief executive officer or chief financial officer affirming that the financial statements are true and correct.

10. Where will you officially designate as your place of publicly publishing your schedule a/k/a tariffs or price lists)? (Tariffs or price lists MUST be publicly published to comply with Florida Statute 364.04).

Florida Public Service Commission

Website – Please provide Website address: <http://www.ctitowers.com/>

Other – Please provide address: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**THIS PAGE MUST BE COMPLETED AND SIGNED**

**REGULATORY ASSESSMENT FEE:** I understand that all telecommunications companies must pay a regulatory assessment fee. A minimum annual assessment fee, as defined by the Commission, is required.

**RECEIPT AND UNDERSTANDING OF RULES:** I understand the Florida Public Service Commission's rules, orders, and laws relating to the provisioning of telecommunications company service in Florida.

**APPLICANT ACKNOWLEDGEMENT:** By my signature below, I, the undersigned owner or officer, attest to the accuracy of the information contained in this application and attached documents and that the applicant has the technical ability, managerial ability, and financial ability to provide telecommunications company service in the State of Florida. I have read the foregoing and declare that, to the best of my knowledge and belief, the information is true and correct. I have the authority to sign on behalf of my company and agree to comply, now and in the future, with all applicable Commission rules, orders and laws.

Further, I am aware that, pursuant to Chapter 837.06, Florida Statutes, "***Whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his or her official duty shall be guilty of a misdemeanor of the second degree, punishable as provided in s. 775.082 and s. 775.083.***"

I understand that any false statements can result in being denied a certificate of authority in Florida.

COMPANY OWNER OR OFFICER

Print Name: Lisa Linares  
Title: VP of Strategic Initiatives  
Telephone No.: 919-893-2841  
E-Mail Address: llinares@ctitowers.com

Signature:  Date: 3/13/2019



## CERTIFICATE TRANSFER

As current holder of Florida Public Service Commission Certificate Number \_\_\_\_\_,  
I have reviewed this application and join in the petitioner's request for a transfer of the  
certificate.

### COMPANY OWNER OR OFFICER

Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Street/Post Office Box: \_\_\_\_\_  
City: \_\_\_\_\_  
State: \_\_\_\_\_  
Zip: \_\_\_\_\_  
Telephone No.: \_\_\_\_\_  
Fax No.: \_\_\_\_\_  
E-Mail Address: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**CTI FIBER SERVICES**

**EXHIBIT A**

**MANAGERIAL AND TECHNICAL CAPABILITY**

The attached resumes of key management demonstrate that CTI Fiber Services has sufficient managerial and technical capabilities to provide local exchange telecommunications services in Florida.

***Anthony Peduto, CEO***

Tony was named CEO of CTI Towers during the formation of the company and led the effort in the company's sale of 300 towers in March 2015, to Insite Wireless Group. Tony was the former COO of Optasite where he managed the company's operations and tower development in the U.S., Puerto Rico and the U.S.V.I., prior to the company's sale to SBA for \$430M in 2008. Tony also served five years as Vice President of the West and Northeast Regions of American Tower. His involvement with other successful telecommunications and cable television enterprises includes ICS Communications, Tele-Communications, Inc. and American Cablesystems.

***Shane Ward, CFO***

Shane joined CTI bringing over 18 years of diverse accounting and finance experience in the financial services and tower industries. Before joining CTI, Shane was Director of Corporate Accounting for American Tower Corporation, where he managed the domestic and international accounting teams and consolidated reporting. During his tenure at American Tower, Shane led the finance team through several large acquisitions and finance transactions. Shane is a Chartered Accountant CA(SA).

***Lisa Linares, VP of Strategic Initiatives***

Lisa joined CTI Towers 8 years ago after several years of experience with start-up companies and leading financial institutions. Lisa started up CTI's fiber initiative in 2018 and manages all aspects of this CTI Towers subsidiary. Prior to CTI Fiber Services, Lisa was the Controller and CTI Towers/Comcast Cable Division financial liaison.

***Carrie Larson, General Counsel***

Carrie came to CTI Towers after a distinguished career as outside counsel to the wireless industry, representing carriers, tower companies and DAS providers. Carrie has provided legal counsel in all phases of tower development, including lease negotiations, zoning and regulatory approvals, along with utility and access easements. Carrie holds an unblemished record of approvals for tower sites in the state of Connecticut. Her legal expertise also extends to other industries such as utilities and renewable energy.

***Loren Stearns, VP of Operations***

Loren has been with CTI for over six years and was promoted to Vice President in January 2018. Loren possesses 19 years of wireless experience having worked on the carrier side for Verizon and T-Mobile, and in the tower, industry working for American Tower prior to joining CTI. In wireless, Loren has been a CAD designer, cell site designer, construction project manager, and a program manager. He is a native of the state of Washington and operates out of Seattle.

**CTI FIBER SERVICES**

**EXHIBIT B**

**FINANCIAL CAPABILITY**

Filed under separate cover as Confidential are the audited consolidated financial statements of CTI Fiber's parent company, CTI Towers, Inc. which demonstrate that the Company has adequate capital to provide local telecommunications services in the State of Florida.

Also attached is an affidavit affirming that the financial statements are true and correct.

**AFFIDAVIT**

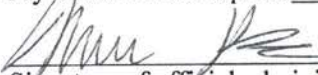
STATE OF NORTH CAROLINA     )  
  ): ss  
COUNTY OF CARY                    )

I, Anthony F. Peduto, hereby declare under penalty of perjury, that I am Chief Executive Officer of CTI Fiber Services LLC, that I am authorized to make this verification on behalf of CTI Fiber Services LLC; that I have reviewed the financial statements attached as Exhibit B to the Application of CTI Fiber Services LLC, for Authority to Provide Competitive Local Exchange Telecommunications Company Service Within the State of Florida; and that the information contained therein is true and correct to the best of my knowledge, information and belief.

  
\_\_\_\_\_  
Anthony F. Peduto  
Chief Executive Officer  
CTI Fiber Services, LLC

Sworn and subscribed before me this 27<sup>th</sup> day of February, 2019.

My Commission expires 3-4-2023

  
\_\_\_\_\_  
Signature of official administering oath



# **CTI Towers, Inc. and Subsidiaries**

Consolidated Financial Report  
December 31, 2016

## Contents

---

Independent auditor's report	1
<hr/>	
Financial statements	
Consolidated balance sheets	2
Consolidated statements of operations	3
Consolidated statements of stockholders' equity	4
Consolidated statements of cash flows	5
Notes to consolidated financial statements	6-22

---



## Independent Auditor's Report

RSM US LLP

To the Board of Directors  
CTI Towers, Inc. and Subsidiaries  
Franklin, Massachusetts

### Report on the Financial Statements

We have audited the accompanying consolidated financial statements of CTI Towers, Inc. and Subsidiaries (the Company) which comprise the consolidated balance sheets as of December 31, 2016 and 2015, and the related consolidated statements of operations, stockholders' equity and cash flows for the year ended December 31, 2016 and period from April 1, 2015 through December 31, 2015 and the related notes to the consolidated financial statements, (collectively, the financial statements).

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of CTI Towers, Inc. and Subsidiaries as of December 31, 2016 and 2015, and the results of its operations and its cash flows for the periods then ended in accordance with accounting principles generally accepted in the United States of America.

*RSM US LLP*

Boston, Massachusetts  
March 20, 2017

THE POWER OF BEING UNDERSTOOD  
AUDIT | TAX | CONSULTING

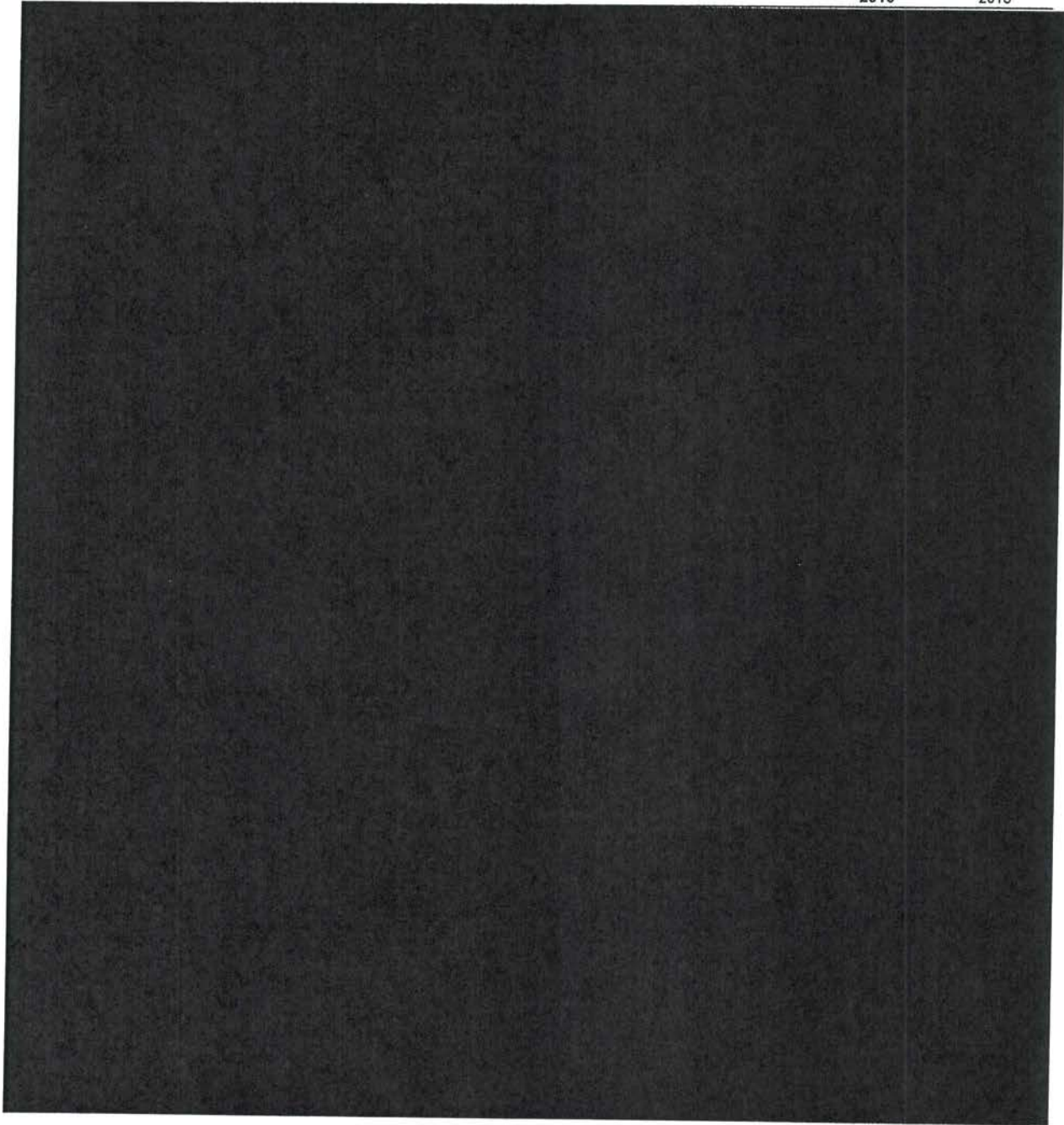


CTI Towers, Inc. and Subsidiaries

Consolidated Balance Sheets  
December 31, 2016 and 2015

2016

2015



See notes to consolidated financial statements.







CTI Towers, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

---

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

CTI Towers, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

---

Note 1. Organization and Operations (Continued)

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

CTI Towers, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

---

Note 2. Summary of Significant Accounting Policies (Continued)

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Notes to Consolidated Financial Statements

---

Note 2. Summary of Significant Accounting Policies (Continued)

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]



Note 2. Summary of Significant Accounting Policies (Continued)

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Note 2. Summary of Significant Accounting Policies (Continued)

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

CTI Towers, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

---

Note 2. Summary of Significant Accounting Policies (Continued)

[Redacted text]

Note 3. Acquisitions

[Redacted text]

[Redacted text]

[Redacted]	[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]	[Redacted]

CTI Towers, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

---

Note 3. Acquisitions (Continued)

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

CTI Towers, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

---

Note 3. Acquisitions (Continued)

[REDACTED]

Note 4. Notes Receivable, Related Party

[REDACTED]

[REDACTED]

[REDACTED]

Note 5. Property and Equipment

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

[REDACTED]

[REDACTED]



CTI Towers, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

---

Note 7. Commitments

[REDACTED]

[REDACTED]

[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

[REDACTED]

CTI Towers, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

---

Note 8. Stockholders' Equity

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Note 9. Stock-Based Compensation Plan

[REDACTED]

[REDACTED]



CTI Towers, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

---

Note 9. Stock-Based Compensation Plan (Continued)

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

---

[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

CTI Towers, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

---

Note 9. Stock-Based Compensation Plan (Continued)

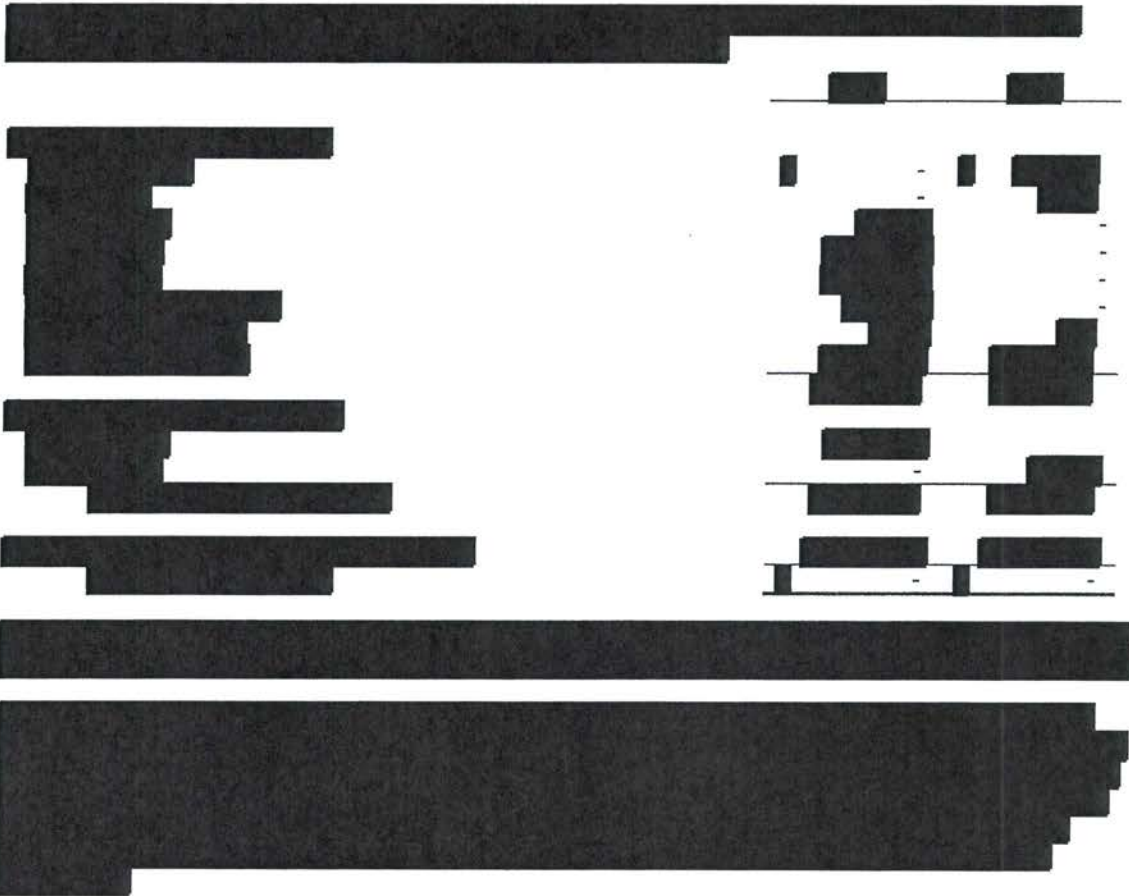
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]			
[REDACTED]			
[REDACTED]			
[REDACTED]			
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

CTI Towers, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

---

Note 10. Income Taxes (Continued)



The table for Note 10 is almost entirely redacted with black bars. Only a few small, illegible fragments of text and numbers are visible on the right side of the page, which appear to be column headers or sub-headers for the data columns.

Note 11. 401(k) Savings Plan



The content for Note 11 is completely redacted with a solid black bar.

CTI Towers, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

---

Note 12. Related Party Transactions

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

CTI Towers, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

---

Note 13. Subsequent Events

[REDACTED]

[REDACTED]

[REDACTED]

# **CTI Towers, Inc. and Subsidiaries**

Consolidated Financial Report  
December 31, 2017

## Contents

---

Independent auditor's report	1
Financial statements	
Consolidated balance sheets	2
Consolidated statements of operations	3
Consolidated statements of stockholders' equity	4
Consolidated statements of cash flows	5
Notes to consolidated financial statements	6-24

---



## Independent Auditor's Report

RSM US LLP

Board of Directors  
CTI Towers, Inc. and Subsidiaries

### Report on the Financial Statements

We have audited the accompanying consolidated financial statements of CTI Towers, Inc. and Subsidiaries (the Company) which comprise the consolidated balance sheets as of December 31, 2017 and 2016, and the related consolidated statements of operations, stockholders' equity and cash flows for the years ended December 31, 2017 and 2016 and the related notes to the consolidated financial statements, (collectively, the financial statements).

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of CTI Towers, Inc. and Subsidiaries as of December 31, 2017 and 2016, and the results of its operations and its cash flows for the periods then ended in accordance with accounting principles generally accepted in the United States of America.

*RSM US LLP*

Boston, Massachusetts  
March 19, 2018

THE POWER OF BEING UNDERSTOOD  
AUDIT | TAX | CONSULTING



CTI Towers, Inc. and Subsidiaries

Consolidated Balance Sheets  
December 31, 2017 and 2016

	2017	2016
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	[REDACTED]	[REDACTED]
Accounts receivable	[REDACTED]	[REDACTED]
Prepaid expenses	[REDACTED]	[REDACTED]
Other current assets	[REDACTED]	[REDACTED]
Total current assets	[REDACTED]	[REDACTED]
Property and equipment, net	[REDACTED]	[REDACTED]
Intangible assets, net	[REDACTED]	[REDACTED]
Goodwill	[REDACTED]	[REDACTED]
Other non-current assets	[REDACTED]	[REDACTED]
Total non-current assets	[REDACTED]	[REDACTED]
Total assets	[REDACTED]	[REDACTED]
Current liabilities:		
Accounts payable	[REDACTED]	[REDACTED]
Accrued liabilities	[REDACTED]	[REDACTED]
Deferred revenue	[REDACTED]	[REDACTED]
Other current liabilities	[REDACTED]	[REDACTED]
Total current liabilities	[REDACTED]	[REDACTED]
Long-term liabilities:		
Debt	[REDACTED]	[REDACTED]
Other long-term liabilities	[REDACTED]	[REDACTED]
Total long-term liabilities	[REDACTED]	[REDACTED]
Total liabilities	[REDACTED]	[REDACTED]
Equity:		
Common stock	[REDACTED]	[REDACTED]
Additional paid-in capital	[REDACTED]	[REDACTED]
Retained earnings	[REDACTED]	[REDACTED]
Total equity	[REDACTED]	[REDACTED]
Total liabilities and equity	[REDACTED]	[REDACTED]

See notes to consolidated financial statements.

CTI Towers, Inc. and Subsidiaries

Consolidated Statements of Operations  
Year Ended December 31, 2017 and 2016

	2017	2016
Revenues:		
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]

See notes to consolidated financial statements.

CTI Towers, Inc. and Subsidiaries

Consolidated Statements of Stockholders' Equity  
 Years Ended December 31, 2017 and 2016

CTI Towers Inc. and Subsidiaries												
Common Stock		Preferred Stock						Additional Paid-in Capital	Accumulated Deficit	Non Controlling Interest	Total	
Shares	Amount	Series A		Series A-1		Series X-1						
Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount					
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	-	\$ -	-	\$ -	\$ -	[REDACTED]	[REDACTED]	-	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	-	-	-	-	-	[REDACTED]	-	-	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	-	-	-	-	-	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

See notes to consolidated financial statements.



CTI Towers, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

---

Note 1. Organization and Operations

[REDACTED]

[REDACTED]

[REDACTED]

Note 2. Summary of Significant Accounting Policies

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

CTI Towers, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

---

Note 2. Summary of Significant Accounting Policies

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

[REDACTED]

[REDACTED]

CTI Towers, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

---

Note 2. Summary of Significant Accounting Policies (Continued)

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

CTI Towers, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

---

Note 2. Summary of Significant Accounting Policies (Continued)

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]



Notes to Consolidated Financial Statements

---

Note 2. Summary of Significant Accounting Policies (Continued)

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

CTI Towers, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

---

Note 2. Summary of Significant Accounting Policies (Continued)

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Note 2. Summary of Significant Accounting Policies (Continued)

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

CTI Towers, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

---

Note 3. Acquisitions

The table is almost entirely obscured by a large black redaction box. Only a few small, fragmented pieces of text are visible, including some numbers and symbols like dashes and equals signs, but they are not legible.

CTI Towers, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

---

Note 3. Acquisitions (Continued)

The table content is completely redacted with five large black rectangular boxes. Each box covers a row of data, obscuring all text and numbers within the table's structure.









CTI Towers, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

---

Note 7. Notes Payable (Continued)

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]



CTI Towers, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

---

Note 9. Stockholders' Equity (Continued)

The table contains 8 rows of data, all of which are completely redacted with black bars. The redaction covers the entire content of the table, including any headers or footers within the table area.





CTI Towers, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

---

Note 11. Income Taxes (Continued)

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Notes to Consolidated Financial Statements

---

Note 13. Related Party Transactions (Continued)

[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]

# **CTI Towers, Inc. and Subsidiaries**

Consolidated Financial Report  
December 31, 2018



## Contents

---

Independent auditor's report	1
<hr/>	
Financial statements	
Consolidated balance sheets	2
Consolidated statements of operations and comprehensive loss	3
Consolidated statements of stockholders' equity	4
Consolidated statements of cash flows	5
Notes to consolidated financial statements	6-26

---



## Independent Auditor's Report

RSM US LLP

Board of Directors  
CTI Towers, Inc. and Subsidiaries

### Report on the Financial Statements

We have audited the accompanying consolidated financial statements of CTI Towers, Inc. and Subsidiaries (the Company), which comprise the consolidated balance sheets as of December 31, 2018 and 2017, the related consolidated statements of operations and comprehensive loss, stockholders' equity and cash flows for the years then ended, and the related notes to the consolidated financial statements (collectively, the financial statements).

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of CTI Towers, Inc. and Subsidiaries as of December 31, 2018 and 2017, and the results of its operations and comprehensive loss and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

*RSM US LLP*

Boston, Massachusetts  
March 7, 2019

THE POWER OF BEING UNDERSTOOD  
AUDIT | TAX | CONSULTING

CTI Towers, Inc. and Subsidiaries

Consolidated Balance Sheets  
December 31, 2018 and 2017

	2018	2017
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	[REDACTED]	[REDACTED]
Accounts receivable	[REDACTED]	[REDACTED]
Prepaid expenses and other current assets	[REDACTED]	[REDACTED]
Total current assets	[REDACTED]	[REDACTED]
Property and equipment, net	[REDACTED]	[REDACTED]
Goodwill	[REDACTED]	[REDACTED]
Intangible assets, net	[REDACTED]	[REDACTED]
Other non-current assets	[REDACTED]	[REDACTED]
Total non-current assets	[REDACTED]	[REDACTED]
Total assets	[REDACTED]	[REDACTED]
Current liabilities:		
Accounts payable	[REDACTED]	[REDACTED]
Accrued liabilities	[REDACTED]	[REDACTED]
Deferred revenue	[REDACTED]	[REDACTED]
Total current liabilities	[REDACTED]	[REDACTED]
Long-term liabilities:		
Debt	[REDACTED]	[REDACTED]
Deferred tax liabilities	[REDACTED]	[REDACTED]
Other long-term liabilities	[REDACTED]	[REDACTED]
Total long-term liabilities	[REDACTED]	[REDACTED]
Total liabilities	[REDACTED]	[REDACTED]
Equity:		
Common stock	[REDACTED]	[REDACTED]
Additional paid-in capital	[REDACTED]	[REDACTED]
Retained earnings	[REDACTED]	[REDACTED]
Total equity	[REDACTED]	[REDACTED]
Total liabilities and equity	[REDACTED]	[REDACTED]

See notes to consolidated financial statements.







CTI Towers, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

---

Note 1. Organization and Operations

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Note 2. Summary of Significant Accounting Policies (Continued)

The majority of the page content is obscured by large black redaction boxes. The redaction covers several paragraphs of text and a table. The table, which is partially visible on the right side, has a header row with two columns and two sub-headers. Below the header, there are two rows of data, each with two columns of values. The redaction is complete for all text and data in the table and surrounding paragraphs.



CTI Towers, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

---

Note 2. Summary of Significant Accounting Policies (Continued)

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

CTI Towers, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

---

Note 2. Summary of Significant Accounting Policies (Continued)

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Note 2. Summary of Significant Accounting Policies (Continued)

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]



Note 2. Summary of Significant Accounting Policies (Continued)

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

CTI Towers, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

---

Note 2. Summary of Significant Accounting Policies (Continued)

[REDACTED]

[REDACTED]

CTI Towers, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

---

Note 2. Summary of Significant Accounting Policies (Continued)

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]





CTI Towers, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

---

Note 3. Acquisitions (Continued)

The table content is almost entirely redacted with black bars. Only a few small fragments of text are visible, including a small white square in the lower portion of the redacted area.







CTI Towers, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

---

Note 9. Notes Payable (Continued)

[REDACTED]		[REDACTED]
[REDACTED]		[REDACTED]
[REDACTED]		[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]		[REDACTED]
[REDACTED]		[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]		[REDACTED]
[REDACTED]		[REDACTED]
[REDACTED]		[REDACTED]

CTI Towers, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

---

Note 10. Commitments (Continued)

[REDACTED]

[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

CTI Towers, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

---

Note 11. Stockholders' Equity (Continued)

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

CTI Towers, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

---

Note 11. Stockholders' Equity (Continued)

The table content is entirely obscured by black redaction boxes. The structure of the table, including the number of columns and the arrangement of rows, is not discernible from the image.







CTI Towers, Inc. and Subsidiaries

Notes to Consolidated Financial Statements

---

Note 14. 401(k) Savings Plan

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]