

January 13, 2023

**Electronically Filed**

Adam Teitzman  
Office of the Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Boulevard, Suite 152  
Tallahassee, FL 32399-0850

**Re: Notice Regarding Indirect Transfer of Control of GC Pivotal, LLC – Docket No. 20140191-TX.**

Dear Mr. Teitzman:

GTT Communications, Inc. (“GTT Parent”) and GC Pivotal, LLC (“GC Pivotal,” and together with GTT Parent, the “Parties”), through undersigned counsel, respectfully submit this Notice (the “Notice”) to the Florida Public Service Commission (“Commission”) of the consummation of the indirect transfer of control of GC Pivotal. GC Pivotal is authorized to provide telecommunications service in Florida.<sup>1</sup>

The indirect transfer of control occurred pursuant to the Second Amended Third Modified Joint Prepackaged Chapter 11 Plan of Reorganization of GTT Parent and certain of its affiliates (the “Plan,” and the transactions contemplated thereunder, the “Restructuring”) under chapter 11 (“Chapter 11”) of title 11 of the United States Code (the “Bankruptcy Code”).<sup>2</sup> The Bankruptcy Court entered an order confirming the Plan on December 28, 2022,<sup>3</sup> and the Parties emerged from Chapter 11 on December 30, 2022 (“Emergence”). No assignment of GC Pivotal’s licenses, assets, or customers occurred as a consequence of the Restructuring. Moreover, the Restructuring did not adversely affect competition in Florida because it did not result in a reduction of competitors, and

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<sup>1</sup> See Notice of Proposed Agency Action/Order Granting Certificate of Authority, Order No. PSC-14-0669-PAA-TX, Docket No. 20140191-TX (Dec. 1, 2014), and Consummating Order, Order No. PSC-14-0704-CO-TX, Docket No. 20140191-TX (Dec. 23, 2014).

<sup>2</sup> On October 31, 2021, GTT Parent and certain of GTT Parent’s indirect and direct subsidiaries (collectively, the “Debtors”) filed voluntary petitions (the “Bankruptcy Petitions”) for relief under Chapter 11 in the United States Bankruptcy Court for the Southern District of New York (the “Bankruptcy Court”), commencing “prepackaged chapter 11 cases” (the “Chapter 11 Cases”) to reorganize under the Bankruptcy Code. The Chapter 11 Cases were jointly administered under Case No. 21-11880 (MEW). Upon the commencement of the Chapter 11 Cases, GTT Parent, GC Pivotal and the other Debtors became debtors in possession and continued to operate their respective businesses during the court-supervised restructuring process. Additional information related to the Restructuring and the Chapter 11 Cases is available via a dedicated web page at: <https://cases.ra.kroll.com/GTT/>. GC Pivotal sent a letter to the Commissioners dated November 2, 2021, notifying them of the filing of the bankruptcy petitions.

<sup>3</sup> See Findings of Fact, Conclusions of Law and Order (I) Approving the Disclosure Statement Supplement, (II) Confirming the Second Amended Third Modified Joint Prepackaged Chapter 11 Plan of Reorganization of GTT Communications, Inc. and its Debtor Affiliates and (III) Granting Related Relief, In re GTT Communications, Inc., et al., Case No. 21-11880 (MEW) (Dec. 28, 2022).

customers continue to have access to the same competitive alternatives they did previously.

In support of this post-consummation Notice, which is submitted for informational purposes, the Parties provide the following information:

## **I. THE PARTIES**

### **A. GTT Communications, Inc.**

GTT Parent is a Delaware corporation with no majority stockholder. GTT Parent, through its subsidiaries, including GC Pivotal, is a global provider of cloud networking services and provides its customers with a wide variety of services including internet, email, instant messaging, videoconferencing and teleconferencing. GTT Parent, along with GC Pivotal, has its headquarters at 7900 Tysons One Place, Suite 1450, McLean, Virginia 22102.

### **B. GC Pivotal, LLC**

GC Pivotal is a Delaware limited liability company. GC Pivotal is a direct, wholly-owned subsidiary of GTT Americas, LLC, which is ultimately indirectly owned and controlled by GTT Parent.<sup>4</sup> GC Pivotal is authorized to provide telecommunications service in Florida.<sup>5</sup> GC Pivotal also holds authority from the Federal Communications Commission (“FCC”) to provide interstate and international telecommunications services.

## **II. DESIGNATED CONTACTS**

Questions, correspondence, or other communications regarding this Notice should be directed to the Parties’ counsel as identified below:

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7900 Tysons One Place, Suite 1450  
McLean, VA 22102  
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<sup>4</sup> GTT Americas, LLC is a direct, wholly-owned subsidiary of GTT Apollo, LLC (“GTT Apollo”), a Delaware limited liability company. GTT Apollo is a direct, wholly-owned subsidiary of GTT Apollo Holdings, LLC, a Delaware limited liability company, which is directly owned by GTT RemainCo, LLC (“GTT RemainCo”), a Delaware limited liability company. GTT RemainCo is a direct, wholly-owned subsidiary of GTT Parent. See Exhibit A.

<sup>5</sup> See *supra* note 1.

### **III. DESCRIPTION OF THE RESTRUCTURING**

Implementation of the Plan has resulted in a change in ownership of reorganized GTT Parent. Pursuant to the Plan, all existing equity interests in GTT Parent were cancelled and extinguished upon Emergence. New equity interests were issued representing 100% of the voting and equity ownership in reorganized GTT Parent at Emergence to the Debtors' Funded Debt Creditors (as defined herein). Specifically, upon Emergence, the holders of the 2018 Credit Facility Claims<sup>6</sup> received on a pro rata basis 94.5% of the new equity interests in reorganized GTT Parent and the holders of Senior Notes Claims<sup>7</sup> received 5.5% of the new equity interests in reorganized GTT Parent (the holders of such 2018 Credit Facility Claims and Senior Notes Claims, collectively, the "Funded Debt Creditors").<sup>8</sup>

Two of the Funded Debt Creditors, Anchorage Capital Group, LLC ("Anchorage") and Lone Star Fund XI, L.P. ("Lone Star"), now hold a 10% or greater indirect equity and voting interest in reorganized GTT Parent. Anchorage is a New York-based registered investment advisor founded in 2003. Anchorage manages private investment funds across the credit, special situations, and illiquid investment markets of North America and Europe using an active long and short basis, with particular focus on defaulted and leveraged issuers. Because of the 2018 Credit Facility Claims they held at Emergence, various Anchorage-affiliated investment funds managed and controlled by Anchorage now have an approximate 13% direct equity and voting interest in reorganized GTT Parent.

Lone Star is one of 23 funds that have been organized and advised by Lone Star Global Acquisitions, Ltd., a global private equity firm established in 1995 that targets investments in corporate private equity, real estate, credit, and other financial assets. As a result of the 2018 Credit Facility Claims it held at Emergence, Lone Star currently has an approximate 39% indirect equity and voting interest in GTT Parent.<sup>9</sup> Aside from ownership interests associated with Anchorage and Lone Star, no other entity or person currently holds a 10% or greater direct or indirect ownership interest in reorganized GTT Parent.

Please refer to Exhibit A for both a pre- and post-Emergence organizational chart that reflects the organizational structure of the Parties. As indicated therein, the organizational

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<sup>6</sup> "2018 Credit Facility Claims" means that certain secured indebtedness issued and outstanding pursuant to that certain credit agreement dated as of May 31, 2018.

<sup>7</sup> "Senior Notes Claims" means any claims on account of those certain 7.875% Senior Notes due 2024 issued by GTT Parent.

<sup>8</sup> The Plan also provided for the issuance of warrants in reorganized GTT Parent upon Emergence to holders of the Senior Notes Claims and to the former stockholders of GTT Parent. Both types of warrants are exercisable at the option of the holder. If all of the warrants issued to the former stockholders are exercised, equity interests issued upon such exercise would represent in the aggregate 4.9% of the outstanding common stock in reorganized GTT Parent as of the emergence date. If all of the warrants issued to holders of Senior Notes Claims are exercised, equity interests issued upon such exercise would represent in the aggregate 15% of the outstanding common stock in reorganized GTT Parent as of the emergence date.

<sup>9</sup> Lone Star's indirect interest in reorganized GTT Parent runs through Guava Holdco, L.P., and LSF11 Credit Holdings, LLC is the direct holder of the interest in GTT Parent solely as the agent and custodian for Guava Holdco, L.P.

structure of reorganized GTT Parent and its subsidiaries did not change substantially as a result of the Restructuring.

As a consequence of the Restructuring, the Debtors have emerged from bankruptcy with a significantly reduced debt burden. Through a combination of the distribution of proceeds from the sale of their infrastructure business and the balance sheet deleveraging facilitated by the Plan, the Debtors have reduced their funded debt burden from approximately \$2.015 billion to approximately \$783 million following their Emergence from bankruptcy.

#### **IV. PUBLIC INTEREST CONSIDERATIONS**

The Restructuring has promoted the public interest, convenience, and necessity by improving the financial condition of the Debtors, thus ensuring that GC Pivotal can continue to offer competitive, high-quality communications services to customers throughout the United States, including those in Florida. It did not reduce the number of competitors in the market, and will enhance GC Pivotal's ability to provide communications services in Florida. GC Pivotal is in a better position to continue providing services and be a stronger competitor in Florida as a result of the Restructuring because the Company has emerged from bankruptcy with a significantly deleveraged balance sheet.

The Restructuring has been seamless for customers. There has been no interruption to GC Pivotal's provision of any service to its customers. GC Pivotal intends to continue its existing operations and to comply with its existing regulatory obligations and commitments without any change as a result of the Chapter 11 Cases and the Restructuring.

#### **V. CONCLUSION**

The Parties request that the Commission accept this notification and update its records to reflect this Restructuring.

Respectfully submitted,

**/s/ Jennifer L. Richter**

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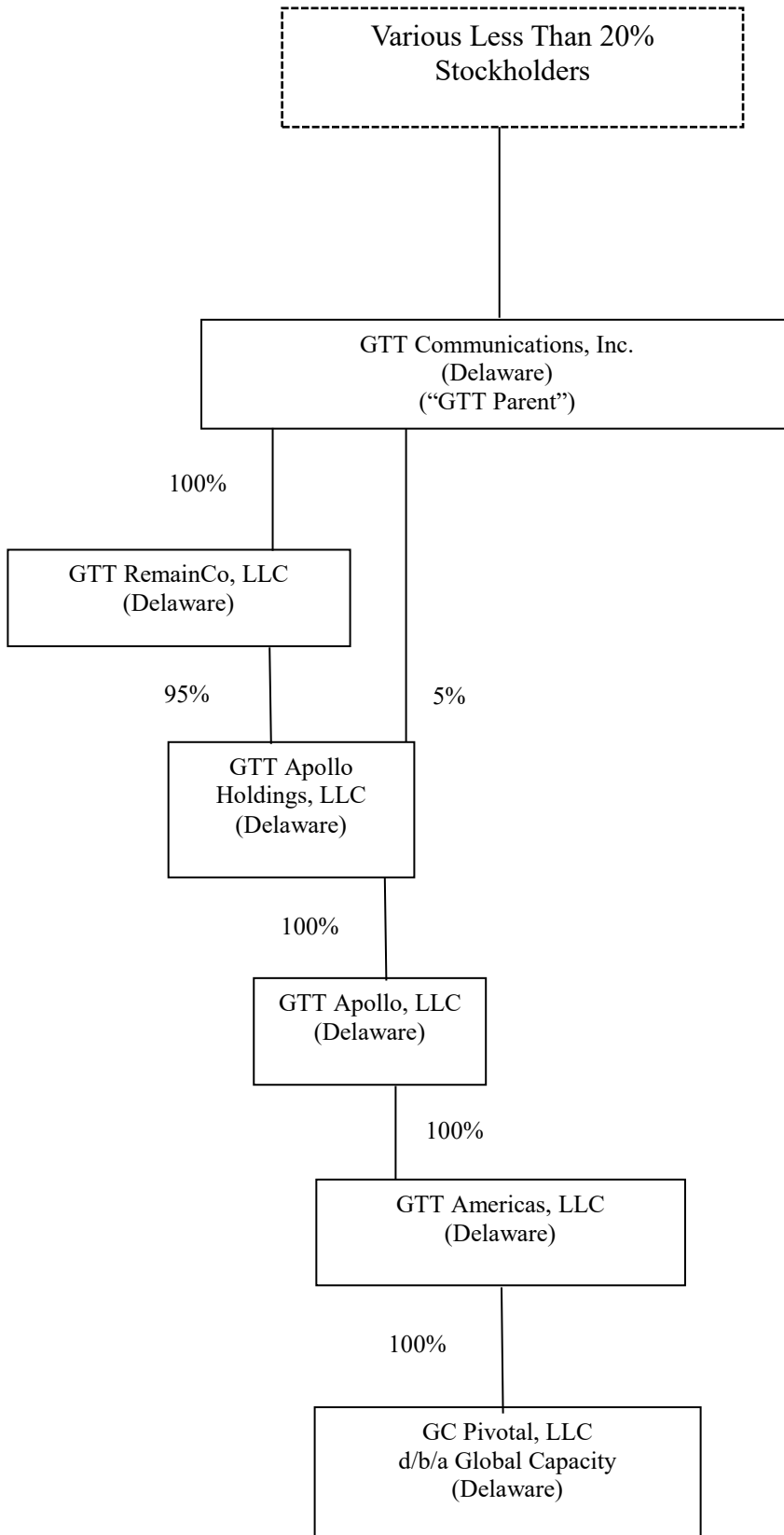
*Counsel for GTT Communications, Inc. and  
GC Pivotal, LLC*

Date: January 13, 2023

## **EXHIBIT A**

Pre- and Post-Emergence Organizational Charts

### Pre-Emergence Organizational Structure Chart



### Post-Emergence Organizational Structure Chart

