

**STATE OF NEW JERSEY
BOARD OF PUBLIC UTILITIES**

Verified Petition of

PEG Bandwidth NJ, LLC
and
Uniti National LLC

for Approval to Participate in Certain Financing
Arrangements

Docket No. _____

VERIFIED PETITION

PEG Bandwidth NJ, LLC (“PEG NJ”) and Uniti National LLC (“Uniti National”) (together, the Petitioners”), by undersigned counsel and pursuant to N.J.S.A. 48:3-7, N.J.S.A. 48:3-9, and the regulations of the Board of Public Utilities (“Board”), requests Board approval to participate in certain new Financing Arrangements (as defined below).

In support of this Petition, Petitioners provide the following information:

I. DESCRIPTION OF THE PETITIONERS

PEG NJ and Uniti National are Delaware limited liability companies and indirect subsidiaries of Uniti Group Inc., a publicly traded Maryland real estate investment trust (NASDAQ: UNIT). Uniti Group is a publicly traded real estate investment trust that engages in the acquisition and construction of infrastructure utilized by the communications industry. PEG NJ’s and Uniti National’s principal offices are located at 107 St. Francis Street, Suite 1800, Mobile, AL 36602.

In New Jersey, PEG NJ is authorized to provide facilities-based and resold telephone service with authority to provide local exchange service pursuant to authority granted by the Board in *I/M/O Petition of PEG Bandwidth NJ, LLC for Approval to Provide Local Exchange and Interexchange Telecommunications Services throughout the State of New Jersey*, Docket No.

TE12040317 (Order of Approval August 15, 2012), and Uniti National is authorized to provide competitive local exchange and interexchange telecommunications services pursuant to authority granted in *IM/O Petition of Uniti National LLC for Approval to Provide Competitive Local Exchange and Interexchange Telecommunications Services throughout the State of New Jersey*, Docket No. TE20100663 (Order of Approval January 27, 2021). PEG NJ is also authorized by the Federal Communications Board (“FCC”) to provide interstate telecommunications services.

Additional information concerning Petitioners’ technical, managerial and financial qualifications have been submitted to the Board as part of Uniti National’s certification application in Docket No. TE20100663, PEG NJ’s certification application in Docket No. TE12040317, and various transactions including in Docket Nos. TM19050575, TF19091212 and TM19121534, and is therefore already a matter of public record.

II. DESIGNATED CONTACTS

Questions, correspondence or other communications concerning this filing should be directed to:

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III. DESCRIPTION OF THE FINANCING ARRANGEMENTS

Petitioners seek Board approval to be guarantors of certain new financing arrangements of their corporate parent and affiliates. Specifically, Uniti Group has completed an offering of \$306.5 million aggregate principal amount of 7.50% convertible senior notes due 2027 (the “Financing Arrangements”). The Financing Arrangements are to be guaranteed on a senior unsecured basis by each of Uniti Group’s subsidiaries, including Petitioners, that is an issuer, obligor or guarantor under Uniti Group’s existing senior notes.¹ As such, Petitioners seek approval to participate as guarantors in Financing Arrangements with the terms outlined below.

Aggregate Principal Amount: \$306.5 million (the “Aggregate Amount”).

Debt Instruments: Convertible senior notes.

Maturity: The notes will mature on December 1, 2027.

Interest Rate: 7.50%.

Guarantees and Security: Petitioners seek authority to participate as guarantors or co-guarantors in Financing Arrangements up to the Aggregate Amount.

Purpose: Uniti Group used a portion of the net proceeds of the offering to repurchase approximately \$213.4 million aggregate principal amount of existing 4.00% exchangeable senior notes due 2024. In addition, Uniti Group used approximately \$21.1 million of the net proceeds from the offering to pay the cost of privately negotiated capped call transactions with certain financial institutions. The remaining net proceeds

¹ Uniti Group is not a telecommunications carrier, does not provide telecommunications services, and does not hold telecommunications licenses in any jurisdiction.

will be used for general corporate purposes, which may include the repurchase or repayment of other outstanding debt, including additional open market repurchases, redemptions or tender offers of the existing exchangeable notes.

Accordingly, Petitioners request Board authorization to participate as guarantors or co-guarantors in the Financing Arrangements described above.

IV. PUBLIC INTEREST CONSIDERATIONS

Approval for Petitioners to participate in Financing Arrangements will serve the public interest. The Financing Arrangements will be used to repurchase a portion of outstanding debt and to pay related fees and expenses, to pay the cost of certain privately negotiated capped call transactions, and for general corporate purposes. The Financing Arrangements will benefit the financial condition of Uniti Group Inc. and its current and future subsidiaries, including PEG NJ and Uniti National, and allow them to become more effective competitors in the communications industry. The Petitioners' participation in the Financing Arrangements are necessary and appropriate, will not impair Petitioners' ability to provide their services, and will promote their corporate purposes. Their participation in the Financing Arrangements will be transparent to Petitioners' customers and will not disrupt service or cause customer confusion or inconvenience.

V. **CONCLUSION**

For the foregoing reasons, Petitioners submit that the public interest, convenience and necessity would be furthered by grant of this Petition permitting the Petitioners to participate in the Financing Arrangements described above.

Respectfully submitted,

A handwritten signature in cursive script that reads "Laura M. Miller".

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Dated: January 27, 2023

VERIFICATION

I, Jeffrey R. Strenkowski, state that I am the Vice President and Deputy General Counsel of Governmental Affairs of Uniti Group Inc. (“Uniti Group”); that I am authorized to make this Verification on behalf of Uniti Group and its subsidiaries (collectively, the “Company”); that the foregoing filing was prepared under my direction and supervision; and that the contents with respect to the Company are true and correct to the best of my knowledge, information, and belief.

I hereby certify that the foregoing statements made by me are true. I am aware that if any of the foregoing statements made by me are willfully false, I am subject to punishment.

Executed this 12th day of January, 2023.



Jeffrey R. Strenkowski
Vice President, Deputy General Counsel of
Governmental Affairs
Uniti Group Inc.