

**ORIGINAL**  
**MEMORANDUM**



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TO: Docket Control

FROM: Ernest G. Johnson  
Director  
Utilities Division

EA for EGJ

DATE: May 8, 2009

RE: **STAFF UPDATE - IN THE MATTER OF THE APPLICATION OF BROADVIEW NETWORKS HOLDINGS, INC AND ITS INDIRECT SUBSIDIARY A.R.C. NETWORKS, INC. FOR A NOTICE OF INDIRECT TRANSFER OF CONTROL (DOCKET NO. T-04271A-07-0555)**

On September 26, 2007, A.R.C. Networks, Inc. ("A.R.C.") and Broadview Network Holdings, Inc. ("Broadview Holdings") filed a notification of the indirect transfer of control of A.R.C. On April 22, 2009, the Administrative Law Judge issued a Procedural Order which required Staff to file an update on this matter and any appropriate recommendations.

In the filing, the applicants stated that Broadview Holdings, the ultimate parent company of A.R.C., planned to issue new stock of Broadview Holdings. The stock issuance may result in new stock being dispersed to several new shareholders. Control of Broadview Holdings and its subsidiaries, including A.R.C., and of their respective Boards of Directors may be transferred from the current owners. An indirect transfer of control may result from the issuance of new Broadview Holdings stock.

This filing is a notification, not an application and it does not require action by the Commission. Given the above, Staff recommends that this matter be administratively closed.

EGJ:CLA:red

Originator: Candrea Allen

Attachment: Original and Thirteen copies

Arizona Corporation Commissioner  
**DOCKETED**  
MAY -8 2009

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NR

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2009 MAY -8 A 11:54  
AZ CORP COMMISSION  
DOCKET CONTROL

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DOCKET NOS. T-04271A-07-0555

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