



March 22, 2004

VIA OVERNIGHT DELIVERY

Blanca S. Bayó
Director, Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0870

Re: Notification of Florida Digital Network, Inc. of a *Pro Forma* Corporate Reorganization

Dear Ms. Bayó:

Florida Digital Network, Inc. d/b/a FDN Communications ("FDN"), FDN Communications Holding Co. ("FDN Holding") and FDN 100 Corp. ("Transitory Subsidiary" with FDN and FDN Holding, the "Parties"), through undersigned counsel, hereby advise the Commission of a *pro forma* intra-corporate reorganization. The Parties have entered into an Agreement and Plan of Merger whereby they will establish a holding company structure ("Restructuring Plan"). Specifically, Transitory Subsidiary will merge with and into FDN with FDN being the surviving company. FDN will become a wholly owned subsidiary of FDN Holding and the current stockholders of FDN will become stockholders of FDN Holding.

Based on a review of Florida law, Parties believe that no approval is required from the Commission to complete the transactions described here. Accordingly, Parties submit this informational letter as a courtesy to the Commission to ensure the continuing accuracy of the Commission's records. Parties respectfully request that this letter be retained by the Commission in the appropriate file and that any questions regarding the transactions described below be directed to Parties as soon as possible.

An original and six (6) copies of this letter are enclosed. Please date-stamp and return the extra copy of this letter in the enclosed self-addressed stamped envelope.

The Parties further state as follows:

L O C A L

L O N G D I S T A N C E

2301 Lucien Way Suite 200 Maitland, FL 32751
407.835 0300 Fax 407 835 0309 www.fdn.com

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Description of the Parties

A. Florida Digital Network, Inc. d/b/a FDN Communications (“FDN”)

FDN is a Delaware corporation with its principle offices at 2301 Lucien Way, Suite 200, Maitland, Florida 32751. FDN is authorized to provide interexchange and local exchange telecommunications services pursuant to IXC Certificate No. 7048 and CLEC Certificate No. 5715 issued in Docket Nos. 990451-TI and 980862-TX, respectively.¹ FDN holds international section 214 authority pursuant to ITC-214-19980605-00387. FDN’s current subsidiary, Southern Digital Network, Inc. d/b/a FDN Communications, holds authorization to provide telecommunications services in the states of Kentucky and Georgia.²

B. FDN Communications Holding Co. (“FDN Holding”)

FDN Holding is a newly formed Delaware corporation that will act as the holding company parent of FDN upon consummation of the Restructuring Plan. The current stockholders of FDN will become stockholders of FDN Holding.

C. FDN 100 Corp. (“Transitory Subsidiary”)

Transitory Subsidiary is a newly formed Delaware corporation formed specifically for purposes of the Restructuring Plan. Transitory Subsidiary is a wholly owned subsidiary of FDN Holding and will be merged with and into FDN as part of the Restructuring Plan

Contact Information

Questions or inquiries concerning this filing may be directed to:

Matthew J. Feil (Florida Bar No. 0822744)
General Counsel
Florida Digital Network, Inc. d/b/a FDN Communications
2301 Lucien Way, Ste. 200
Maitland, FL 32751
Tel: 407-835-0460
Fax: 407-835-0309

¹ The Commission previously authorized a pro forma intracorporate restructuring whereby FDN merged with M/C Venture Southern Lending Corp. with FDN surviving the merger. *See* Docket No. 020845-TP.

² As part of this corporate restructuring, FDN will contribute all of the stock of SDN to FDN Holding, which will make SDN a wholly owned subsidiary of FDN Holding.

Description of the Transaction

In accordance with the Agreement and Plan of Merger among the Parties, Transitory Subsidiary will be merged with and into FDN with FDN being the surviving entity. Upon consummation of the Restructuring Plan, FDN will become a wholly owned subsidiary of FDN Holding. By virtue of the Restructuring Plan, each share of common stock of FDN will be converted into shares for FDN Holding. Although the proposed Restructuring Plan will result in a change in ownership of all of the stock of FDN, the resulting intracorporate reorganization will not result in a change in the ultimate control of FDN. Moreover, the proposed Restructuring Plan will not result in any change to the rates, terms and conditions under which FDN provides service and will be transparent to customers of FDN. As a result, the proposed Restructuring Plan will be *pro forma* in nature. An illustrative chart describing the Restructuring Plan is provided in Exhibit A.

Public Interest Considerations

Parties respectfully submit that the proposed Restructuring Plan serves the public interest. The proposed restructuring will not result in a change in the ultimate control or majority ownership of any entity holding Section 214 authority. In addition, the proposed Restructuring Plan will not affect the day-to-day operation or management of FDN. Indeed, the proposed Restructuring Plan will be entirely transparent to customers of FDN.

V. Conclusion

For the reasons stated above, the Parties respectfully submit that the public interest, convenience, and necessity would be furthered by the proposed Restructuring Plan. Accordingly, the Parties respectfully notify the Commission of their intent to consummate this Restructuring Plan. As noted above, the Parties understand that no Commission approval is required in conjunction with the proposed Transaction.

Respectfully submitted,



Matthew Feil
General Counsel
FDN Communications