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March 19, 2004

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**PUBLIC SERVICE
COMMISSION**

VIA OVERNIGHT DELIVERY

Thomas Dorman, Executive Director
Kentucky Public Service Commission
211 Sower Boulevard
Frankfort, KY 40602-8294

Re: Notification of Southern Digital Network, Inc. d/b/a FDN Communications of a *Pro Forma* Corporate Reorganization

Dear Mr. Dorman:

Southern Digital Network, Inc. d/b/a FDN Communications ("SDN"), Florida Digital Network, Inc. d/b/a FDN Communications ("FDN"), FDN Communications Holding Co. ("FDN Holding") and FDN 100 Corp. ("Transitory Subsidiary" with SDN, 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 new holding company structure ("Restructuring Plan"). Specifically, Transitory Subsidiary will merge with and into SDN's parent company, 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. FDN will also transfer all stock of SDN to FDN Holding. Thereby, upon consummation of the reorganization, SDN and FDN will both be wholly owned subsidiaries of FDN Holding.

Based on a review of Kentucky 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 ten (10) 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:

Description of the Parties

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

SDN is a Delaware corporation with its principle offices at 2301 Lucien Way, Suite 200, Maitland, Florida 32751. SDN is a wholly owned subsidiary of FDN. SDN holds authority to operate as a facilities-based and resale carrier in Kentucky pursuant to its letter of intent filed with the Commission on March 2, 2004. SDN also holds state authorizations to provide telecommunications services in the state of Georgia. SDN operates under FDN’s international Section 214 authority.

B. Florida Digital Network, Inc. (“FDN”)

FDN is a Delaware corporation with its principle offices at 2301 Lucien Way, Suite 200, Maitland, Florida 32751 and is the parent company of SDN. FDN holds international section 214 authority pursuant to ITC-214-19980605-00387 and state authorization to provide telecommunications services in the state of Florida.

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

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

D. 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:

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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. In addition, FDN will transfer all stock of its wholly owned subsidiary, SDN, to FDN Holding. Thereby, upon consummation of the reorganization, SDN and FDN will both be subsidiaries of FDN Holding. Although the proposed Restructuring Plan will result in a change in ownership of all of the stock of SDN, the resulting intracorporate reorganization will not result in a change in the ultimate control of SDN. Moreover, the proposed Restructuring Plan will not result in any change to the rates, terms and conditions under which SDN provides service and will be transparent to customers of SDN. 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 authority to provide telecommunications services. In addition, the proposed Restructuring Plan will not affect the day-to-day operation or management of SDN. Indeed, the proposed Restructuring Plan will be entirely transparent to customers of SDN.

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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,

By: 

Catherine Wang

Brian McDermott

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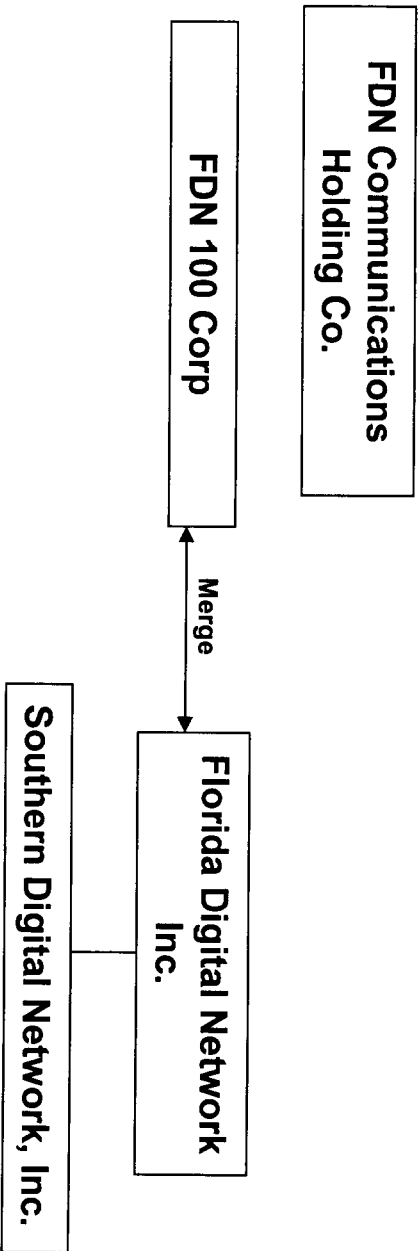
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COUNSEL FOR THE PARTIES

Exhibit A

Illustrative Chart

BEFORE



AFTER

