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April 17, 2000

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VIA OVERNIGHT DELIVERY

Blanca S. Bayo Director, Division of Records & Reporting Florida Public Service Commission 2540 Shumard Oak Blvd. Tallahassee, FL 32399-0850

000462-TP

RE:

Application of Elantic Communications, Inc., and Florida Digital Network, Inc.

for Approval of a Transfer of Control

Dear Ms. Bayo:

On behalf of Florida Digital Network, Inc. ("Florida Digital") and Elantic Communications, Inc. ("Elantic"), enclosed please find an original and six copies of an Application for Approval of a Transfer of Control. We will forward the original signature pages under separate cover.

Please date-stamp the extra copy of this filing and return it in the enclosed self-addressed, stamped envelope. Please feel free to contact us if you have any questions or if you require further information concerning this filing.

Respectfully submitted,

Richard M. Rindler Morton J. Posner

Michael J. Mendelson

Counsel for Florida Digital Network, Inc.

Enclosure

cc: Tom Williams (by Federal Express)

DOCUMENT NUMBER-DATE

04813 APR 198

FPSC-RECORDS/REPORTING

BEFORE THE STATE OF FLORIDA PUBLIC SERVICE COMMISSION

Application of	
FLORIDA DIGITAL NETWORK, INC., Transferor,)
and) Docket No. <u>OGOY62-</u> TP
ELANTIC COMMUNICATIONS, INC. Transferee,)))
For Approval of a Transfer of Control)))

APPLICATION

Florida Digital Network, Inc. and Elantic Communications, Inc. (collectively, the "Applicants"), by their undersigned counsel and pursuant to Fl. St. Ann. § 364.345 hereby notify, and to the extent required, seek authority for a transaction whereby Florida Digital and two unaffiliated companies, NEVD Holdings, LLC ("NEVD Holdings") and Cavalier Telephone, Inc. ("Cavalier") will enter into a transaction in which the ownership of Florida Digital, NEVD Holdings, and Cavalier will be contributed to a new corporation, Elantic. Florida Digital is a non-dominant carrier authorized by the Commission to provide local exchange and interexchange telecommunications services within the State of Florida.

NEVD Holdings is the parent company of Conversent Communications, LLC, the subsidiaries of which are authorized to provide telecommunications services in thirty two (32) states. Cavalier Telephone, Inc. is a telecommunications company authorized to provide services in several states. Neither the operating subsidiaries of Conversent nor Cavalier are authorized to provide telecommunications services in Florida.

I. THE APPLICANTS

- 1. Florida Digital is a privately held Delaware corporation. Florida Digital is authorized to provide intrastate interexchange services and alternative local exchange services in Florida, pursuant to authorizations granted by this Commission on October 12, 1998 in Docket No. 980862-TX, Certificate No. 5715, and June 8, 1999 in Docket No. 990451-TI (Order No. PSC-99-1181), respectively.
- 2. Elantic is a newly-formed, privately held Delaware holding corporation headquartered in Richmond, VA. Elantic has no operating revenues and no authority to provide telecommunications services in any jurisdiction. By virtue of the experience of the constituent corporations, Florida Digital, NEVD Holdings, and Cavalier, that are forming Elantic, which are leading providers of high quality, integrated voice, data, and video transmission services, Elantic is well qualified to acquire control of Florida Digital.

II. <u>DESIGNATED CONTACTS</u>

Inquiries or copies of any correspondence, orders, or other materials pertaining to this Application should be directed to:

Richard M. Rindler, Esq.
Morton J. Posner, Esq.
SWIDLER BERLIN SHEREFF FRIEDMAN, LLP
3000 K Street, NW, Suite 300
Washington, DC 20007-5116
(202) 424-7500 (Telephone)
(202) 424-7647 (Facsimile)

with copies to:

Transferor: Florida Digital Network, Inc.

390 North Orange Avenue

Suite 2000

Orlando, FL 32801 Phone: (407) 835-0301

Transferee:

Elantic Communications, Inc.

2134 West Laburnum Avenue

Richmond, VA 23227 Phone: (800) 950-7858

III. REQUEST FOR APPROVAL OF THE TRANSFER OF CONTROL

1. On March 20, 2000, Florida Digital, NEVD Holdings, and Cavalier negotiated a Term Sheet for a transaction that will result in the affiliation of their respective companies. Under the proposed transaction, the owners of Florida Digital will contribute their membership interest in Florida Digital to Elantic. Contemporaneously, the owners of Cavalier and NEVD Holdings will contribute their stock in their respective companies to Elantic. Florida Digital, the operating subsidiaries of NEVD Holdings, and Cavalier will survive as wholly-owned subsidiaries of Elantic. NEVD Holdings will cease to exist. Therefore, ultimate control of Florida Digital will be transferred to Elantic. The parties anticipate closing the proposed transaction on May 15, 2000.

2. At the time of the merger, Florida Digital will become a direct, wholly-owned subsidiary of Elantic. The new holding corporation, Elantic, shall possess all the rights, privileges, powers, franchises, all property, real, personal and mixed, and all debts due to Florida Digital. Although the merger will result in a change in the corporate parent of Florida Digital, the transaction will not involve a change in the manner in which Florida Digital provides service to its Florida customers. Florida Digital will continue to provide high quality, affordable resold service to its

Florida customers pursuant to its authorization. Moreover, Florida Digital will continue to be led by its current team of well-qualified telecommunications managers, and it will continue to provide the same services at the same rates and under the same tariff terms and conditions as it now does. The proposed transaction will therefore be virtually transparent to Florida Digital's customers in terms of the services that they receive.

IV. PUBLIC INTEREST STATEMENT

Consummation of the proposed transaction will serve the public interest in promoting competition among providers of local and interexchange telecommunications services by combining the financial resources and complementary managerial skills and experience of Elantic and Florida Digital in providing telecommunications services to the public. The proposed transaction will therefore ensure the continued provision of high quality and innovative telecommunications services to the existing customers of Florida Digital and should promote competition in the Florida local and interexchange telecommunications marketplaces.

WHEREFORE, for the reasons stated above, Applicants submit that the public interest, convenience and necessity would be furthered by a grant of this Application for approval of the transfer of control.

Respectfully Submitted,

Richard M. Rindler

Morton J. Posner

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Counsel for Florida Digital Network, Inc.

David Mayer, Vice President Elantic Communications, Inc. 222 Richmond Street Suite 206 Providence, RI 02903

Dated: April 17, 2000

WHEREFORE, for the reasons stated above, Applicants submit that the public interest, convenience and necessity would be furthered by a grant of this Application for approval of the transfer of control.

Respectfully Submitted,

Richard M. Rindler
Morton J. Posner
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Counsel for Florida Digital Network, Inc.

David Mayer, Vice President

Elantic Communications, Inc.

222 Richmond Street

Suite 206

Providence, RI 02903

Dated: April 17, 2000

EXHIBITS

Exhibit A

Financial Statements of Elantic Communications, Inc.

Affidavit

EXHIBIT A

Financial Statements of Elantic Communications, Inc.

Elantic Communications, Inc. is a newly formed company and has no financial statements to submit at the present time. Elantic will utilize the resources of its constituent companies, Florida Digital Network, Inc., NEVD Holdings, LLC, and Cavalier Telephone Company.

P. 09

APR-18-00 09:42 FROM: SWIDLER LZRLIN SHEREFF FR

AFFIDAVIT

By my signature below, 1, the undersigned officer, attest to the accuracy of the information contained in this application and attached documents and that the applicant has the technical expertise, managerial ability, and financial capability to provide alternative local exchange company service in the State of Florida. I have read the foregoing and declare that, to the best of my knowledge and belief, the information is true and correct. I attest that I have the authority to sign on behalf of my company and agree to comply, now and in the future, with all applicable Commission rules and orders.

Further, I am aware that, pursuant to Chapter 837.06, Florida Statutes, "Whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his official duty shall be guilty of a misdemeanor of the second degree, punishable as provided in s. 775.082 and s. 775.083."

Michael Gallagher

Chief Executive Officer Florida Digital Network, Inc.

390 North Orange Avenue

Suite 2000

Orlando, FL 32801