

**BEFORE THE TENNESSEE REGULATORY AUTHORITY AT
NASHVILLE, TENNESSEE**

August 14, 2007

IN RE:)	
)	
PETITION OF FDN HOLDINGS, LLC, SOUTHERN)	DOCKET NO.
DIGITAL NETWORK, INC. D/B/A FDN)	07-00078
COMMUNICATIONS AND NUVOX, INC. FOR)	
APPROVAL OF A TRANSFER OF CONTROL OF AN)	
AUTHORIZED TELECOMMUNICATIONS)	
PROVIDER)	

ORDER APPROVING TRANSFER OF AUTHORITY

This matter came before Chairman Sara Kyle, Director Eddie Roberson and Director Ron Jones of the Tennessee Regulatory Authority (the “Authority” or “TRA”), the voting panel assigned to this docket, at a regularly scheduled Authority Conference held on May 15, 2007 for consideration of the *Petition of FDN Holdings, LLC, Southern Digital Network, Inc. D/B/A FDN Communications and Nuvox, Inc. For Approval of a Transfer of Control of an Authorized Telecommunications Provider* (“*Petition*”).

The *Petition*

The *Petition*, which was filed March 27, 2007, sets out the request of FDN Holdings, LLC (“Holdings”), Florida Digital Network, Inc. d/b/a FDN Communications (“FDN”), Southern Digital Network, Inc. d/b/a FDN Communications (“SDN”), NuVox Transition Subsidiary, LLC (“FDN LLC”)¹ and NuVox, Inc. (“NuVox”) (collectively, “Petitioners”) for approval to transfer the control of SDN from its existing ultimate parent, Holdings, to NuVox.

¹ This newly formed entity will change its name to “FDN, LLC d/b/a/ FDN Communications” at closing.

SDN and NuVox Communications, Inc. (“NuVox Communications”) have a separate petition pending before the Authority in Docket No. 07-00075 requesting approval to provide security in connection with financing for the proposed transaction. The Petitioners’ Domestic Section 214 Application was granted by the Federal Communications Commission (“FCC”) on May 11, 2007.

NuVox, operating through its subsidiaries, is a facilities-based integrated communications provider of voice and data telecommunications services to business customers in the Midwestern and Southeastern states. NuVox is also authorized by the FCC to provide domestic, interstate and international telecommunications services. FDN LLC is a direct, wholly-owned subsidiary of NuVox, formed for the purpose of facilitating the acquisition of SDN.

FDN is a provider of voice and data services to businesses in Florida. SDN is a direct, wholly-owned subsidiary of FDN. SDN is authorized to provide voice and data services to business customers in several states. In Tennessee, SDN has approximately 52 customers and is authorized to provide competitive local exchange and interexchange telecommunications services pursuant to Authority order in Docket No. 04-00095 issued on July 23, 2004. SDN is also authorized to provide international services pursuant to FDN’s international authorization issued by the FCC.

SDN is ultimately owned by Holdings, which functions as a holding company for its operating subsidiaries. Holdings will be dissolved immediately prior to consummation of the merger and will distribute its FDN stock to its members. Holdings is not authorized by the FCC or any other state to provide telecommunications services.

The Petitioners request approval from the Authority to consummate a transaction whereby FDN, SDN’s existing parent, will merge with and into FDN LLC which is a newly-formed subsidiary of NuVox. As a result of this stock transaction, SDN will become a direct

subsidiary of FDN LLC, and NuVox will become the new ultimate parent company of SDN. This transaction is to take place pursuant to a March 20, 2007 Agreement and Plan of Merger among NuVox, FDN, Holdings, and FDN LLC.

The *Petition* states that NuVox is qualified to become the new ultimate owner of SDN and will continue to have the managerial, technical and financial qualifications to provide telecommunications services to consumers in Tennessee. The existing SDN management team will remain in place, supported by experienced NuVox personnel. SDN will continue to offer the same services at the same rates, terms and conditions, and under the same name as present. Any future change in the rates or terms and conditions of service will be made pursuant to Authority requirements. The proposed transaction is not expected to result in the discontinuance of service for any customers. The only change is that SDN will be ultimately owned by NuVox. The change in control will be transparent to customers. The Petitioners claim that the transaction will serve the public interest by combining the financial and managerial resources of FDN, SDN and NuVox and thereby promoting competition among providers of local and interexchange telecommunications services.

FINDINGS AND CONCLUSIONS

The Petitioners request authority to consummate a proposed merger resulting in a transfer of control pursuant to Tenn. Code Ann. § 65-4-113 (2004). Tenn. Code Ann. § 65-4-113 (2004) requires a public utility to obtain TRA approval to transfer its authority to provide utility services. Tenn. Code Ann. § 65-4-113(a) (2004) states as follows:

No public utility, as defined in § 65-4-101, shall transfer all or any part of its authority to provide utility services, derived from its certificate of public convenience and necessity issued by the authority, to any individual, partnership, corporation or other entity without first obtaining the approval of the authority.

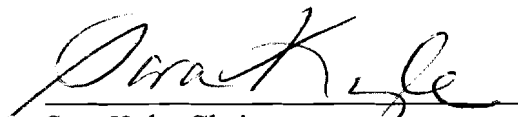
Tenn. Code Ann. § 65-4-113(b) (2004) provides the standards by which the TRA shall consider an application for transfer of authority, in pertinent part, as follows:

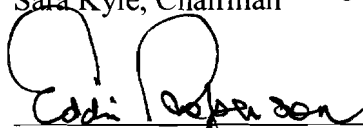
Upon petition for approval of the transfer of authority to provide utility services, the authority shall take into consideration all relevant factors, including, but not limited to, the suitability, the financial responsibility, and capability of the proposed transferee to perform efficiently the utility services to be transferred and the benefit to the consuming public to be gained from the transfer. The authority shall approve the transfer after consideration of all relevant factors and upon finding that such transfer furthers the public interest.

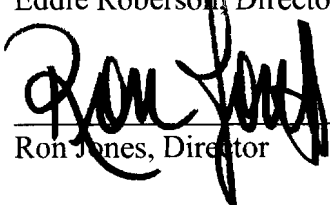
At the regularly scheduled Authority Conference held on May 15, 2007, the voting panel assigned to this docket considered the transfer of control requested in the *Petition*. Thereafter, based upon the evidentiary and administrative record as a whole and relying on the legal standard set forth in Tenn. Code Ann. § 65-4-113 (2004), the panel voted unanimously to grant approval of the *Petition*.

IT IS THEREFORE ORDERED THAT:

The transfer of authority between FDN Holdings, LLC, Southern Digital Network, Inc. d/b/a/ FDN Communications, and NuVox, Inc. described in the *Petition* and discussed herein is approved.


Sara Kyle, Chairman


Eddie Roberson, Director


Ron Jones, Director