

Categories of Services for 214 Applications
(Streamline/Non-streamline)

- LIMITED/GLOBAL RESALE SERVICE
- LIMITED/GLOBAL FACILITIES-BASED SERVICE
- LIMITED/GLOBAL FACILITIES-BASED/RESALE SERVICE
- INDIVIDUAL FACILITIES-BASED SERVICE
- INTERCONNECTED PRIVATE LINE RESALE SERVICE
- INMARSAT AND MOBILE SATELLITE SERVICE
- INTERNATIONAL SPECIAL PROJECT
- SWITCHED RESALE SERVICE
- TRANSFER OF CONTROL
- ASSIGNMENT OF LICENSE
- PRO FORMA TRANSFER/ASSIGNMENT
- SPECIAL TEMPORARY AUTHORITY
- SUBMARINE CABLE LANDING LICENSE

Description of Application: _____

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of)	
TeleBeam Incorporated and)	
TE Merger Corporation)	File No. _____
)	
Application for Assignment of)	
Authorization Under)	
Section 214 of the Communications)	
Act of 1934, as Amended)	

To: Chief, International Bureau

APPLICATION

TeleBeam Incorporated ("Telebeam") and TE Merger Corporation ("TEM") (jointly, the "Applicants"), hereby request authority from the Federal Communications Commission ("FCC" or "Commission"), pursuant to Section 214 of the Communications Act of 1934, 47 U.S.C. § 214, and 47 C.F.R. § 63.18(e)(5), for the assignment of TeleBeam's Section 214 authorization from TeleBeam to TEM. TeleBeam received its Section 214 authorization by a transfer of control from North American Communications, Inc. adopted on February 11, 1998 at File No. ITC-98-008-TC. This assignment will occur as part of a transaction whereby TeleBeam is merging into TEM, immediately after which the merged entity will change its name to TeleBeam, Incorporated. The transaction is described fully below.

Grant of this Application will serve the public interest, convenience and necessity. This assignment will allow the Applicants to manage their telecommunications operation more efficiently, permitting greater investment in facilities, customer services and technological innovation.

I. THE PARTIES

A. TeleBeam Incorporated

TeleBeam is a corporation organized and existing under the laws of the state of Delaware with its principal office in State College, Pennsylvania. TeleBeam engages in the provision of telecommunications products and services. TeleBeam is a nondominant carrier and holds an authorization under Section 214 to provide resold international communications services as granted in File No. ITC-98-008-TC, on February 11, 1998.

B. TE Merger Corporation [which will change its name to TeleBeam, Incorporated]

TE Merger Corporation ("TEM") is a corporation organized and existing under the laws of the Commonwealth of Pennsylvania with its principal office in Birdsboro, Pennsylvania. TEM intends to engage in the provision of telecommunications products and services upon its merger with TeleBeam under the name TeleBeam, Incorporated. TEM is a nondominant carrier and does not currently hold an authorization under Section 214 to provide resold international communications services.

II. DESCRIPTION OF THE TRANSACTION

TeleBeam is entering into a transaction under which Conestoga Enterprises, Inc. ("Conestoga") will acquire all of the stock of TeleBeam in exchange for 735,000 shares of Conestoga stock. Conestoga is the sole owner of TEM, a Pennsylvania corporation, into which TeleBeam will merge. Immediately after the merger, TEM will change its name to TeleBeam Incorporated, which will be the single, surviving, regulated, telecommunications carrier and public utility regulated by the FCC.

During the pendency of this Application, TeleBeam's customers will continue to be served by TeleBeam under its tariffed rates. Upon Commission approval of this Application, TEM, under the name TeleBeam, Incorporated, will provide service to TeleBeam customers, but will continue to charge these customers TeleBeam's present rates.

Approval of this transaction is in the public interest. There will be no adverse impact on existing service to subscribers. TeleBeam has a successful record of providing telecommunications services in Pennsylvania, and is authorized to provide interexchange carrier services in several other states. TeleBeam, Conestoga and TEM are in the process of pursuing all necessary state regulatory approvals for this transaction. The transfer of TeleBeam's stock and the assignment of its Section 214 Authorization to the merged entity is a component of this transaction. An organizational chart which describes the transaction and replicates the structure both before and after the transaction is attached hereto as Exhibit A.

The transaction will be transparent and seamless to all affected customers. There will be no impairment or interruption of service to subscribers as a result of this acquisition. Essentially, a corporation with the same name and same management — but with enhanced financial backing — will be providing telecommunication services under Section 214.

III. REQUEST FOR ASSIGNMENT OF AUTHORIZATIONS

Pursuant to 47 C.F.R. § 63.18(e)(5), the Applicants set forth the following information:

- (a) The names, addresses and telephone numbers of Applicants are:

Ara M. Kervandjian
TeleBeam Incorporated
467 East Beaver Avenue
State College, PA 16801
(814) 238-0000 (Phone)
(814) 234-4821 (Fax)

Albert H. Kramer
TE Merger Corporation
202 East First Street
Birdsboro, Pennsylvania 19508-9989
(610) 582-6204 (Phone)
(610) 582-6338 (Fax)

(After the proposed merger TE Merger Corporation will move its principal place of business to State College, Pennsylvania)

(b) TEM is a corporation organized and existing under the laws of the Commonwealth of Pennsylvania.

TeleBeam is a corporation organized and existing under the laws of the State of Delaware.

(c) Correspondence concerning this Application should be addressed to:

For TEM:

Albert H. Kramer
TE Merger Corporation
202 East First Street
Birdsboro, PA 19508-9989
(610) 582-6204 Phone
(610) 582-6338 Fax

with a copy to:

Derrick P. Williamson, Esquire
McNees, Wallace & Nurick
100 Pine Street
PO Box 1166
Harrisburg, PA 17108
(717) 237-5446 (Phone)
(717) 237-5300 (Fax)

For TeleBeam:

Ara M. Kervandjian
TeleBeam, Incorporated
467 East Beaver Avenue
State College, PA 16801
(814) 238-0000 (Phone)
(814) 234-4821 (Fax)

- (d) TeleBeam is a nondominant carrier and holds an authorization under Section 214 to provide international switched voice service by the resale of the international switched voice service set forth in AT&T's Tariffs FCC Nos. 1 and 2, RCI's Tariff FCC No. 1, US Sprint's Tariffs FCC Nos. 1 and 2 and Metromedia's Tariff FCC No. 2 between the U.S. and international points listed in those tariffs as granted in File No. ITC-98-008-TC. Under the terms of the transaction, this authorization will be assigned to TEM.
- (e)(5) Applicants request authority pursuant to the terms and conditions of § 63.18(e)(5) of the Commission's Rules for the assignment of TeleBeam's international Section 214 authorization to TEM as part of the transaction described above in which TEM will acquire ownership and control of TeleBeam's assets as a result of merger.
- (f) No response required.
- (g) No response required.
- (h) (1) TE Merger, Inc. hereby certifies that it does not have an affiliation with a foreign carrier within the meaning of 47 C.F.R. § 63.18(h)(1).
- (2) Information regarding the shareholder of TEM is provided in Exhibit B, attached.
- (i) TEM hereby certifies that it has not agreed to accept special concessions directly or indirectly from any foreign carrier with respect to any U.S. international route where the foreign carrier possesses sufficient market power on the foreign end of the route to affect competition adversely in the U.S. market and will not enter into such agreements in the future.
- (j) The Applicants hereby certify that no party to this application, as defined in 47 C.F.R. § 1.2002(b), is subject to denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 853a.
- (k) The instant application is eligible for streamlined processing pursuant to 47 C.F.R. § 63.12 because TEM does not have an affiliation with a foreign carrier within the meaning of Section 63.18(h)(1)(i).

CONCLUSION

Accordingly, the Applicants respectfully request that the Commission permit the assignment of authorization described herein.

Respectfully submitted,

TE Merger Corporation

BY: _____



Albert H. Kramer
TE Merger Corporation
202 East First Street
Birdsboro, PA 19508-9989

[signatures continued on next page]

TELEBEAM, INCORPORATED

BY: _____

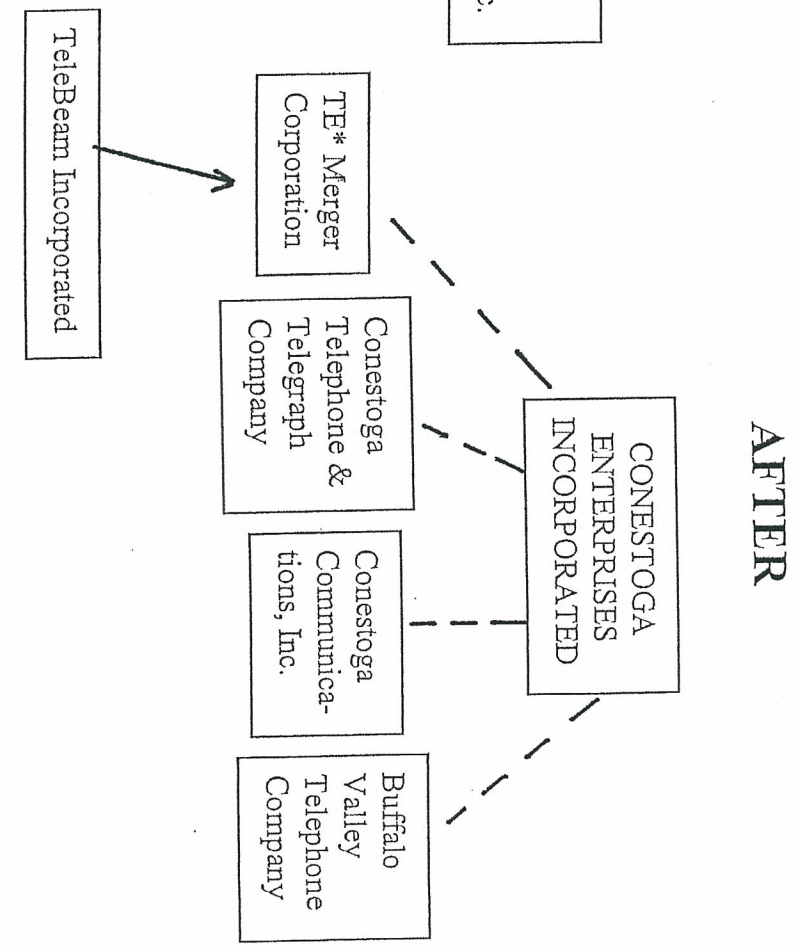
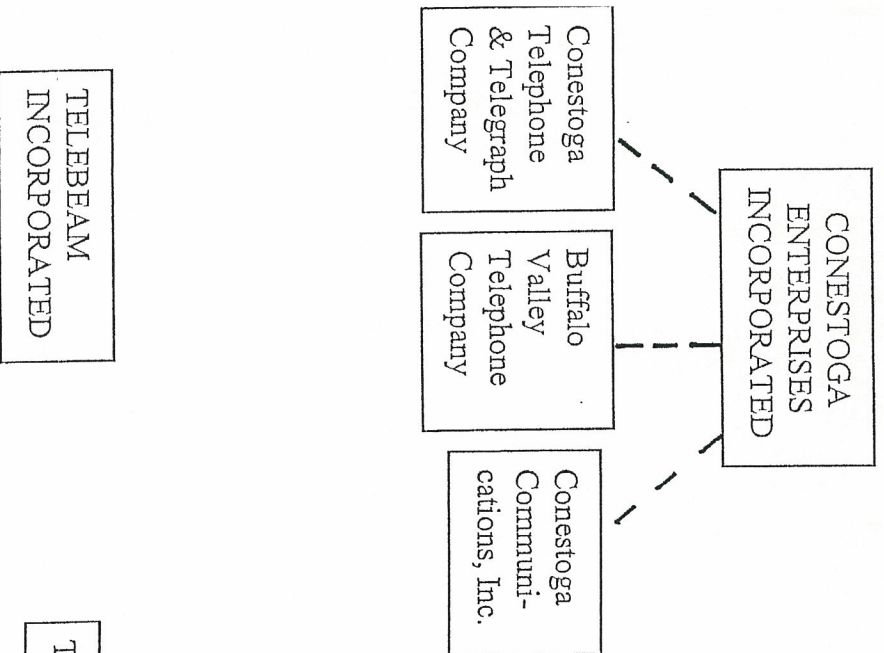


Ara M. Kervandjian
~~TeleBeam, Incorporated~~
467 ~~East~~ Beaver Avenue
State College, PA 16801

Dated: 11/23/99

REGULATED COMPANIES BEFORE AND AFTER MERGER

BEFORE



AFTER

*Immediately following the merger, TE Merger Corporation will change its name to TeleBeam Incorporated.

EXHIBIT B

The ten percent or greater shareholders of TE Merger, Inc. is as follows:

Conestoga Enterprises, Inc.

100%

Conestoga Enterprises, Inc. has no shareholders that own ten percent (10%) or more of its stock.

Conestoga Enterprises, Inc. is a corporation organized under the laws of the Commonwealth of Pennsylvania.

Additional information about Conestoga Enterprises, Inc.'s business and stockholders is available upon request.