ANN BAVENDER* SIMA N. CHOWDHURY* HARRY F. COLE ANNE GOODWIN CRUMP VINCENT J. CURTIS, JR. JOSEPH M. DI SCIPIO* PAUL J. FELDMAN JEFFREY J. GEE FRANK R. JAZZO M. SCOTT JOHNSON* MITCHELL LAZARUS STEPHEN T. LOVELADY SUSAN A. MARSHALL HARRY C. MARTIN FRANCISCO R. MONTERO LEE G. PETRO RAYMOND J : QUIANZON MICHAEL W. RICHARDS* JAMES P. BILEY KATHLEEN VICTORY HOWARD M. WEISS

FLETCHER, HEALD & HILDRETH, P.L.C.

ATTORNEYS AT LAW

11th FLOOR, 1300 NORTH 17th STREET ARLINGTON, VIRGINIA 22209

OFFICE: (703) 812-0400 FAX: (703) 812-0486 www.fhhlaw.com RETIRED MEMBERS
RICHARD HILDRETH
GEORGE PETRUTSAS

CONSULTANT FOR INTERNATIONAL AND INTERGOVERNMENTAL AFFAIRS SHELDON J. KRYS
U. S. AMBASSADOR (ret.)

OF COUNSEL
DONALD J. EVANS
EDWARD S. O'NEILL*
ROBERT M. GURSS*
EUGENE M. LAWSON, JR.

WRITER'S DIRECT

703-812-0403 feldman@fhhlaw.com

January 30, 2006

*NOT ADMITTED IN VIRGINIA

VIA HAND DELIVERY

Marlene H. Dortch, Secretary Federal Communications Commission Office of the Secretary 445 12th Street S.W. Washington, D.C. 20554

Re: Domestic and International

Section 214 Notification of Pro-Forma Merger of CEI Networks, Inc. into D&E Systems, Inc.

Dear Ms. Dortch:

On behalf of CEI Networks, Inc. ("CEIN") and D&E Systems, Inc. ("DESI"), and pursuant to the requirements of Section 214 of the Communications Act and Sections 63.03(d), 63.04(b) and 63.24(f) of the Commission's rules, I hereby notify you that CEIN has recently completed a merger into DESI. CEIN was a competitive local exchange carrier and an interexchange carrier, and by process of FCC rules, it had blanket domestic Section 214 authority. In addition, CEIN held international Section 214 authority under authorization number ITC-214-19970707-00382.¹

<u>Description of Transaction</u>: CEIN and DESI entered into an Agreement and Plan of Merger. The Merger became effective when Articles of Merger were filed with the Pennsylvania Department of State after FCC and Pennsylvania PUC requirements were fulfilled, and all other conditions precedent to the closing of the Merger occurred. At that time, CEIN ceased to exist, and DESI continued to be a wholly-owned subsidiary of DECI. CEIN's customers are now served by DESI.

On February 8, 2002, the Commission granted an application to transfer control of that international Section 214 authority from Conestoga Enterprises, Inc. to D&E Acquisition Corp. See File No. ITC-TC-20011227-00655. A copy of this letter has been associated with an electronic filing (on the IBFS) notifying the International Bureau of this merger.

Marlene H. Dortch, Secretary January 30, 2006 Page 2

The merger of CEIN into DESI was a *pro-forma* transaction under Sections 63.03 and 63.24 because the transaction did not result in a change in ultimate ownership or control of CEIN's lines or authorizations to operate. This is because before the merger, both CEIN and DESI were each wholly-owned subsidiaries of the same company – D&E Communications, Inc. ("DECI"). The post-merger DESI remains a wholly-owned subsidiary of DECI.

In compliance with the requirements of Sections 63.04(b) and 63.24(f) of the Commission's rules, the following information is provided:

-The name address and telephone number of each party is as follows:

CEI Networks, Inc. 124 East Main Street P.O. Box 458 Ephrata, PA 17522-0458 (717) 738-8606

D&E Systems, Inc. 124 East Main Street P.O. Box 458 Ephrata, PA 17522-0458 (717) 738-8606

- -CEIN was incorporated under the laws of the Commonwealth of Pennsylvania, and DESI is incorporated in the State of Delaware. DESI remains a Delaware corporation, post-closing.
- -The contact for correspondence regarding this filing is the FCC counsel for the parties:

Paul J. Feldman, Esq. Fletcher, Heald & Hildreth, PLC 1300 North 17th Street, 11th Floor Arlington, VA. 22209 (703)812-0403 feldman@fhhlaw.com

-As CLECs and interexchange carriers, both CEIN and DESI had or have blanket domestic Section 214 authority by process of FCC rules. CEIN also had international Section 214 resale authority (ITC-214-19970707-00382).

Marlene H. Dortch, Secretary January 30, 2006 Page 3

-CEIN was and DESI is wholly owned by D&E Communications, Inc., a U.S. corporation, located at 124 East Main Street, P.O. Box 458, Ephrata, PA 17522-0458. There are no persons or entities that own 10 percent or more of the equity of D&E Communications, Inc. There are no interlocking directorates with a foreign carrier.

-On behalf of CEIN and DESI, I certify that this assignment was *pro forma*, and that together with all previous *pro forma* transactions does not result in a change in the actual controlling party.

-On behalf of CEIN and DESI, I certify that pursuant to Sections 1.2001 through 1.2003 of the FCC's rules, to the best of my knowledge, information and belief, no party to this application is subject to a denial of Federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988.

Thank you for your assistance on these matters. If you have any questions, please do not hesitate to contact me.

Sincerely,

Paul J. Feldman, Esq.

Counsel for CEI Networks, Inc. and D&E Systems, Inc.

PJF:jpg

cc: Ms. Alexis Johns (Wireline Comp. Bureau)

Ms. Joann Ekblad (International Bureau)

Mr. Len Beurer

Mr. John Rutkowski