

1. REPORT DATE: 00/00/00 :  
 2. BUREAU: FUS :  
 3. SECTION(S) : 4. PUBLIC MEETING DATE:  
 5. APPROVED BY: : 00/00/00  
 DIRECTOR: :  
 SUPERVISOR: :  
 6. PERSON IN CHARGE: : 7. DATE FILED: 05/11/01  
 8. DOCKET NO: A-311095 : 9. EFFECTIVE DATE: 00/00/00

PARTY/COMPLAINANT:

RESPONDENT/APPLICANT: CTSI LLC

COMP/APP COUNTY:

UTILITY CODE: 311095

ALLEGATION OR SUBJECT

APPLICATION OF COMMONWEALTH TELEPHONE ENTERPRISES, INC., COMMONWEALTH TELEPHONE COMPANY, CTSI, INC., AND CTSI, LLC, FOR THE TRANSACTION RELATED TO THE RESTRUCTURING OF CTSI, INC., INCLUDING, INTER ALIA, THE ASSOCIATED ACQUISITION BY COMMONWEALTH TELEPHONE COMPANY (A-310800F0007) THROUGH THE CREATION OF A WHOLLY OWNED SUBSIDIARY NAMED CTSI LLC (A-311095), MERGER BY ACQUISITION OF STOCK OF CTSI INC TO CTSI LLC (A-311095F0002), AND THE ABANDONMENT OF CTSI INC (A-310510F2000).

**DOCKETED**

MAY 16 2001

DOCUMENT  
FOLDER

JOSEPH J. MALATESTA, JR.  
WILLIAM T. HAWKE  
KEVIN J. McKEON  
LOUISE A. KNIGHT  
THOMAS J. SNISCAK  
NORMAN JAMES KENNARD  
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MAILING ADDRESS:  
P.O. BOX 1778  
HARRISBURG, PA 17105

A. 311095

May 11, 2001

James J. McNulty, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street  
P.O. Box 3265  
Harrisburg, PA 17105-3265

Proprietary  
Information  
Redacted

RECEIVED  
MAY 11 2001

A PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

Re: Application of Commonwealth Telephone Enterprises, Inc.; Commonwealth Telephone Company, CTSI, Inc. and CTSI, LLC for all approvals required under the Public Utility Code for the transactions related to the restructuring of CTSI, Inc. including, inter alia, the associated acquisition by creation of a wholly-owned subsidiary, merger by acquisition of stock, and provision and abandonment of service; Docket Nos. A-\_\_\_\_\_; A-\_\_\_\_\_; A-\_\_\_\_\_; A-\_\_\_\_\_

**NOTE: THIS FILING CONTAINS PROPRIETARY FINANCIAL INFORMATION. PROPRIETARY TREATMENT IS REQUESTED.**

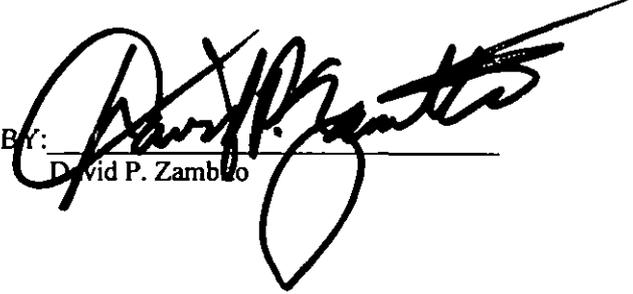
Dear Secretary McNulty:

Enclosed please find an original and three (3) copies of the above-captioned Application. Also enclosed are four (4) copies of the redacted version of the Application, as well as the required application fee of \$350.00 (check no. 11755).

If you have any questions concerning this filing, please contact me.

DOCUMENT  
FOLDER

MALATESTA HAWKE & McKEON LLP

By:   
David P. Zambito

DPZ/cea  
cc: Service List

**ORIGINAL RECEIVED**  
BEFORE THE

PENNSYLVANIA PUBLIC UTILITY COMMISSION

MAY 11 2001

A PUBLIC UTILITY COMMISSION  
SECRETARY'S BUREAU

Application of Commonwealth Telephone Enterprises, Inc., Commonwealth Telephone Company, CTSI, Inc., and CTSI, LLC for all approvals required under the Public Utility Code for the transactions related to the restructuring of CTSI, Inc., including, inter alia, the associated acquisition by creation of a wholly-owned subsidiary, merger by acquisition of stock, and provision and abandonment of service :

Docket Nos. A- 31095  
A- \_\_\_\_\_  
A- \_\_\_\_\_  
A- \_\_\_\_\_

**TO THE HONORABLE PENNSYLVANIA PUBLIC UTILITY COMMISSION:**

AND NOW COMES, Commonwealth Telephone Enterprises, Inc. ("CTE"), Commonwealth Telephone Company ("CTCo"), CTSI, Inc. ("INC"), and CTSI, LLC ("LLC"), hereinafter collectively referred to as the "Joint Applicants," and file, pursuant to the Pennsylvania Public Utility Code (66 Pa. C.S. §101 et seq., and specifically §§ 1102, 1103) and the regulations of the Pennsylvania Public Utility Commission ("Commission")(52 Pa. Code § 1.1 et seq.), this Joint Application, as a single submittal under 52 Pa. Code §1.34 ("Consolidated Application"), for all approvals required for the transactions described herein as evidenced by the issuance of Certificates of Public Convenience and, in support thereof, state as follows:

**I. INTRODUCTION**

1. The names and addresses of the Joint Applicants are:

Commonwealth Telephone Enterprises, Inc.  
100 CTE Drive  
Dallas, PA 18612

Commonwealth Telephone Company  
100 CTE Drive  
Dallas, PA 18612

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MAY 16 2001

CTSI, Inc.  
100 CTE Drive  
Dallas, PA 18612

CTSI, LLC  
100 CTE Drive  
Dallas, PA 18612

2. The name and address of the Joint Applicants' attorney in this matter is:

David P. Zambito  
Malatesta Hawke & McKeon LLP  
Harrisburg Energy Center  
100 North Tenth Street  
P.O. Box 1778  
Harrisburg, PA 17105  
(717) 236-1300

## **II. OVERVIEW**

3. This Consolidated Application is being filed before the Commission for the purpose of accomplishing a corporate reorganization. INC currently is a certificated competitive local exchange carrier ("CLEC"), and CTCo, INC's sister corporation, currently is a certificated incumbent local exchange carrier ("ILEC"). INC and CTCo are subsidiaries of CTE. In this reorganization, CTE proposes to transfer ownership of INC to a newly-formed company, LLC (to be created as a wholly owned subsidiary company of CTCo), and seeks to obtain a Certificate of Public Convenience allowing LLC to provide the services previously provided by INC in Pennsylvania.

4. Transferring ownership of INC to LLC will create a financially and managerially stronger CLEC that is able to more effectively compete in the Pennsylvania local telecommunications market.

5. The transactions represent a change in direct ownership only. Ultimate ownership of both CTCo (the ILEC) and LLC (the CLEC) will continue to reside in CTE.

6. The proposed transactions will not affect, in any manner, the ownership or operations of CTCo. Likewise, no changes in INC's management is anticipated.

7. The proposed transactions will be transparent to INC's current customers, who will be provided with the same level of service at the same rates.

### **III. DESCRIPTION OF APPLICANTS**

8. CTE is a publicly traded corporation organized under the laws of the Commonwealth of Pennsylvania. CTE consists primarily of CTCo and INC. CTE presently owns and controls the stock of CTCo and INC. CTE's other operations include: Commonwealth Communications, a provider of telecommunications equipment and facilities management services; epix Internet Services, an Internet service provider; Jack Flash, a digital subscriber line (DSL) service; and, Commonwealth Long Distance Company, a reseller of long-distance services.

9. CTCo, an ILEC, is incorporated as a Pennsylvania corporation and provides a full range of high-quality, low-cost telephone and related services over a network in a 20 county, approximately 5,000-square-mile service territory in Pennsylvania. As of December 31, 2000, CTCo provided service to approximately 315,000 access lines. CTCo holds letters patent and Certificates of Public Convenience to offer telephone service in Pennsylvania at Commission Docket Nos. A-9610, A-76155, A-80433, A-81356, A-82106, A-83156, A-85690, A-96978, A-96933, A-99981, A-00101891, A-00102711, and A-310800.

10. INC is incorporated as a Pennsylvania corporation and is a full-service, facilities-based CLEC offering bundled local, all-distance telephone, vertical services, DSL and Internet access. The common stock of INC is currently held by CTE. INC holds a Certificate of Public Convenience to offer service as a CLEC issued by this Commission at Docket Nos. A-310397 and A-310510.

11. LLC is to be created as a wholly owned subsidiary of CTCo and will be a limited liability company formed under Pennsylvania law. Following merger by acquisition of INC stock, LLC will provide the same services previously offered by INC and will continue its local service strategy -- competing with ILECs and other CLECs.

#### **IV. DESCRIPTION OF PROPOSED TRANSACTIONS**

12. Organizational charts depicting the transactions described herein are attached and made part of this Consolidated Application as **Appendix "A."**

13. Approval of this Commission is requested for the entirety of the transactions set forth herein. The following steps are involved:

##### **Step 1 - Acquisition By CTCo, Through Creation Of LLC, As a Wholly Owned Subsidiary Company; 66 Pa. C.S. § 1102(a)(4)**

14. For the reasons and the purposes set forth hereinafter, CTCo hereby seeks approval to create, as a wholly owned subsidiary, LLC, and thereby "acquire" it within the potential meaning of subsection 1102(a)(4) of the Code, 66 Pa. C.S. § 1102(a)(4).

15. As demonstrated by the description of CTCo above, CTCo has the financial ability and the business experience necessary to create LLC.

**Step 2 - Merger by Acquisition of Stock of INC by LLC; 66 Pa. C.S. § 1102(a)(3)**

16. CTE intends to transfer to LLC by merger all of its common stock holdings in INC. As a result of this transfer, INC will become a directly and wholly-owned subsidiary of CTCo. The Joint Applicants hereby seek approval of this transaction under subsection 1102(a)(3) of the Code, 66 Pa. C.S. § 1102(a)(3).

17. LLC hereby completely adopts all currently effective affiliated interest agreements and other regulatory documents previously approved by this Commission that affect INC.

**Step 3 - Issuance to LLC Of A Certificate of Public Convenience To Provide Competitive Local Exchange Services; 66 Pa. C.S. §§ 1102(a)(1), 1103(a)**

18. Simultaneously with the transfer contemplated in Paragraph above (Step 2), LLC seeks a Certificate of Public Convenience under subsections 1102(a)(1) and 1103(a) of the Code, 66 Pa. C.S. § 1102(a)(1), 1103(a)(3), to provide services identical to those currently provided by INC.

19. The initial officers of LLC will be the same as the officers of INC.

20. LLC requests approval to provide service under the currently effective tariffs of INC.

**Step 4 - Abandonment by INC of Competitive Local Exchange Telephone Services in Pennsylvania; 66 Pa. C.S. §§ 1102(a)(2), 1103(a)**

21. Pursuant to subsections 1102(a)(2) and 1103(a) of the Code, 66 Pa. C.S. §§ 1102(a)(2), 1103(a), INC seeks a Certificate of Public Convenience authorizing it to abandon its services in Pennsylvania because all of its stock will be merged into LLC. LLC will provide the services previously provided by INC.

**V. FINANCIAL INFORMATION AND CORPORATE AUTHORIZATIONS**

22. Attached to and made a part of this Consolidated Application as **Appendix "B"** are advanced copies of INC's latest financial filings with the Commission (twelve months ending December 31, 2000). These documents have been marked "**Confidential**" and strict proprietary treatment is requested.

23. The financial and managerial resources that will be available to LLC will be the same or better than the resources available to INC.

24. The income statements and balance sheets of CTCo are not affected by the transactions in any way and, accordingly, are not included with this Application.

25. The corporate registration certificates for CTE, CTCo, and INC are attached as **Appendices "C," "D," and "E"** respectively.

26. Because LLC has not yet been created, no Pennsylvania Department of State certificate is available regarding the registration of LLC. As soon as approval by the Commission is obtained, the creation of LLC will occur and all necessary registrations will be made.

27. Attached to and made a part of this Consolidated Application as **Appendix "F"** is a Certificate from the Corporate Secretary of CTE, CTCo, and INC, which evidences the necessary corporate and shareholder approvals and authority to perform the various transfers and other actions required to implement the transactions proposed in this Consolidated Application.

28. The transactions proposed in this Consolidated Application will have no effect upon the rates and services currently provided by INC or CTCo.

#### **VI. APPROVAL OF THIS APPLICATION IS IN THE PUBLIC INTEREST**

29. Approval of each and every transaction proposed in this Consolidated Application is in the public interest for the following reasons:

a. The local telecommunications operations of CTE, namely CTCo (an ILEC) and INC (a CLEC), will be consolidated under CTCo, both of whom will have the opportunity to more efficiently grow their operations;

b. The telecommunications operations of LLC will be better positioned in a competitive marketplace as a result of the transactions;

c. The improved abilities of CTCo and LLC will enhance the competitiveness of the telecommunications industry in Pennsylvania; and,

d. The transactions serve a valid business purpose by promoting managerial efficiency.

## **VII. OTHER PROVISIONS**

30. The proposed transactions are to be effective, subject to approval of this Commission, and are conditioned upon meeting the requirements and/or receiving the approvals of all regulatory agencies having jurisdiction over the Joint Applicants and the contemplated transactions.

31. All Joint Applicants have paid all special and general assessments levied upon them by the Commission pursuant to the Public Utility Code and the Commission's Regulations.

32. The transactions contemplated by this Consolidated Application will be recorded in accordance with the Uniform System of Accounts prescribed by this Commission.

33. As indicated by the attached certificate of service, service of this Joint Application (redacted version) has been made upon the Commission's Office of Trial Staff ("OTS"), the Pennsylvania Office of the Consumer Advocate ("OCA"), and the Pennsylvania Office of the Small Business Advocate ("OSBA").

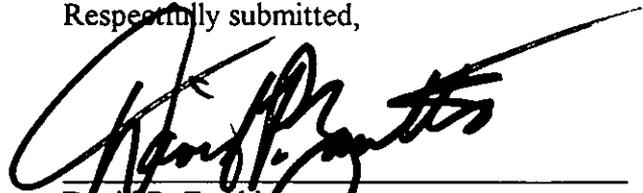
**VIII. PRAYER FOR RELIEF AND REQUEST FOR FINDINGS**

**WHEREFORE**, the Joint Applicants respectfully request that the Pennsylvania Public Utility Commission:

(a) Grant all approvals, as evidenced by the issuance of related Certificates of Public Convenience, required for the Joint Applicants to undertake the various transactions detailed in this Consolidated Application; and

(b) Find that the Joint Applicants have established that the restructuring described by this Consolidated Application provides affirmative public benefits, and the approval of the transactions is in the public interest.

Respectfully submitted,

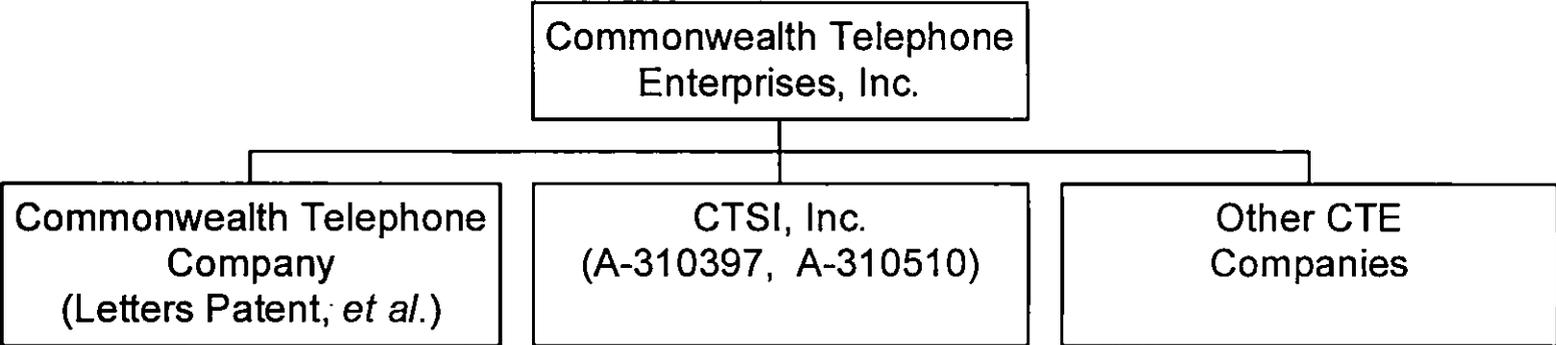


David P. Zambino  
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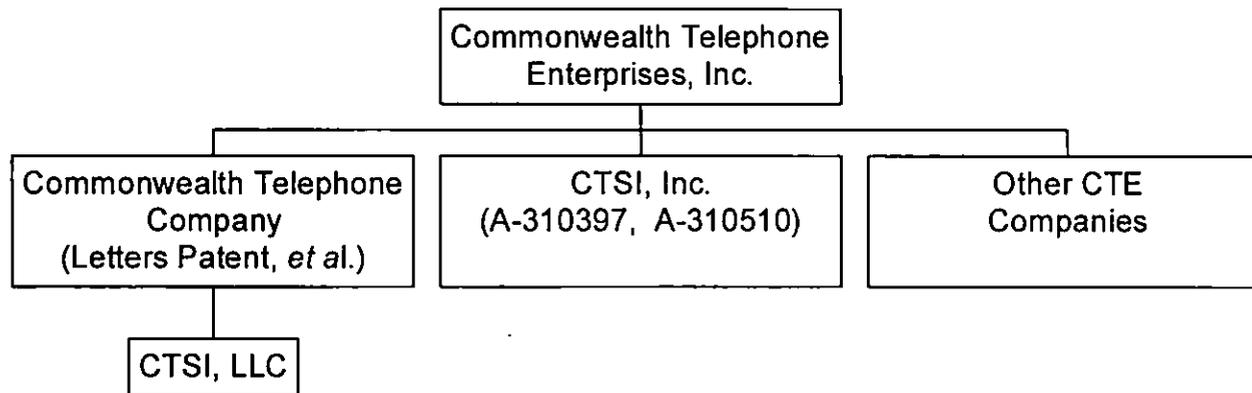
Counsel for Joint Applicants

DATED: May 11, 2001

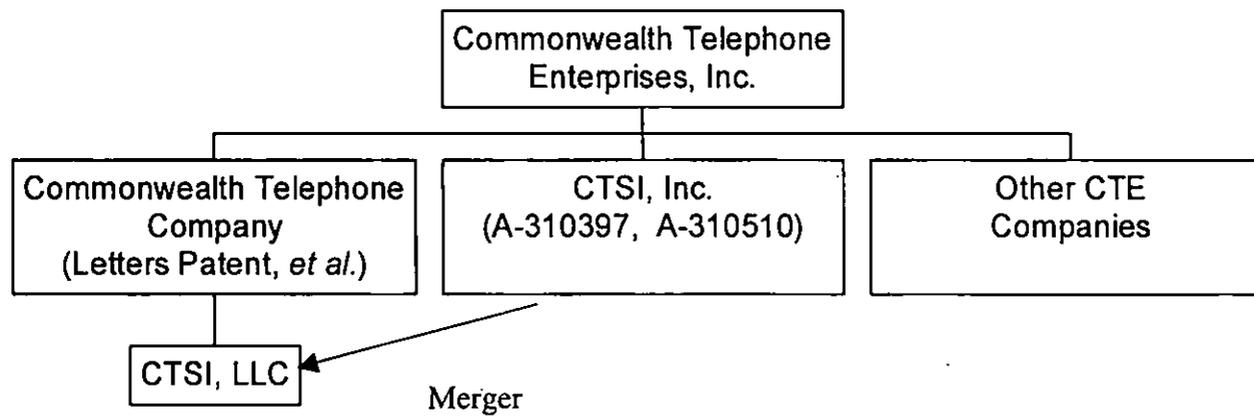
# CURRENT STRUCTURE



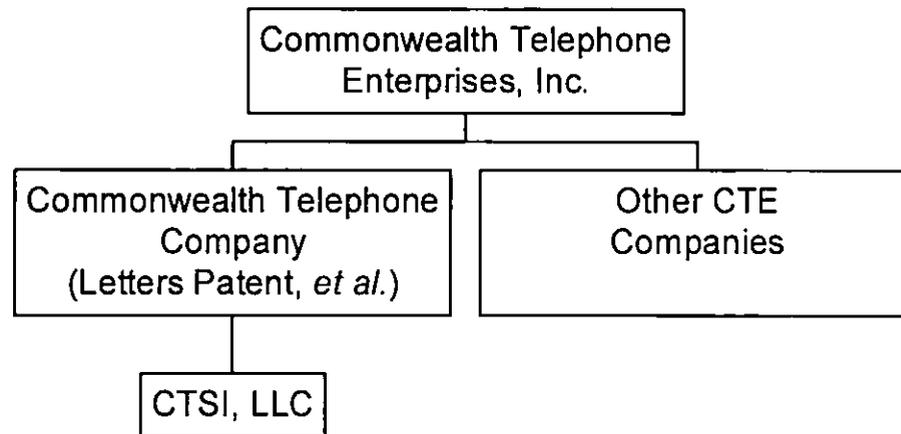
## FORMATION OF CTSI, LLC



# MERGER OF CTSI, INC. INTO CTSI, LLC



# CORPORATE ORGANIZATION POST-RESTRUCTURING



**PROPRIETARY**

**INFORMATION**

**REDACTED**

Applicant's Account No. \_\_\_\_\_

DSCB-BCL-204 (Rev. 8-72)

Filing Fee: \$75  
A15-7

Articles of  
Incorporation—  
Domestic Business Corporation

79:14 127

684055

COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF STATE  
CORPORATION BUREAU

Filed this 2nd day of  
March, A.D. 1979

Commonwealth of Pennsylvania  
Department of State

Secretary of the Commonwealth

as

In compliance with the requirements of section 204 of the Business Corporation Law, act of May 5, 1933 (P. L. 364) (15 P. S. §1204) the undersigned, desiring to be incorporated as a business corporation, hereby certifies (certify) that:

1. The name of the corporation is:

Commonwealth Telephone Enterprises, Inc.

2. The location and post office address of the initial registered office of the corporation in this Commonwealth is:

100 Lake Street

(NUMBER)

(STREET)

Dallas

(CITY)

Pennsylvania

18612

(ZIP CODE)

3. The corporation is incorporated under the Business Corporation Law of the Commonwealth of Pennsylvania for the following purpose or purposes:

The corporation shall have unlimited power to engage in and to do any lawful act concerning any or all lawful business, including manufacturing, processing, research and development, for which corporations may be incorporated under the Pennsylvania Business Corporation Law.

4. The term for which the corporation is to exist is: perpetual

5. The aggregate number of shares which the corporation shall have authority to issue is:

Five million (5,000,000) shares of common stock, par value one dollar (\$1.00) per share.

form 4

6. The names and post office address of each incorporator and the number and class of shares subscribed by such incorporator:

NAME	ADDRESS (Including street and number, if any)	NUMBER AND CLASS OF SHARES
William J. Umphred	100 Lake Street Dallas, Pennsylvania 18612	3 shares of common stock

IN TESTIMONY WHEREOF, the incorporator(s) has (have) signed and sealed these Articles of Incorporation this

27th day of February, 1979.

\_\_\_\_\_  
(SEAL) *William J. Umphred* (SEAL)  
\_\_\_\_\_  
(SEAL)

INSTRUCTIONS FOR COMPLETION OF FORM:

- A. For general instructions relating to the incorporation of business corporations see 19 Pa. Code Ch. 35 (relating to business corporations generally). These instructions relate to such matters as corporate name, stated purposes, term of existence, authorized share structure and related authority of the board of directors, inclusion of names of first directors in the Articles of Incorporation, optional provisions on cumulative voting for election of directors, etc.
- B. One or more corporations or natural persons of full age may incorporate a business corporation.
- C. Optional provisions required or authorized by law may be added as Paragraphs 7, 8, 9 . . . etc.
- D. The following shall accompany this form:
  - (1) Three copies of Form DSCB:BCL-206 (Registry Statement Domestic or Foreign Business Corporation).
  - (2) Any necessary copies of Form DSCB:17.2 (Consent to Appropriation of Name) or Form DSCB:17.3 (Consent to Use of Similar Name).
  - (3) Any necessary governmental approvals.
- E. BCL §205 (15 Pa. S. §1205) requires that the incorporators shall advertise their intention to file or the corporation shall advertise the filing of articles of incorporation. Proofs of publication of such advertising should not be delivered to the Department, but should be filed with the minutes of the corporation.

STATE  
OF  
PENNSYLVANIA  
DEPARTMENT OF REVENUE  
MAR 2 2 1979

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Commonwealth of Pennsylvania



684055

Department of State

To All to Whom These Presents Shall Come, Greeting:

**Whereas**, Under the provisions of the Business Corporation Law, approved the 5th day of May, Anno Domini one thousand nine hundred and thirty-three, P. L. 364, as amended, the Department of State is authorized and required to issue a

**CERTIFICATE OF INCORPORATION**

evidencing the incorporation of a business corporation organized under the terms of that law, and

**Whereas**, The stipulations and conditions of that law have been fully complied with by the persons desiring to incorporate as

COMMONWEALTH TELEPHONE ENTERPRISES, INC.

**Therefore, Know Ye**, That subject to the Constitution of this Commonwealth and under the authority of the Business Corporation Law, I do by these presents, which I have caused to be sealed with the Great Seal of the Commonwealth, create, erect, and incorporate the incorporators of and the subscribers to the shares of the proposed corporation named above, their associates and successors, and also those who may thereafter become subscribers or holders of the shares of such corporation, into a body politic and corporate in deed and in law by the name chosen hereinbefore specified, which shall exist perpetually and shall be invested with and have and enjoy all the powers, privileges, and franchises incident to a business corporation and be subject to all the duties, requirements, and restrictions specified and enjoined in and by the Business Corporation Law and all other applicable laws of this Commonwealth.

**Given** under my Hand and the Great Seal of the Commonwealth, at the City of Harrisburg, this 2nd day of March in the year of our Lord one thousand nine hundred and seventy-nine and of the Commonwealth the two hundred and third

A handwritten signature in cursive script, reading "Ethel S. Allen, D.O.", written over a horizontal line.

Secretary of the Commonwealth

86281023

(Line for numbering)

684055

Filed this \_\_\_\_\_ day of \_\_\_\_\_

APR 24 1986

Commonwealth of Pennsylvania  
Department of State



Secretary of Commonwealth

COMMONWEALTH OF PENNSYLVANIA  
DEPARTMENT OF STATE  
CORPORATION OF BUREAU

AMENDED AND RESTATED

ARTICLES OF INCORPORATION

OF

C-TEC CORPORATION

(formerly Commonwealth Telephone Enterprises, Inc.)

under Article VIII of the Pennsylvania  
Business Corporation Law

1. The name of the corporation is C-TEC Corporation, formerly Commonwealth Telephone Enterprises, Inc.
2. The location and post office address of the registered office of the corporation in this Commonwealth is 46 Public Square, Martz Towers, P.O. Box 3000, Wilkes-Barre, Pennsylvania, 18703-3000.
3. The corporation is incorporated under the Business Corporation Law of the Commonwealth of Pennsylvania for the following purpose or purposes:  

The corporation shall have unlimited power to engage in and to do any lawful act concerning any or all lawful business, including manufacturing, processing, research and development, for which corporations may be incorporated under the Pennsylvania Business Corporation Law.
4. The date of its incorporation is March 2, 1979.
5. The term for which the corporation is to exist is perpetual.

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6. The meeting of the shareholders of the corporation at which the amendment was adopted was held at the time and place and pursuant to the kind and period of notice herein stated.

Time: April 24, 1986

Place: Sheraton-Crossgates  
20 Public Square  
Wilkes-Barre, PA

Kind and period of notice: Notice of Annual Meeting of Shareholders, mailed to shareholders on March 21, 1986.

7. At the time of the action of shareholders:

(a) The total number of shares outstanding was 2,772,107.

(b) The number of shares entitled to vote was 2,772,107.

8. In the action taken by the shareholders:

(a) The number of shares voted in favor of the amendment was 2,080,376.

(b) The number of shares voted against the amendment was 81,601.

9. A. Classes and Number of Shares. The total number of shares of all classes of stock which the corporation shall have authority to issue is 50,000,000 shares, consisting of 35,000,000 shares of Common Stock, par value \$1.00 per share ("Common Stock") and 15,000,000 shares of Class B Common Stock, par value \$1.00 per share ("Class B Stock").

B. Powers and Rights of the Common Stock and the Class B Stock. The designations, preferences and relative, participating, optional or other special rights and the qualifications, limitations or restrictions in respect of the shares of each class are as follows:

(1) Voting Rights and Powers. With respect to all matters upon which shareholders are entitled to vote or to which shareholders are entitled to give consent, except as provided herein, the holders of the outstanding shares of the Common Stock and the holders of any outstanding shares of the Class B Stock shall vote together without regard to class, and every holder of the outstanding shares of the Common Stock shall be entitled to cast thereon one (1) vote in person or by proxy for each share of the Common Stock standing in his name, and every holder of any outstanding shares of the Class B Stock shall be entitled to cast thereon fifteen (15) votes in person or by proxy for each share of the Class B Stock standing in his name. With respect to any proposed amendment which would (i) increase or decrease the par value of any class, (ii) alter or change the preferences,

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qualifications, limitations, restrictions or special or relative rights of the shares of any class so as to affect the holders of such class adversely, (iii) increase the authorized number of shares of any class, (iv) authorize a new class of shares senior or superior in any respect to the shares of any class, or (v) increase the number of authorized shares of any class senior or superior in any respect to the shares of any class then authorized, the approval of a majority of the votes entitled to be cast by the holders of the class affected by the proposed amendment, voting separately as a class, shall be obtained in addition to the approval of a majority of the votes entitled to be cast by the holders of the Common Stock and the Class B Stock voting together without regard to class as hereinbefore provided.

(2) Dividends and Distributions.

(a) Cash Dividends. At any time shares of the Class B Stock are outstanding, as and when cash dividends may be declared by the Board of Directors, the cash dividend payable on shares of the Common Stock shall be in all cases at least 105% of the cash dividend payable on shares of the Class B Stock. For purposes of calculating the cash dividend to be paid on shares of the Common Stock and Class B Stock, the amount of the cash dividend declared and payable on shares of the Common Stock, determined in accordance with this provision, may be rounded up to the next highest half cent or fraction thereof.

(b) Other Dividends and Distributions. Each share of the Common Stock and each share of the Class B Stock shall be equal in respect of rights to dividends (other than cash) and distributions, when and as declared, in the form of stock or other property of the corporation except that in the case of dividends or other distributions payable in stock or stock split-ups or divisions, which occur after the date shares of the Class B Stock are first issued by the corporation, shares of the Class B Stock shall be distributed only with respect to the Class B Stock and shares of the Common Stock may be distributed with respect to both the Common Stock and the Class B Stock. In order to effect the initial issuance of the Class B Stock, a stock dividend of one share of Class B Stock for each whole share of Common Stock outstanding on April 4, 1986 may be distributed to shareholders of record on April 4, 1986.

(c) Other Rights. Except as otherwise required by the Pennsylvania Business Corporation Law or as otherwise provided in these Amended and Restated Articles of Incorporation, each share of the Common Stock and each share of the Class B Stock shall have identical powers, preferences and rights, including rights in liquidation.

(3) Conversion of Class B Stock.

(a) Shares of Class B Stock shall be convertible, at the option of the respective holders thereof, at any time, and from time to time, into fully paid and nonassessable shares of Common Stock on the basis of one share of Common Stock for each share of Class B Stock. Any holder of shares

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of the Class B Stock may elect to convert any or all of such shares at one time or at various times, in such holder's discretion.

(b) No payment or adjustment with respect to dividends on shares of the Common Stock or on the Class B Stock shall be made in connection with any conversion of shares of Class B Stock into shares of Common Stock; provided, however, that if any shares of the Class B Stock shall be converted subsequent to the record date for the payment of a stock or cash dividend or other distribution on the shares of the Class B Stock but prior to such payment, the stock or cash dividend or other distribution will be paid on the Class B Stock to the registered holder of such shares as of the close of business on the record date as if no conversion had been made.

(c) The holders of a certificate or certificates for Class B Stock, in order to effect the conversion of shares represented thereby, shall surrender the certificate or certificates to the corporation or to the Transfer Agent for the shares of the Class B Stock, with request for conversion. If the shares of the Common Stock issuable upon conversion are to be issued in a name other than that in which the shares of the Class B Stock to be converted are registered, the certificate or certificates shall be duly endorsed for transfer or accompanied by a duly executed stock transfer power.

Upon surrender of the certificate or certificates, the corporation shall issue and deliver or cause to be issued and delivered to the person entitled thereto a certificate or certificates for the number of full shares of the Common Stock issuable upon conversion. The corporation shall pay all original issue taxes, if any, payable upon the issue of shares of the Common Stock issued upon any conversion.

The conversion shall be deemed to have been effected on the date of the surrender of the certificate or certificates of shares of the Class B Stock, and the person in whose name the certificate or certificates of the shares of the Common Stock issuable upon conversion are to be issued shall be deemed to be the holder of record of the shares as of that date.

(d) If there should be any capital reorganization or any reclassification of the Common Stock, the shares of the Class B Stock shall thereafter have the right to be converted into the number of shares of stock or other securities or property of the corporation to which outstanding shares of the Common Stock would have been entitled upon the effective date of the reorganization or reclassification. The Board of Directors shall make an appropriate adjustment in the application of the provision of this paragraph (d) with respect to the conversion rights of the holders of the shares of the Class B Stock after the reorganization or reclassification, to the end that the provision shall be applicable, as nearly as reasonably may be, in respect to any shares or other securities or property thereafter issuable or deliverable upon the conversion of shares of the Class B Stock. The provision of this sub-paragraph shall not apply to a reorganization or

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reclassification involving merely a subdivision or combination of outstanding shares of the Common Stock, which shall be governed by sub-paragraph (h) hereof.

(e) In case the corporation shall be consolidated with or merged into any other corporation or shall sell or transfer its property and business as or substantially as an entirety, then the stock or other securities or other property, including cash, issuable or deliverable in connection with such consolidation, merger or sale in respect of each share of the Common Stock then outstanding, shall thereafter, for the purposes of the conversion rights of the Class B Stock, be deemed the equivalent of one share of Common Stock. Upon the exercise of conversion rights, holders of Class B Stock shall be entitled to receive on an equivalent basis and at the same rate and on the other terms and conditions set forth in paragraph (c), the stock or other securities or property, including cash, deemed to be the equivalent of Common Stock. Lawful provision to this effect shall be made a part of and condition to the consolidation, merger or sale.

(f) In case the corporation shall propose (i) to effect any reclassification of the Common Stock or any capital reorganization involving a change in the Common Stock, other than a reclassification or reorganization involving merely a subdivision or combination of outstanding shares of the Common Stock, or (ii) to consolidate with or merge into another corporation, or to sell or transfer its property and business as or substantially as an entirety, then in each such case, the corporation shall file with each Transfer Agent for the shares of the Class B Stock and shall mail to the holders of record of the shares at their respective addresses then appearing on the records of the corporation a statement, signed by an officer of the corporation with respect to the proposed action, the statement to be so filed and mailed at least 30 days prior to the record date for holders of Common Stock for the purposes thereof. The statement shall set forth such facts with respect to the proposed action as shall be reasonably necessary to inform the Transfer Agent for the shares of the Class B Stock and the holders of those shares as to the effect of the action upon the conversion rights of the holders.

(g) The corporation shall at all times have authorized but not unissued, or in its treasury, a number of shares of the Common Stock sufficient for the conversion of all shares of the Class B Stock from time to time outstanding.

(h) In case the shares of the Common Stock or the Class B Stock at any time outstanding shall, by reclassification or otherwise, be subdivided into a greater number of shares or combined into a lesser number of shares, the shares of Class B Stock or Common Stock, respectively, then outstanding shall, at the same time, be subdivided or combined, as the case may be, on the same basis.

(i) The corporation covenants that if any shares of Common Stock, required to be reserved for purposes of conversion hereunder, require

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registration with or approval of any governmental authority under any federal or state law before such shares may be issued upon conversion, the corporation will cause such shares to be duly registered or approved.

(4) Conversion of Common Stock

(a) For and during the period commencing upon the filing of these Amended and Restated Articles of Incorporation with the Secretary of the Commonwealth of Pennsylvania and ending thirty-four (34) days thereafter ("Conversion Period"), shares of Common Stock shall be convertible, at the option of the respective holders thereof as of April 4, 1986, into fully paid and nonassessable shares of Class B Stock on the basis of one share of Class B Stock for each share of Common Stock.

(b) In order to effect the conversion of shares of Common Stock to Class B Stock, the holder must, prior to the end of the Conversion Period, notify the Transfer Agent in writing of his election and surrender to the Transfer Agent his certificate or certificates for shares of Common Stock to be converted. Upon surrender of the certificate or certificates, the corporation shall issue and deliver or cause to be issued and delivered to the person entitled thereto a certificate or certificates for the number of full shares of the Class B Stock issuable upon conversion. The corporation shall pay all original issue taxes, if any, payable upon the issue of shares of the Class B Stock issued upon conversion.

The conversion shall be deemed to have been effected on the date of the surrender of the certificate or certificates of shares of the Common Stock, and the person in whose name the certificate or certificates of the shares of the Class B Stock issuable upon conversion are to be issued shall be deemed to be the holder of record of the shares as of that date.

(5) Liquidation Preferences.

(a) In the event of dissolution, liquidation or winding up of the corporation whether voluntary or involuntary, holders of the Common Stock and of the Class B Stock shall be entitled to payment out of the assets of the corporation ratably in accordance with the number of shares held by them, respectively.

(b) Neither a consolidation nor a merger of the corporation with or into any other corporation, nor a merger of any other corporation into the corporation nor the purchase or other acquisition by the corporation of all or a part of the outstanding shares of any class or classes of its stock, nor the sale or transfer of the property and business of the corporation as or substantially as an entirety, shall be considered a dissolution, liquidation or winding up of the corporation within the meaning of the foregoing provisions.

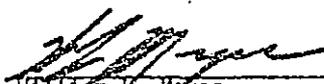
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(6) Duration of Class Rights and Powers.

At any time when less than 25,000 shares of Class B Stock are outstanding any shares of the Class B Stock which are then outstanding shall without any action by the Board of Directors or the holder or holders thereof, automatically convert into and become for all purposes shares of the Common Stock, and the provisions of these Amended and Restated Articles of Incorporation which provide for different voting or cash dividend rights for the Common Stock and the Class B Stock shall not be of any effect. All shares of either or both the Common Stock or the Class B Stock which are then outstanding shall have equal and general voting power in all matters upon which shareholders of the corporation are entitled to vote or give consent, even if at such time there shall have been fixed by the Board of Directors a record date for voting at any meeting of shareholders. If any cash dividends shall have been declared at such time but not paid, holders of the Class B Stock shall be entitled to the same cash dividend payable to holders of the Common Stock, and future cash dividends, as and when declared, shall be payable at the same rate for all shares of the one class of Common Stock then outstanding. The Board of Directors is hereby authorized to take such actions, consistent with the Pennsylvania Business Corporation Law, as it deems appropriate or advisable with respect to the replacement of certificates then outstanding evidencing ownership of the Class B Stock, or otherwise, in order to effect the foregoing provisions.

IN WITNESS WHEREOF, the undersigned corporation has caused these Amended and Restated Articles of Incorporation to be signed by a duly authorized officer and its corporate seal, duly attested by another such officer, to be hereunto affixed this 24th day of April, 1986.

COMMONWEALTH TELEPHONE ENTERPRISES, INC.

By:   
William E. Meyer  
Executive Vice President

ATTEST:

  
William J. Imphred  
Secretary

86281030

684055

# Commonwealth of Pennsylvania



Department of State

To All to Whom These Presents Shall Come, Greeting:

Whereas, In and by Article VIII of the Business Corporation Law, approved the fifth day of May, Anno Domini one thousand nine hundred and thirty-three, P. L. 364, as amended, the Department of State is authorized and required to issue a

### CERTIFICATE OF AMENDMENT

evidencing the amendment and restatement of the Articles of Incorporation in their entirety of a business corporation organized under or subject to the provisions of that Law; and

Whereas, The stipulations and conditions of that Law pertaining to the amendment of Articles of Incorporation have been fully complied with by

COMMONWEALTH TELEPHONE ENTERPRISES, INC.  
name changed to

Henceforth The "C-TEC CORPORATION"  
Articles, as defined in Article I of the Business Corporation Law, shall not include any prior documents;

Therefore, Know Ye, That subject to the Constitution of this Commonwealth and under authority of the Business Corporation Law, I do by these presents, which I have caused to be Sealed with the Great Seal of the Commonwealth, extend the rights and powers of the corporation named above, in accordance with the terms and provisions of the Articles of Amendment presented by it to the Department of State, with full power and authority to use and enjoy such rights and powers, subject to all the provisions and restrictions of the Business Corporation Law and all other applicable laws of this Commonwealth.

Given under my Hand and the Great Seal of the Commonwealth, at the City of Harrisburg, this 24th day of April in the year of our Lord one thousand nine hundred and eighty-six and of the Commonwealth the two hundred tenth.

A handwritten signature in cursive script, likely of the Secretary of the Commonwealth.

Secretary of the Commonwealth

pjd

9774-175

Microfilm Number \_\_\_\_\_

Filed with the Department of State on OCT 01 1997

Entity Number 684055

[Signature]  
Secretary of the Commonwealth

ARTICLES OF AMENDMENT-DOMESTIC BUSINESS CORPORATION  
DSCB:15-1915 (Rev 90)

In compliance with the requirements of 15 Pa.C.S. § 1915 (relating to articles of amendment), the undersigned business corporation, desiring to amend its Articles, hereby states that:

1. The name of the corporation is: C-Tec Corporation

2. The (a) address of this corporation's current registered office in this Commonwealth or (b) name of its commercial registered office provider and the county of venue is (the Department is hereby authorized to correct the following information to conform to the records of the Department):

(a) 800 Route 309, Dallas, Pennsylvania 18612-9799, Luzerne County  
Number and Street City State Zip County

(b) c/o: \_\_\_\_\_  
Name of Commercial Registered Office Provider County

For a corporation represented by a commercial registered office provider, the county in (b) shall be deemed the county in which the corporation is located for venue and official publication purposes.

3. The statute by or under which it was incorporated is: Pennsylvania Business Corporation Law

4. The date of its incorporation is: March 2, 1979

5. (Check, and if appropriate complete, one of the following):

\_\_\_ The amendment shall be effective upon filing these Articles of Amendment in the Department of State.

X The amendment shall be effective on October 10, 1997  
Date

6. (Check one of the following):

\_\_\_ The amendment was adopted by the shareholders (or members) pursuant to 15 Pa.C.S. § 1914(a) and (b).

X The amendment was adopted by the board of directors pursuant to 15 Pa.C.S. § 1914(c).

7. (Check, and if appropriate complete, one of the following):

X The amendment adopted by the corporation, set forth in full, is as follows:

RESOLVED, that the Articles of Incorporation be amended by changing the FIRST article thereof so that, as amended, said Article shall be and read as follows:

1. The name of the corporation is: Commonwealth Telephone Enterprises, Inc.

(PA - 1427 - 10/9/92)

OCT - 1 97

PA Dept. of State

9774-176

DSCR-15-1985 (Rev 90)-2

The amendment adopted by the corporation as set forth in full in Exhibit A attached hereto and made a part hereof.

B. The restated Articles of Incorporation supersede the original Articles and all amendments thereto.

IN TESTIMONY WHEREOF, the undersigned corporation has caused these Articles of Amendment to be signed by a duly authorized officer thereof this 13<sup>th</sup> day of October, 1997.

C-Tec Corporation  
(Name of Corporation)

By: John J. Felton  
(Signature)

TITLE: Sr. Vice President

IN THE NAME AND BY AUTHORITY OF THE  
COMMONWEALTH OF PENNSYLVANIA,



Executive Department.

To all to whom these Presents shall come, Greeting:

Whereas, In and by an Act of the General Assembly of the Commonwealth of Pennsylvania, entitled "An Act supplementary to an act, entitled 'An Act to provide for the incorporation and regulation of certain corporations,' approved the twenty-ninth day of April, Anno Domini one thousand eight hundred and seventy-four, providing for the merger and consolidation of certain corporations," approved the twenty-ninth day of May, Anno Domini one thousand nine hundred and one, the Governor of this Commonwealth is authorized and required to issue LETTERS PATENT to all corporations organized in accordance with the above recited act.

And Whereas, The directors of the Commonwealth Telephone Company, the directors of the Meshoppen and Auburn Telephone Company and the directors of the Wyoming and Sullivan County Telephone Company,

corporations heretofore organized under the act entitled "An Act to provide for the incorporation and regulation of certain corporations," Approved April twenty-ninth, one thousand eight hundred and seventy-four, and the supplement thereto, have this day filed in the office of the Secretary of the Commonwealth a joint agreement, under the corporate seal of each corporation, for the merger and consolidation of said corporations, duly approved by the stockholders of each of said companies:

Therefore, Know Ye, That under authority of the Constitution and laws of said Commonwealth in such case made and provided, I DO BY THESE PRESENTS, which I have caused to be made PATENT and sealed with the Great Seal of the State, declare the said consolidated corporation to be and erect it into a body corporate and politic in deed and in law, by the name, style

and title of, COMMONWEALTH TELEPHONE COMPANY

and entitled to all of the privileges, immunities, franchises and powers conferred by the act entitled "An Act supplementary to an act, entitled 'An Act to provide for the incorporation and regulation of certain corporations,' approved the twenty-ninth day of April, one thousand eight hundred and seventy four, providing for the merger and consolidation of certain corporations," approved the twenty-ninth day of May, Anno Domini one thousand nine hundred and one.

Given under my hand and the Great Seal of the State, at the City of Harrisburg, this

Twenty-sixth day of April in the year

of our Lord one thousand nine hundred and seven and

of the Commonwealth the one hundred and thirty-first

By the Governor: Edwin S. Stuart

Robert McAfee  
Secretary of the Commonwealth.



SEAL  
Form A. No. 88.

# Commonwealth of Pennsylvania



## Department of State

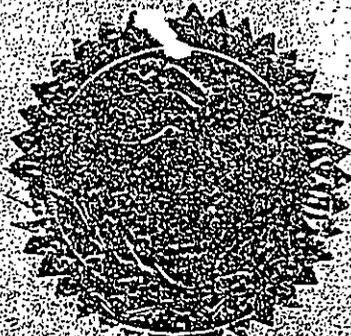
TO ALL TO WHOM THESE PRESENTS SHALL COME, GREETING

WHEREAS, In and by an Act of the General Assembly of the Commonwealth of Pennsylvania, approved June 13, 1863, P. L. 122, as amended by the Act approved June 14, 1957, P. L. 321, any corporation subject thereto is authorized to restate its articles of incorporation in their entirety

AND WHEREAS, COMMONWEALTH TELEPHONE COMPANY

a corporation so subject and being desirous of availing itself of the privileges of the above recited Act, as amended, has made application to me by Certificate, under its corporate seal, acknowledged by the President and Secretary thereof, amending and restating its Articles in their entirety subject, however, to the approval of the Pennsylvania Public Utility Commission and any other duly constituted authority, whenever required by law, and has in all respects fully complied with the requirements of the above recited Acts of the General Assembly in relation thereto, and which certificate has been duly recorded in the office of the Secretary of the Commonwealth.

NOW, KNOW, YE, That in pursuance of the power and authority given to me by law, I DO BY THESE PRESENTS, which I have caused to be made PATENT and sealed with the Great Seal of the Commonwealth, extend the rights and powers of said corporation in accordance with the terms and provisions of said amended and restated charter, which amended and restated charter, subject to all the provisions and restrictions of the above recited Acts of the General Assembly, and all other laws of this Commonwealth relating thereto, shall henceforth be taken for all purposes as the Articles of Incorporation of said corporation.



GIVEN under my Hand and the Great Seal of the Commonwealth, at the City of Harrisburg, this 6th day of August, in the year of our Lord one thousand nine hundred and seventy-four and of the Commonwealth the one hundred and ninety-ninth.

BY THE GOVERNOR:

SECRETARY OF THE COMMONWEALTH:

*[Handwritten signatures]*

0113  
STENOGRAPHER  
FORM USED  
RECORDS CHECKED  
EXAMINED AND APPROVED

PENNSYLVANIA  
PUBLIC UTILITY COMMISSION

1. 35690

IN THE MATTER OF THE APPLICATION OF  
CONSUMERS ELECTRIC COMPANY,  
under Section 202(b), Article II, of  
the Public Utility Law, for approval  
of the Recharterment of its Articles of  
Incorporation.

CERTIFICATE  
OF  
PUBLIC CONVENIENCE

The Pennsylvania Public Utility Commission hereby certifies that after an investigation and a hearing had on the above entitled application, it has, by its report and order made and entered a copy of which is attached hereto and made a part hereof, found and determined that the granting of said application is necessary or proper for the service, accommodation, convenience and safety of the public, and this certificate is issued evidencing its approval of the said application as set forth in said report and order.

In testimony whereof, the PENNSYLVANIA PUBLIC UTILITY COMMISSION has caused these presents to be signed and sealed, and duly attested by its Secretary at its office in the city of Harrisburg this 29th day of September, 1953.

PENNSYLVANIA  
PUBLIC UTILITY COMMISSION

Attest:

*Leah Hurst*  
Secretary

*William H. Brown*

DOCKETED  
APPLICATION DOCKET  
SEP 30 1953

RECORD

PENNSYLVANIA  
PUBLIC UTILITY COMMISSION

Application Docket No. 85690

Application of CONROSWALEY TELEPHONE  
COMPANY for approval of the Restatement  
of its Articles of Incorporation.

REPORT AND ORDER

BY THE COMMISSION:

This matter being before the Pennsylvania Public Utility Commission upon application of CONROSWALEY TELEPHONE COMPANY, filed August 18, 1958, for approval of the Restatement of its Articles of Incorporation, as more fully set forth in the Certificate of Amendment filed in the office of the Secretary of the Commonwealth, a copy of which was duly certified to this Commission under date of August 15, 1958, and having been duly presented in accordance with the rules of the Commission, and full investigation of the matters and things involved having been had, the Commission finds and determines that the granting of said application is necessary or proper for the service, accommodation, convenience or safety of the public, and that a Certificate of Public Convenience issue evidencing the Commission's approval thereof.

NOW, to wit, September 29, 1958, IT IS ORDERED: That a Certificate of Public Convenience issue evidencing the Commission's approval of the said application, as above determined.

PENNSYLVANIA  
PUBLIC UTILITY COMMISSION

ATTEST:

*William P. Roue*  
Secretary

*Leonschwarz*  
Chairman

RECORD  
FOLDER

DOCKETED  
APPLICATION DOCKET  
OCT 2 1958  
COPY No. *HT*

## RESTATED ARTICLES OF INCORPORATION

1st. The name of the Corporation is "Commonwealth Telephone Company."

2nd. The purposes of the Corporation are constructing, owning, maintaining, equipping, installing, leasing, acquiring and operating telephone system or systems to furnish telephone service in the counties of:

Luzerne	Sullivan	Monroe
Lackawanna	Columbia	Northampton
Wyoming	Schuylkill	Dauphin
Bradford	Ilona	Lancaster
Susquehanna	Lycoming	Chester

and subject to all necessary approvals of the Pennsylvania Public Utility Commission or other regulatory agency, in other parts of the Commonwealth of Pennsylvania, owning any interest in telephone lines, property, rights, privileges or franchises in said areas, and transacting any business incidental to telephone service and business in said areas.

3rd. The principal office at which the business of the Corporation is to be transacted is 100 Lake Street, Dallas, Pennsylvania.

4th. The Corporation is to exist perpetually.

5th. The Corporation was formed by a merger and consolidation of Commonwealth Telephone Company, Luzerne Telephone Company and Bradford County Telephone Company, on September 27, 1950. The date of such merger and consolidation the address of the principal office of each of said constituent corporations was 100 Lake Street, Fort, Pennsylvania, and the outstanding stock of each was as follows:

Commonwealth Telephone Company	14,620 shares of preferred stock \$20 par value
	11,903.38 shares of common stock \$20 par value
Luzerne Telephone Company	139 shares of first preferred cumulative stock, \$100 par value
	10,000 shares of common stock, no par value
Bradford County Telephone Company	13 shares of capital stock, \$50 par value

6th. The names and addresses of the first directors of the Corporation are:

(b) DIVIDENDS: The holders of shares of Series Preferred Stock of all series shall be entitled to receive, when and as declared by the Board of Directors, dividends at the rate established for the respective series, and no more, payable quarterly on the first days of February, May, August and November in each year. Dividends on each share of Series Preferred Stock of all series shall be cumulative from the date on which such share is issued. In case dividends for any quarter-yearly dividend period are not paid in full, all shares of Series Preferred Stock of all series shall participate in the payment of dividends for such period in proportion to the full amounts of dividends for such period to which they are respectively entitled. No dividends shall be paid or declared and set apart for payment and no distributions shall be made on shares of Common Stock (other than dividends payable in shares of Common Stock) and no payment shall be made to any sinking, purchase or analogous fund for the benefit of holders of shares of Series Preferred Stock of any series or of any other class of the Corporation's capital stock ranking on a parity with or subordinate to the Series Preferred Stock as to dividends or assets until the full dividends payable for all past quarter-yearly dividend periods on all outstanding shares of Series Preferred Stock of all series shall have been paid or declared and set apart for payment.

(c) REDEMPTION: The shares of Series Preferred Stock of all series may be redeemed either (1) by application of moneys in any sinking fund provided for the respective series at the Sinking Fund Redemption Price fixed for the shares of such series, or (2) at the option of the Corporation, to be exercised by the Board of Directors, at any time or from time to time, at the Normal Redemption Price fixed for the shares of such series; provided that the foregoing option to redeem a part of the Series Preferred Stock may be exercised only if full dividends payable for all past quarter-yearly dividend periods on all outstanding shares of all series of Series Preferred Stock have been paid or declared and set apart for payment. If at any time less than all of the shares of Series Preferred Stock then outstanding are to be called for redemption, the Board of Directors may select one or more series of Series Preferred Stock to be redeemed, or may select the shares to be redeemed from one or more series by lot or by such other available method as the Board in its discretion may determine. Not less than thirty (30) days' notice to the holders of record of shares of Series Preferred Stock to be redeemed shall be given by mail in such manner as may be prescribed by the Board of Directors. If on or before the redemption date fixed in any such notice of redemption, the funds necessary for such redemption have been set aside by the Corporation in a bank or trust company for the account of the holders of the shares to be redeemed, then from and after the date of redemption so designated, notwithstanding that any certificate for shares of any series of Series Preferred Stock so called for redemption shall not have been surrendered for redemption, the shares of Series Preferred Stock so called for redemption shall no longer be deemed outstanding and all rights in respect of such shares so called for redemption shall cease after such redemption date, except only the right of the holder thereof to receive, out of the funds so set aside, the amount payable upon redemption thereof, without interest from such redemption date. In case any holder of shares of any series of Series Preferred Stock which shall have been called for redemption shall not, within six years after the date

of such setting aside, have claimed the amount due him with respect to the redemption thereof, such bank or trust company upon demand shall pay over to the Corporation such unclaimed amount and shall thereupon be relieved of all responsibility with respect thereto to such holder and thereafter such holder shall look only to the Corporation for payment thereof. Any interest which may accrue on funds so deposited shall be paid to the Corporation from time to time.

Shares of any series of Series Preferred Stock redeemed pursuant to this subparagraph shall be cancelled and shall not be reissued.

The Corporation shall have the right to acquire shares of Series Preferred Stock of any series, at a price not in excess of the Normal Redemption Price per share in effect on the date of acquisition, provided that, unless full dividends payable for all past quarter-yearly dividend periods on all outstanding shares of all series of Series Preferred Stock have been paid or declared and set apart for payment, the Corporation shall not acquire for value any shares of Series Preferred Stock of any series except in accordance with an offer (which may vary as to terms offered with respect to shares of different series but not with respect to shares of the same series) made in writing or by publication (as determined by the Board of Directors) to all holders of record of shares of Series Preferred Stock of all series.

(d) LIQUIDATION, DISSOLUTION OR WINDING UP: In the event of the liquidation, dissolution or winding up of the Corporation, the holders of shares of Series Preferred Stock of all series shall be entitled to receive on account of each such share, out of the assets of the Corporation (whether capital or surplus) remaining after full payments have been made with respect to all shares of the Corporation's capital stock ranking prior to Series Preferred Stock as to assets, before any payments shall be made with respect to shares of the Corporation's Common Stock, (i) if the event be voluntary, an amount per share equal to the Normal Redemption Price to which they would have been entitled had the shares been called for redemption on the date on which payment with respect to such event is made available; and (ii) if the event be involuntary, an amount per share equal to the sum of (A) One hundred dollars (\$100.00) and (B) all accrued and unpaid dividends per share computed to the date on which payment with respect to such event is made available, whether or not earned or declared. If upon liquidation, dissolution or winding up of the Corporation its assets are not sufficient to pay in full the amount so payable to the holders of shares of Series Preferred Stock of all series, all shares of Series Preferred Stock of all series shall participate in the distribution of assets in proportion to the full amounts to which they are respectively entitled. Neither the merger of the Corporation into any other corporation nor the consolidation of the Corporation with any other corporation nor the sale or transfer by the Corporation of all or any substantial part of its assets shall without further corporate action be deemed to be a liquidation, dissolution or winding up of the Corporation for the purpose of this subparagraph.

(e) PREEMPTIVE RIGHTS: The holders of shares of Series Preferred Stock of all series shall not be entitled as such, as a matter of right, to subscribe for or purchase any part of any new or additional capital stock of the Corporation of any class

whatsoever or of securities convertible into stock of any class whatsoever, whether now or hereafter authorized or whether issued for cash, property or services, or by way of dividends.

(f) **VOTING RIGHTS:** Except as hereinafter provided, the holders of shares of Series Preferred Stock of all series shall not be entitled to vote. If the Corporation shall have failed to pay, or to declare and set apart for payment, dividends on all outstanding shares of Series Preferred Stock of all series in an amount equal to four quarter-yearly dividends at the respective rates payable upon such shares, the holders of shares of Series Preferred Stock of all series shall have the same voting rights with respect to their stock as the holders of shares of Common Stock have with respect to their stock, except that the holders of shares of Series Preferred Stock shall be entitled to five (5) votes for each share of Series Preferred Stock held. If the Corporation shall have failed to pay, or to declare and set apart for payment, dividends on all outstanding shares of Series Preferred Stock of all series in an amount equal to six quarter-yearly dividends at the rates payable upon such shares, the holders of all shares of Series Preferred Stock of all series voting separately as a class shall have the right, at the next meeting of shareholders at which directors are to be elected, and at each such meeting thereafter until such voting rights of the holders of shares of Series Preferred Stock of all series shall cease, to elect the smallest number of directors necessary to constitute a majority of the Board of Directors. At any such meeting, the holders of shares of Common Stock shall be entitled to elect the remaining directors. The terms of office of all persons who may be directors at the time shall terminate upon the election of directors by the holders of shares of Series Preferred Stock. If during a period of four months after the holders of shares of Series Preferred Stock shall have become entitled to vote for directors, no meeting at which directors are to be elected shall be held, a special meeting for the purpose of electing directors may be called by the holders of record of at least ten per cent (10%) of the shares of Series Preferred Stock of all series outstanding. Upon the payment or the declaration and setting aside of full dividends for all past quarter-yearly dividend periods on all shares of Series Preferred Stock of all series, all voting rights herein granted shall cease, subject to vesting in the holders of shares of Series Preferred Stock of all series in case of further like default in dividends. Each director elected by the holders of shares of Series Preferred Stock pursuant hereto shall continue to serve as a director for the full term for which he shall have been elected or until the voting rights of shares of Series Preferred Stock of all series with respect to the election of directors shall cease and his successor has been duly elected and shall qualify. Until the rights of holders of shares of Series Preferred Stock of all series to elect directors as herein granted shall cease, (i) any director elected by holders of shares of Series Preferred Stock (herein called a "Series Preferred Director") may be removed by, and shall not be removed except by, the vote of the holders of record of the majority of the outstanding shares of Series Preferred Stock of all series, voting separately as a class without regard to series, at a meeting of the shareholders, or of the holders of shares of Series Preferred Stock of all series called for the purpose; (ii) any vacancy in the office of a Series Preferred Director may be filled (except as provided in the following clause (iii)) by an instrument in writing signed by the remaining Series Preferred Directors and filed with the Corporation, and

(iii) In the case of the removal of any Series Preferred Director, the vacancy may be filled only by the vote of the holders of a majority of the outstanding shares of Series Preferred Stock of all series, voting separately as a class without regard to series, at the same meeting at which such removal shall be voted. Each director elected as aforesaid by the remaining Series Preferred Directors shall be deemed, for all purposes hereof, to be a Series Preferred Director. Holders of shares of Series Preferred Stock of all series shall be entitled to notice of each meeting of shareholders at which they shall have any right to vote.

(g) ACTION BY CORPORATION REQUIRING APPROVAL OF SERIES PREFERRED STOCK: So long as any share of Series Preferred Stock of any series shall be outstanding, the Corporation shall not, without the consent of the holders of at least a majority of shares of Series Preferred Stock of all series at that time outstanding, or if the holders of at least thirty-three and one-third per cent ( $33\frac{1}{3}\%$ ) of shares of Series Preferred Stock of all series at that time outstanding vote against such action:

(i) in any manner (either by amendment hereof or by reclassification of its capital stock, or as the result of the merger of the Corporation into any other corporation or of the merger of any other corporation into the Corporation or of the consolidation of the Corporation with any other corporation, or otherwise) create or authorize the issuance of any kind of stock (other than a series of Series Preferred Stock) ranking on a parity with or prior to Series Preferred Stock as to dividends or assets; or

(ii) in any manner (either by amendment hereof or by reclassification of its capital stock, or as the result of the merger of the Corporation into or with any other corporation or of the merger of any other corporation into or with the Corporation or of the consolidation of the Corporation with any other corporation, or otherwise) change the designations, terms, relative rights, privileges, limitations, preferences and voting powers and prohibitions, restrictions and qualifications of the voting and other rights and powers of shares of Series Preferred Stock, or of any series thereof, in any material respect prejudicial to the holders thereof; provided, however, that if any such change would be prejudicial in any material respect to the holders of shares of Series Preferred Stock of any particular series without being correspondingly prejudicial to the holders of the outstanding shares of all series of Series Preferred Stock, then like affirmative vote by the holders of at least two-thirds ( $2/3$ ) of the aggregate number of shares of Series Preferred Stock of that particular series at the time outstanding shall also be necessary for effecting such change; or

(iii) issue, sell or otherwise dispose of any shares of Series Preferred Stock of any series or any shares of any class of stock ranking on a parity with or prior to Series Preferred Stock as to dividends or assets; or incur any indebtedness having a maturity of more than twelve (12) months from the date such indebtedness was incurred by the Corporation, if the sum of capital represented by the shares of such classes and the principal amount of such indebtedness thereafter outstanding is more than seventy per cent ( $70\%$ ) of the sum of the capital represented by (A) all shares of capital stock of all classes thereafter outstanding,

(B) earned surplus, (C) capital surplus arising from the issuance of shares of capital stock for a consideration in excess of the par value thereof and (D) the principal amount of all such indebtedness thereafter outstanding; or

(iv) issue, sell or otherwise dispose of any shares of Series Preferred Stock of any series or any shares of any class of stock ranking on a parity with or prior to Series Preferred Stock as to dividends or assets, unless the net earnings of the Corporation (as hereinafter defined) for any twelve (12) consecutive calendar months within the fifteen (15) calendar months immediately preceding the calendar month within which such shares of stock shall be issued shall have been at least two times the requirement for the payment of dividends for a twelve (12) months' period upon the entire amount of such stock to be outstanding immediately after the proposed issue, and at least one and one-half (1 1/2) times the aggregate of such dividend requirements and the interest charges on the Corporation's indebtedness to be likewise outstanding. As used in this subparagraph I(g)(iv), net earnings shall be the gross revenues of the Corporation (excluding all profits realized from the sale or other disposition of capital assets) less all operating and non-operating expenses of the Corporation, including therein salaries, rentals, state and federal taxes on income, all other applicable taxes (except as hereinafter provided), insurance charges, license fees, actual expenditures for ordinary maintenance and repairs, and charges covering provisions for reserves for retirement or depreciation of property, but not including therein interest charges, charges for amortization of debt discount or premium and expense, payments to any sinking, purchase or analogous fund for the retirement of bonds or capital stock, taxes on corporate debt, state or federal taxes refunded to security holders, and losses resulting from the sale or other disposition of capital assets; or

(v) sell, lease or exchange (which terms shall not include mortgage) all or substantially all of its property or business; or

(vi) declare or pay any dividend on any shares of Common Stock (other than dividends payable in shares of Common Stock), or make any other distribution on any such shares, or make any payment to purchase, redeem or otherwise acquire any such shares (other than purchases, redemptions or acquisitions made out of the proceeds of the sale after January 1, 1953 of shares of Common Stock, and of the sale during September 1952 of 4,656 shares of its Junior Preference Stock par value Twenty Dollars (\$20) per share and 500 shares of its Series A Preferred Stock) if the aggregate amount of (A) all dividends on shares of any class of its capital stock (other than dividends payable in shares of Common Stock), (B) all distributions on shares of any class of its capital stock, and (C) all payments to purchase, redeem or otherwise acquire shares of any class of its capital stock (other than purchases, redemptions or acquisitions made out of the proceeds of the sale after January 1, 1953 of shares of Common Stock, and of the sale during September 1952 of 4,656 shares of its Junior Preference Stock par value Twenty Dollars (\$20) per share and 500 shares of its Series A Preferred Stock) declared, paid or made subsequent to September 30, 1950 (including the proposed dividend, distribution or payment) would exceed an amount equal to the earned surplus of the Corporation accumulated during the period from September 30, 1950 to and including the date of the proposed dividend,

distribution or payment, less \$50,000. Earned surplus shall be determined in accordance with generally accepted accounting principles and all applicable rules and regulations of the Pennsylvania Public Utility Commission.

(6) TERMS OF SERIES A, B, C, D AND E PREFERRED STOCKS:  
 Series A, B, C, D and E Preferred Stocks do not have the privilege of conversion into any class of the Corporation's stock. The rates of dividend, redemption prices and sinking fund provisions of the shares of such series are as follows:

(i) Rates of Dividend: The rates of dividend per annum of the Series A, B, C, D and E Preferred Stocks are the following percentages of the par value thereof:

- |                   |                   |
|-------------------|-------------------|
| Series A — 5 1/2% | Series D — 6%     |
| Series B — 5 1/2% | Series E — 5 1/4% |
| Series C — 5%     |                   |

(ii) Redemption Prices: The Normal Redemption Prices per share of Series A, B, C, D and E Preferred Stocks are the sum of (A) \$100, (B) all accrued and unpaid dividends per share computed to the date fixed for redemption, whether or not earned or declared, and (C) a premium per share of the following amounts:

<u>Redemption Date</u> <u>(both dates inclusive)</u>	<u>Premium</u>
SERIES A, B AND C	
Hereafter to June 1, 1962	\$ 5.00
June 2, 1962 to June 1, 1967	3.75
June 2, 1967 to June 1, 1972	2.50
June 2, 1972 and thereafter	2.00
SERIES D	
Hereafter to April 30, 1962	11.00
May 1, 1962 to April 30, 1963	9.00
May 1, 1963 to April 30, 1964	7.00
May 1, 1964 to April 30, 1965	6.00
May 1, 1965 to April 30, 1966	5.00
May 1, 1966 to April 30, 1967	4.00
May 1, 1967 to April 30, 1968	3.00
May 1, 1968 and thereafter	2.00
SERIES E	
Hereafter to June 30, 1963	6.25
July 1, 1963 to June 30, 1968	5.00
July 1, 1968 to June 30, 1973	3.75
July 1, 1973 to June 30, 1978	2.50
July 1, 1978 and thereafter	2.00

The Sinking Fund Redemption Prices per share of Series A, B, C, D and E Preferred Stocks are the sum of (A) \$100, and (B) all accrued and unpaid dividends per share computed to the date fixed for redemption, whether or not earned or declared.

(iii) Sinking Fund - Shares of Series A, B, C, D and E Preferred Stocks, are subject to and have the benefit of the operation of separate annual Sinking Funds as follows: so long as any shares of the particular series remain outstanding, and after full cumulative dividends have been paid or declared and set apart for payment on shares of Series Preferred Stock of all series and on shares of any class of the Corporation's stock ranking prior to Series Preferred Stock as to dividends, and after the Corporation shall have fulfilled all its obligations in respect of any sinking, purchase or analogous fund for shares of any such prior ranking class of the Corporation's stock, the Corporation shall, on each August 1 hereafter, redeem at the Sinking Fund Redemption Price, out of any funds legally available therefor portions of each series equal to the following percentages of the largest number of shares of the particular series at any one time theretofore outstanding:

Series A -- 3%  
Series B -- 1 1/2%  
Series C -- 2%  
Series D -- 3%  
Series E -- 2%

The obligation to redeem shares of the particular series pursuant to the preceding sentence shall be cumulative (whether or not there shall be funds legally available for such redemption), so that if at any time all shares of such series so required to be redeemed shall not have been redeemed, the Corporation shall be deemed to be in default in respect of such obligation. The Corporation shall be entitled to receive credit, on any date when such redemption is required to be made, for the number of shares of such series which shall have been purchased by it at a cost not exceeding the Sinking Fund Redemption Price and which shall not have been previously credited against the foregoing obligation to redeem. The shares to be redeemed shall be determined, and notice of redemption shall be given in the manner provided in subsection 1(c) in the case of optional redemptions of shares of Series Preferred Stock. At any time when the Corporation is in default in respect of any Sinking Fund obligation for Series Preferred Stock, it shall not declare or pay any dividend on any shares of Common Stock (other than dividends payable in shares of Common Stock), or make any other distribution on any such shares, or make any payment to purchase, redeem or otherwise acquire any such shares (other than purchases, redemptions or acquisitions made out of the proceeds of the sale of Common Stock after the date hereof).

#### II. COMMON STOCK

(a) DIVIDENDS: After full cumulative dividends payable for all past quarter-yearly dividend periods on shares of Series Preferred Stock and all other classes of the Corporation's capital stock ranking prior to Common Stock as to dividends and entitled to receive cumulative dividends have been paid or declared and set apart for payment, and all required funds have been set apart in any sinking, purchase or analogous fund established with respect to any class of the Corporation's capital stock, the holders of shares of Common Stock shall be entitled to the exclusion of holders of shares of any other class of the Corporation's capital stock to receive such dividends as may be declared by the Board of Directors.

(b) LIQUIDATION: In the event of the voluntary or involuntary liquidation, dissolution or winding up of the Corporation, and after distribution shall have been made to the holders of shares of Series Preferred Stock and all classes of the Corporation's capital stock ranking prior to Common Stock as to assets, the holders of shares of Common Stock shall be entitled to the exclusion of holders of shares of any other class of the Corporation's capital stock, to share ratably in all the assets of the Corporation then remaining, according to the number of shares of Common Stock held by them respectively.

(c) VOTING RIGHTS: The holders of shares of Common Stock shall be entitled to one (1) vote for each share of Common Stock held.

(d) PREEMPTIVE RIGHTS: Holders of shares of Common Stock shall be not entitled as such, as a matter of right, to subscribe for or purchase any part of any new or additional capital stock of the Corporation of any class whatsoever or of securities convertible into stock of any class whatsoever whether now or hereafter authorized or whether issued for cash, property or services, or by way of dividends.

8th. The Corporation has heretofore accepted and does hereby accept the provisions of the Act of Assembly of Pennsylvania approved July 22, 1919, P.L. 1123.

9th. This restatement of the Articles of Incorporation shall not be construed in any way as an abandonment or relinquishment of any of the corporate or other franchises of the Corporation or ordinances, privileges, immunities, consents, permissions, licenses or other rights, privileges, contracts and agreements appertaining to the business of the Corporation which it now owns or in which it has any interest.

Microfilm Number \_\_\_\_\_

Filed with the Department of State on FEB 19 1997

Entry Number 2739749

*[Signature]*  
Secretary of the Commonwealth

ARTICLES OF INCORPORATION-FOR PROFIT  
DSCB:15-1306/2102/2303/2702/2903/7102a (Rev 90)

Indicate type of domestic corporation (check one):

- Business-stock (15 Pa. C.S. § 1306)
- Business-nonstock (15 Pa. C.S. § 2102)
- Business-statutory close (15 Pa. C.S. § 2303)
- Management (15 Pa. C.S. § 2702)
- Professional (15 Pa. C.S. § 2903)
- Cooperative (15 Pa. C.S. § 7102A)

In compliance with the requirements of the applicable provisions of 15 Pa.C.S. (relating to corporations and unincorporated associations) the undersigned, desiring to incorporate a corporation for profit hereby state(s) that:

1. The name of the corporation is Commonwealth Telecom Services, Inc.
2. The (a) address of the corporation's initial registered office in this Commonwealth or (b) name of its commercial registered office provider and the county of venue is:  

<u>(a) 100 Lake Street</u>	<u>Dallas</u>	<u>PA</u>	<u>18612</u>	<u>Luzerne</u>
<small>Number and Street</small>	<small>City</small>	<small>State</small>	<small>Zip</small>	<small>County</small>

(b) c/o: Name of Commercial Registered Office Provider County

For a corporation represented by a commercial registered office provider, the county in (b) shall be deemed the county in which the corporation is located for venue and official publication purposes.

3. The corporation is incorporated under the provision of the Business Corporation Law of 1988.
4. The aggregate number of shares authorized is: 1,000 @ \$1.00 per share (other provisions, if any, attach 8 1/2 x 11 sheet)
5. The name and address, including street and number, if any, of each incorporator is:  

Name	Address
<u>Geobeth Smith</u>	<u>1635 Market Street, Philadelphia, PA 19103</u>
<u>Daneen Maurer</u>	<u>1635 Market Street, Philadelphia, PA 19103</u>
6. The specific effective date, if any, is \_\_\_\_\_  

month
day
year
hour, if any
7. Any additional provisions of the articles, if any, attach an 8 1/2 x 11 sheet.
8. Statutory close corporations only: Neither the corporation nor any shareholder shall make an offering of any of its shares of any class that would constitute a "public offering" within the meaning of the Securities Act of 1933 (15 U.S.C. § 77a et seq.).

SENT BY:

2-19-97 : 11:00 : CT PHILA...Team I-

CT HARRISBURG:# 7/ 9

DSCB:15-1306/2102/2303/2702/2903/7102A (Rev 90)-2

9. Cooperative corporations only: (Complete and strike out inapplicable term) The common bond of membership among its members/shareholders is \_\_\_\_\_

IN TESTIMONY WHEREOF, the incorporator(s) has (have) signed these Articles of Incorporation this 14th

day of February 19 97  
*Geabeth Smith*  
(Signature)

Geabeth Smith, Incorporator

*Daneen Maurer*  
(Signature)

Daneen Maurer, Incorporator

9859-394

AUG 05 1998

Microfilm Number \_\_\_\_\_

Filed with the Department of State on \_\_\_\_\_

Entity Number 2739749

[Signature]  
Secretary of the Commonwealth

ARTICLES OF AMENDMENT-DOMESTIC BUSINESS CORPORATION  
DSCB-15-1915 (Rev 90)

In compliance with the requirements of 15 Pa. C.S. § 1915 (relating to articles of amendment), the undersigned business corporation, desiring to amend its Articles, hereby states that:

1. The name of the corporation is: Commonwealth Telecom Services, Inc.

2. The (a) address of this corporation's current registered office in this Commonwealth or (b) name of its commercial registered office provider and the county of venue is (the Department is hereby authorized to correct the following information to conform to the records of the Department):

(a) 100 CTR Drive, Dallas, Pennsylvania 18612-9774 Luzerne  
Number and Street City State Zip County

(b) c/o: \_\_\_\_\_  
Name of Commercial Registered Office Provider County

For a corporation represented by a commercial registered office provider, the county in (b) shall be deemed the county in which the corporation is located for venue and official publication purposes.

3. The statute by or under which it was incorporated is: 15 Pa. C.S. § 1907

4. The date of its incorporation is: February 19, 1997

5. (Check, and if appropriate complete, one of the following):

The amendment shall be effective upon filing these Articles of Amendment in the Department of State.

The amendment shall be effective on \_\_\_\_\_ at \_\_\_\_\_  
Date Hour

6. (Check one of the following):

The amendment was adopted by the shareholders (or members) pursuant to 15 Pa.C.S. § 1914(a) and (b).

The amendment was adopted by the board of directors pursuant to 15 Pa.C.S. § 1914(c).

7. (Check, and if appropriate complete, one of the following):

The amendment adopted by the corporation, set forth in full, is as follows:

"The name of the corporation is CTSI, Inc."

(PA. - 1427 - 10/9/92)

AUG -5 98

PA Dept. of State

9800-395

DSCR:15-1915 (Rev 90)-2

     The amendment adopted by the corporation as set forth in full in Exhibit A attached hereto and made a part hereof.

8.      The restated Articles of Incorporation supersede the original Articles and all amendments thereto.

IN TESTIMONY WHEREOF, the undersigned corporation has caused these Articles of Amendment to be signed by a duly authorized officer thereof this 31st day of July, 19 98.

Commonwealth Telecom Services, Inc.  
(Name of Corporation)

BY: *J D Filipowicz*  
(Signature)

John D. Filipowicz  
TITLE: Senior Vice President, Assistant  
General Counsel and Assistant  
Secretary

COMMONWEALTH TELEPHONE ENTERPRISES, INC.

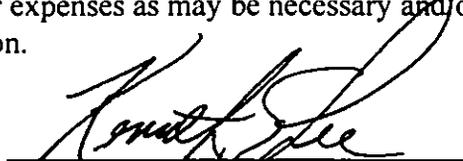
SECRETARY'S Certificate

I, Kenneth E. Lee, do hereby certify that I am the duly appointed and qualified Secretary of Commonwealth Telephone Enterprises, Inc., (the "Company"), a corporation organized and existing under the laws of the Commonwealth of Pennsylvania, and that the following is a true and correct copy of a certain resolution duly adopted at a meeting of the Board of Directors thereof, convened and held in accordance with the law and the By-Laws of said Company on May 9, 2001, and that such resolution is now in full force and effect:

RESOLVED, that, the officers of the Company and its various subsidiaries, are hereby authorized to take the following actions relating to the reorganization of the Corporation:

- 1) From a Pennsylvania Limited Liability Company wholly owned by Commonwealth Telephone Company.
- 2) Merge CTSI, Inc. with the newly formed LLC, with the LLC surviving.
- 3) Carry forth the existing operations of CTSI within the newly formed LLC, under the name CTSI, LLC.

RESOLVED that the Officers of the Company are hereby authorized, empowered and directed to do such things, take such actions and deliver such documents and cause the payment of such fees and/or expenses as may be necessary and/or required for the purpose of effecting the foregoing resolution.



Kenneth E. Lee  
Corporate Secretary

(Seal)

VERIFICATION

I, Michael P. Sharry, Senior Manager Regulatory and Public Affairs and Statutory Agent for Commonwealth Telephone Company, hereby state that the facts above set forth are true and correct to the best of my knowledge, information, and belief and that I expect to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa. C.S. § 4904 (relating to unsworn falsification to authorities).

Date: MAY 11, 2001

Michael P. Sharry  
(Signature)

**CERTIFICATE OF SERVICE**

I hereby certify that I have this day served a true copy of the foregoing document (redacted version) upon the participants, listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by participant).

**By First Class Mail**

Office of Consumer Advocate  
555 Walnut Street  
Forum Place, 5th Floor  
Harrisburg, PA 17101-1921

Office of Trial Staff  
Pennsylvania Public Utility Commission  
P.O. Box 3265  
Harrisburg, PA 17105-3265

Office of Small Business Advocate  
Suite 1102 Commerce Building  
300 North Second Street  
Harrisburg, PA 17101



David P. Zambito

DATED: May 11, 2001

COMMONWEALTH OF PENNSYLVANIA  
PENNSYLVANIA PUBLIC UTILITY COMMISSION  
P. O. BOX 3265, HARRISBURG PA 17105-3265

IN REPLY PLEASE  
REFER TO OUR FILE  
Secretary  
717-772-7777

May 16, 2001

A-310800 F0007  
A-310510 F2000  
A-311095  
A-311095 F0002

David P. Zambito  
Malatesta, Hawke, and McKeon  
Harrisburg Energy Center  
100 North Tenth Street  
Harrisburg, PA 17101

Dear Mr. Zambito:

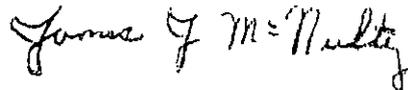
Receipt is acknowledged of the Application of Commonwealth Telephone Company, Commonwealth Telephone Enterprises, Inc., CTSI, Inc., and CTSI, LLC, which has been captioned and docketed to the above numbers.

Publication in a local newspaper is not required.

Enclosed is a copy of the Publication Notice that will appear in the Saturday, May 26, 2001, issue of the Pennsylvania Bulletin. This notice is being sent to you for informational purposes only.

This matter will receive the attention of the Commission and you will be advised of any further necessary procedure.

Sincerely,



James J. McNulty  
Secretary

JJM:ddt

Enclosure

**DOCKETED**

MAY 16 2001

**DOCUMENT  
FOLDER**

**DATE:** May 16, 2001

**SUBJECT:** A-310800 F0007  
A-310510 F2000  
A-311095  
A-311095 F0002

**TO:** Bureau of Fixed Utility Services

**FROM:** James J. McNulty, Secretary *ddt*

**APPLICATION OF COMMONWEALTH TELEPHONE  
ENTERPRISES, INC., COMMONWEALTH TELEPHONE  
COMPANY, CTSI, INC., AND CTSI, LLC.**

---

We attach hereto a copy of the Application of Commonwealth Telephone Enterprises, Inc., Commonwealth Telephone Company, CTSI, Inc., and CTSI LLC, which has been captioned and docketed to the above numbers.

Notice will be published in the Saturday, May 26, 2001 issued of the Pennsylvania Bulletin.

If no protests are received by June 11, 2001, will your Bureau please prepare a report for the attention of the Commission or instruct the Secretary's Bureau to re-assign this matter to the Office of Administrative Law Judge for hearing.

Attachment

cc: Law Bureau

ddt **DOCKETED**

MAY 16 2001

**DOCUMENT  
FOLDER**

PENNSYLVANIA PUBLIC UTILITY COMMISSION

NOTICE TO BE PUBLISHED

Application of Commonwealth Telephone Enterprises, Inc., Commonwealth Telephone Company, CTSI, Inc., and CTSI, LLC, for all approvals required under the Public Utility code for the transactions related to the restructuring of CTSI, Inc., including, inter alia, the associated acquisition by creation of a wholly-owned subsidiary, merger by acquisition of stock, and provision and abandonment of service. Docket Numbers: A-310800 F0007; A-310510 F2000; A-311095; and A-311095 F0002.

Notice is hereby given that this Application may be considered without a hearing. Protests or petitions to intervene can be filed with the Pennsylvania Public Utility Commission, P. O. Box 3265, Harrisburg, PA 17105-3265, with a copy served on the applicant on or before June 11, 2001, pursuant to Title 52 of the Pennsylvania Code.

Applicant:

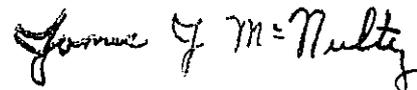
Commonwealth Telephone Company  
CTSI, Inc  
CTSI, LLC

Through and By Counsel:

David P. Zambito  
Malatesta, Hawke and McKeon  
Harrisburg Energy Center  
100 North Tenth Street  
P. O. Box 1778  
Harrisburg, PA 17105

RECEIVED  
LEGISLATIVE REFERENCE  
SERIAL  
01 MAY 15 PM 2:28  
PA. CODE & SUPPLETM

BY THE COMMISSION



James J. McNulty  
Secretary

DOCUMENT  
FOLDER

**DOCKETED**

MAY 16 2001