IP COMMUNICATIONS CORPORATION

DOCKET NO. 00-0286

PREPARED TESTIMONY OF HOWARD SIEGEL

I. Introduction

1. Q: Please state your name and business address.

A: My name is Howard Siegel. My business address is 17300 Preston Road, Suite 300, Dallas Texas 75252.

2. Q: By whom are you employed and in what capacity?

A: I am employed by IP Communications Corporation ("IP Communications" or "Applicant"), as Vice President of Regulatory Policy.

3. Q: Please provide a summary of your educational and professional background.

A: Prior to accepting my current position at IP Communications, I served as a Director in the Office of Policy Development of the Public Utility Commission of Texas ("Texas PUC"). That position involved analysis of legal and policy issues before the Texas PUC in both the telecommunications and electric industries. I had direct supervisory responsibility over the administrative law judges at the Commission and the telecommunications arbitration process. I earned a law degree and an undergraduate degree in economics from the University of Houston. I have been licensed to practice law in Texas since 1993. My job responsibilities include preparing filings at the Federal Communications Commission and at state commissions, coordinating with outside counsel on state specific issues, developing corporate policy with other key staff, and advocating policy positions in all relevant forums.

4. Q: What is the purpose of your prepared testimony?

A: The purpose of my prepared testimony is to support the application of IP Communications for a certificate of service authority and a certificate of exchange authority to provide resold and facilities-based exchange and interexchange telecommunications services throughout the State of Illinois.

II. Description of IP Communications

5. Q: Please describe the Applicant.

A: IP Communications is a corporation incorporated under the laws of the State of Texas, and authorized to do business in the State of Illinois. IP Communications is a wholly-owned subsidiary of IP Communications, Inc., a Delaware corporation. IP Communications, Inc. was founded in 1999 for the purpose of providing integrated advanced communications and related services through wholly-owned operating company subsidiaries. IP Communications has deployed competitive local exchange network facilities in Texas and Missouri, and is in the process of deploying similar facilities to provide service in Kansas and Oklahoma. Deployment of similar facilities is planned for additional, yet-to- be announced markets, including Illinois once this Application is granted.

6. Q: Does IP Communications have any affiliates or subsidiaries providing telecommunications service in Illinois?

A: No, it does not.

7. Q: Where will IP Communications offer service?

A: IP Communications has not identified in which cities it will begin to offer service in Illinois, but it generally plans on operating in the Tier 1, Tier 2, Tier 3 and Tier 4 cities in Illinois.

III. Proposed Services

8. Q: What will IP Communications' primary market focus be?

A: IP Communications' market focus will be residential and small and medium size business customers, with the potential for expanding into additional market segments in the future.

9. Q: What types of communications products and services does IP Communications intend to offer customers?

A: IP Communications proposes to provide local exchange, exchange access and interexchange intrastate telecommunications services within the State of Illinois. IP Communications will initially offer data communications services, and in particular DSL services. However, IP Communications will evaluate an expansion of its service offerings in Illinois to include voice services.

10. Q: How will customer service functions be provided?

A: Service personnel will be available through toll-free numbers and at IP Communications' business office during regular working hours to respond to inquiries about billing and service. In addition, technical personnel will be available at all times to assist customers with service problems. Additionally, IP Communications is deploying a set of sophisticated operational support system software packages that will provide integrated, state-of-the art "back-office" support for its network surveillance, facilities inventory, customer service and billing

functions, all designed to offer the customer of its operating subsidiaries industry-leading customer service.

11. Q: Please describe the network architecture IP Communications will be deploying.

A: IP Communications intends to utilize a combination of unbundled loops, unbundled spectrum from shared loops, and its own facilities. Specifically, IP Communications will deploy state-of-the-art digital subscriber line access multiplexers ("DSLAMs") in collocation spaces within incumbent local exchange carrier ("ILEC") central offices in Illinois. The DSLAMs will be connected to IP Communications' asynchronous transfer mode ("ATM") packet switching equipment to serve its Illinois customers. Through these facilities, IP Communications will provide advanced, high quality and reasonably priced telecommunications and related services.

12. Q: What is packet switching and what is its usefulness in a telecommunications network?

A: Packet switching technologies segment information into small pieces (i.e., packets) and assign each packet identifying characteristics as well as a destination address. These packets traverse the network -- potentially following many different paths -- until they arrive at their intended destination and are reassembled. The utility of packet switching can be illustrated by comparison with traditional circuit switching technology. With circuit switching, an end-to-end channel of communication is established and maintained for the entire length of the call. Moreover, an ordinary voice channel allows transmission of digital information at a maximum rate of 56,000 bits per second (56 kbs). Packet switching provides greater efficiency and greater functionality than circuit switched networks -- packet switching permits

transmission of integrated voice, data and video signals over a single facility, and allows dynamic reallocation of bandwidth.

13. Q: Please explain what you mean by dynamic reallocation of bandwidth.

A: With circuit switching, bandwidth (and, therefore, facilities) are allocated at the beginning of any network session (voice call or data connection), and that allocation of bandwidth remains tied-up for the duration of the session. In contrast, with packet switched technology, bandwidth is automatically reallocated to those end users that may require it at any particular instant. This avoids the congestion encountered in traditional circuit switched networks, which has become an increasing concern particularly in light of the dramatic growth of Internet-bound traffic. Thus, the dynamic reallocation of bandwidth inherent in packet switched networks is more responsive to the telecommunications needs of end users, and improves efficiency for carriers and for telecommunications networks generally.

14. Q: How will IP Communications integrate this packet switching technology into its network in Illinois?

A: IP Communications will serve its customers in Illinois through its hub locations in Des Plaines, Hinsdale, Gary, Chicago, Rockford, Peoria, Champaign, Springfield and New Albany. Each hub will contain an ATM packet switch. The ATM is the equipment that performs the hubbing function, but other equipment like DSLAMs will be there as well. To serve additional Illinois markets in the future, IP Communications will either establish separate full hubs (i.e., ATM switches) in those markets, expand existing hubs, or deploy ATM switches locally and connect those locations via SONET DS-3 transmission facilities.

15. Q: Has IP Communications deployed similar networks in other states?

A: Yes. IP Communications has deployed similar facilities in Texas and Missouri, and is in the process of deploying similar networks in Oklahoma, Kansas and other yet-to-be announced markets.

16. Q: Please describe how IP Communications will interconnect with other carriers' networks and what facilities will be used to connect end users to IP Communications' switches.

A: Because the initial focus of IP Communications is the provision of data, interconnection for IP Communications means connection to the Internet. This can be accomplished by establishing our own piering arrangements or by handing the ata traffic to an ISP that has its own means of interfacing with the Internet.

17. Q: Has IP Communications entered into any interconnection agreements for Illinois?

A: No, not at this time. IP Communications intends to opt into an existing Ameritech interconnection agreement, and anticipates that the decision regarding which particular Ameritech interconnection agreement IP Communications will opt into will be made in the next three to six months.

IV. Technical and Managerial Abilities

18. Q: Please describe IP Communications' technical and managerial abilities to provide telecommunications services in Illinois.

A: IP Communications Exhibit 1.1 is a summary of the professional backgrounds of IP Communications' senior management. As this exhibit demonstrates, IP Communications has assembled a proven core management team with extensive telecommunications experience in the deployment of local exchange, long distance

and data services in emerging competitive environments. IP Communications is headed by W. Dal Berry, Chairman and Chief Executive Officer. Mr. Berry has over twenty years experience in developing and managing emerging telecommunications ventures. IP Communications' President and Chief Operating Officer is V. Sean Minter. Mr. Minter also has extensive operational and management experience in the telecommunications industry at companies such as AT&T and MCI Metro. Other key management personnel have strong backgrounds in telecommunications and related fields, as described more fully in IP Communications Exhibit 1.1.

19. Q: Please describe IP Communications' employees.

A: IP Communications has grown to more than 160 employees. Its employee base is comprised of very experienced and dedicated telecommunications professionals, which it is able to attract due in large part to the strong track record of its top management.

20. Q: Will this level of expertise be reflected directly in IP Communications' operations?

A: Yes. Under the IP Communications' organizational structure, corporate staff personnel in the Dallas headquarters office directly support all local market operations. IP Communications is, likewise, committed to staffing its field operations in each market with highly experience and qualified personnel. This organizational structure is operating successfully in IP Communications' existing markets, and should prove equally effective for Illinois operations.

21. Q: Does IP Communications possess the technical and managerial abilities to provide high quality communications services to customers in Illinois?

A: Yes, it does.

V. Financial Abilities

22. Q: Does IP Communications have access to the financial resources necessary to provide telecommunications service in Illinois?

A: Yes, it does. IP Communications, Inc.'s total capitalization to date is $88 million. Through its corporate parent, IP Communications has successfully raised sufficient capital to deploy facilities and provide service in Illinois and its other markets. IP Communications, Inc. is in the process of raising another $100 million in capital. Given its services in the telecommunications industry, IP Communications, Inc. has found investors ready to supply the necessary capital. IP Communications Exhibit 1.2 is IP Communications Inc.'s income statement and balance sheet as of December 31, 1999. This information is confidential.

VI. Waivers and Other Service Issues

24. Q: Is Applicant familiar with, and will it abide by, federal and state laws and regulations prohibiting the practice known as "slamming," i.e., the unauthorized changing of a customer's presubscribed carrier?

A: Yes, it is and, yes, it will. IP Communications has adopted internal procedures to prevent this from happening.

25. Q: Will IP Communications designate a regulatory contact person for receipt of communications from the Commission, as well as for consumer issues, customer complaint resolution, technical service quality issues, tariff and pricing issues, 9-1-1 issues, and security and law enforcement?

A: Yes, I will be that contact person.

26. Q: Will IP Communications comply with the Commission's rules concerning the filing of tariffs?

A: Yes, IP Communications will file the required tariffs prior to offering service to the public.

27. Q: Will IP Communications comply with the Commission's rules concerning the preservation of records; 9-1-1 implementation reports; standards of service applicable to 9-1-1 emergency systems; procedures for establishing credit, billing, deposits and terminating service; telecommunications access for persons with disabilities; telecommunications relay services; telephone assistance programs, and; pay per call services.

A: Yes, except to the extent described below, once IP Communications provides circuit-switched voice services, it will comply with all applicable provisions of the Administrative Code, and in particular, Parts 705, 720, 725, 735, 755, 756, 757, 770 and 772. Prior to that time, and except as described below, IP Communications will comply with all regulations applicable to the provision of data services.

28. Q: Is IP Communications seeking the waiver of any Commission regulations applicable to certificated telecommunications carriers?

A: Yes, IP Communications is seeking the waiver of or variance from several provisions. First, IP Communications is seeking a waiver of 83 Illinois Administrative Code Part 735 with regard only to its interexchange business, since other interexchange carriers have been granted similar requests.

29. Q: What other waivers are being requested?

A: IP Communications seeks a waiver of 83 Ill. Admin. Code Section 710, which requires compliance with the Uniform System of Accounts ("USOA"). The IP Communications companies currently comply with Generally Accepted Accounting Principles ("GAAP"), as do most other competitive telecommunications providers in Illinois with which IP Communications will compete, but do not maintain their books consistent with the USOA, as required by 83 Ill. Admin. Code Section 710. Thus, compliance with USOA would require the IP Communications companies to maintain two separate accounting systems for their businesses, which would be extremely burdensome. Moreover, since the IP Communications companies have not maintained their books and records in accordance with the USOA, requiring them to do so now would actually make it more difficult for regulators and management to accurately assess financial events. Thus, granting this waiver and allowing IP Communications to continue to follow GAAP, and not the USOA, would further the objectives of Section 710.

30. Q: Does IP Communications seek additional waivers?

A: IP Communications requests a waiver of 83 Ill. Admin. Code Sections 725.500(o) and 725.620(b). Sections 725.500(o) and 725.620(b) require that call boxes be installed at a LEC switch to allow a public safety answering position ("PSAP") employee to field 9-1-1 calls from that switch in the event of a trunking problem between the central office and the PSAP. Like other local exchange carriers that have been granted similar requests, IP Communications' network is incompatible with the network architecture contemplated under the existing rules. Accordingly, IP Communications requests a waiver of these rules.

31. Q: Please describe the next waiver request.

A: IP Communications seeks a waiver of 83 III. Admin. Code Section 250, which requires that books and records be maintained in Illinois. The corporate records of the IP Communications companies are located at IP Communications' corporate headquarters in Dallas. Thus, compliance with Section 250 would prove inconvenient, inefficient and create additional financial burdens for IP Communications. For these reasons, IP Communications requests a grant of authority to maintain its books and records at an out-of-state location. IP Communications will notify the Commission in the event the records are subsequently moved to another out-of-state location. Finally, IP Communications understands that it will be responsible for any cost incurred by the Commission or its Staff for reviewing any records located outside of the state.

32. Q: Does IP Communications request any other waivers?

A: Yes, IP Communications requests that it be granted a variance from 83 Illinois Administrative Code Section 735.180, which requires local exchange carriers ("LECS") to list their customers in their phone directories. IP Communications intends to contract with the incumbent LEC to have the names and numbers of IP Communications' customers published in the incumbent LEC's directory. This procedure has been found by the Commission to satisfy the objective of Section 735.180.

33. Q: Will IP Communications notify the Commission Staff prior to its provision of circuit-switched voice services?

A: Yes, IP Communications will notify the Staff at that time, after which it will comply with the Administrative Code Provisions that are applicable to the provision of voice service.

34. Q: Does IP Communications intend to directly bill its customers?

A: IP Communications will issue its bills directly to customers, and will not use a billing agent. Our bills will be detailed and will list services and features, as well as surcharges and taxes. Our billing system will be able to distinguish between resale and facilities based services.

35. Q: Will a grant of the authority requested by the Applicant in this Cause promote the public interest?

A: Yes. Granting the authority request by IP Communications is consistent with the local exchange market entry directives of the federal Telecommunications Act of 1996, the rules of the Federal Communications Commission, and the local competition rules and orders issued by this Commission. Granting the requested authority would enhance competition by allowing the competitive market entry process to operate in an efficient manner, by increasing the available carriers and technology platforms available to customers. By facilitating competitive entry, the Commission will encourage the development of competitive market forces as the primary determinant of prices, service options, and service quality in telecommunications markets in Illinois. As vigorous competition develops and expands in the local exchange market, customers benefit -- and the public interest is furthered -- by greater diversity in supply, lower prices and more responsive customer service.

36. Q: Does this conclude your direct testimony?

A: Yes, it does.

W. Dal Berry, Chairman and CEO, IP Communications Corp.

Mr. Berry brings 20 years of senior managerial experience to IP Communications Corp. This experience covers a broad range, as President, CEO or General Manager of private and public companies and divisions of large corporations.

Mr. Berry joined Burroughs Corporation in 1963 immediately after receiving his BS degree in Finance and Accounting from the University of North Alabama. During the following 17 years, he worked his way up the management ladder through many different assignments. The final 3 years of his Burroughs' years were spent as President and CEO of Graphic Sciences Inc., a wholly owned subsidiary of Burroughs. Graphic Sciences was located in Danbury, Connecticut and was a pioneer in the facsimile industry. In the last of these 3 years, Mr. Berry became General Manager of Burroughs Office Automation Division.

In 1980, Mr. Berry joined Xerox corporation as Vice President of the Xerox worldwide Facsimile Business Operations. Later, he was promoted to Vice President and General Manager of the Office Products Division, responsible for the division's $450M revenues.

In June 1982, Mr. Berry left Xerox to become President and CEO of ECS Telecommunications. Later this small company's name changed to VMX INC. and it became the worldwide leader in the voice messaging industry. Mr. Berry led the growth of this small private company of $2.5M in revenues in 1982 to a successful public company. Over $20M was raised during the 1983 Initial Public Offering and the VMX annual revenue grew to over $30M. As a public corporation, Mr. Berry brought VMX to the world marketplace, establishing an international distribution network that included Siemens in Europe, Marubeni/Japan Voice Mail in the Far East, Jeumont-Schneider in France, Honeywell Ltd. In Australia, and Telecom Canada. Mr. Berry left VMX Inc. in November 1987. (VMX later merged with Octel Inc. and became the world leader in voice messaging. Octel was purchased by Lucent in 1997 for $1.2 Billion.)

Mr. Berry established a small consulting company, Berry & Associates, in 1988. He became a Consulting Board Member on the Boards of Directors from several technology companies: Microdynamics, Inc. of Dallas, Unified Communications of Atlanta, CVC Corporation of Abilene, NetWorth Inc of Dallas, and Southwest Network Services of Austin. In addition, Mr. Berry was Chairman & CEO of Publishing Technology Inc. from 1988 to 1992. This company specialized in the development of PC software and was sold to Lucid corporation in 1982.

In 1992, Mr. Berry became President and CEO of Polish Telephones & Microwave Corporation. This company specializes in the development and export to Poland of PBX

and other telecommunication equipment. Mr. Berry largely was responsible for the Initial Public Offering of the company in 1994. After the IPO, the company changed its name to Telscape International Inc. (NASDAQ symbol TSCP) to better reflect its new corporate strategy after acquiring a Mexican telecommunications company.
Mr. Berry's affiliation with and participation in industry-related organizations include:

- Chairman of the Texas Council of the American Electronics Association. (1986)
- Member of the American Electronics Association National Board of Directors. (1985-86)
- Vice-Chairman of the Committee of Business Executives for Better Education in Texas. (1986)
- Board of Directors for the Technology Executives Roundtable. (1990-95)

Mr. Berry became a part of the GWH Inc. management team in 1996. With the above-cited experience, he is uniquely qualified to lead IP Communications to its ultimate goals.

V. Sean Minter, President and Chief Operating Officer, IP Communications Corp.

ALT COMMUNICATIONS

As co-founder and CEO of American Local Telecommunications LLC d/b/a ALT Communications LLC, Mr. Minter was responsible for starting up a CLEC that operated in Texas and provieded service to both business and residential customers. Mr. Minter was responsible for the day to day operations and represented the company in various regulatory forums. Mr. Minter also managed ALT's relationship with Southwestern Bell Telephone. He led industry discussions related to Southwestern Bell's performance in the Texas 271 proceedings over the last year. Mr. Minter headed ALT until it's successful merger with Birch Telecom in February, 1999.

CONSULTING

Mr. Minter began consulting for CLECs after leaving his position at AT&T. In this role, he filed written testimony in 271 proceedings for AT&T in Oklahoma, Kansas, Arkansas, and Missouri. He represented AT&T in the collaborative process in Texas and a performance measurements mediation process in Oklahoma.

AT&T

As Manager responsible for unbundled network element strategies and OSS, Mr. Minter was responsible for providing guidance to a staff of negotiators, product managers, and systems engineers. He negotiated the terms of AT&T's interconnection agreement with Southwestern Bell as it relates to unbundled network elements and performance measurements. He also was responsible for negotiating the technical systems requirements with Southwestern Bell for all OSS functions, including pre-ordering, ordering, maintenance, and billing. The following are additional highlights of his experience at AT&T:

- Testified on behalf of AT&T in Southwestern Bell States during arbitration proceedings.
- Developed AT&T positions around various uses of unbundled network elements and customized routing of operator services and directory assistance calls.
- Developed introductory products for both consumer and business including strategies for serving various customers with a mix of resale, unbundled network elements, and AT&T facilities.

- Developed specifications for the EDI interface for ordering, EBI for maintenance, Datagate and EDI for Pre-Ordering, and CRIS and CABS for billing.

MCImetro

Mr Minter was a member of the MCI Engineering and Planning organization in charge of local services. He provided leadership and guidance to a staff of Capital, Capacity, and Strategic planners who had significant industry experience and skills. The Capacity Planners monitor and control switch and network capacity for all of MCImetro local switching networks across the United States. The Strategic Planners develop economic strategies for various business scenarios including unbundling, resale, on-net switch products, off-net switch products, and wireless integration. Mr. Minter directed the installation of various switch facilities and was responsible for developing the growth of the entire switched network.

Tom Tregoning, Executive Vice President of Engineering and Planning, IP Communications Corp.

Mr. Tregoning is an executive manager and consultant with demonstrated leadership skills and proven track record in multinational companies, including Ericsson and Xerox.

As a telecommunications and management consultant since 1990 he assisted in developing new telecommunications businesses including new opportunity identification, all aspects of business planning and analysis, technology selection and application, and in the development of strategic partnerships including:

- Sold Airspan wireless business unit of DSC to a private investment group.
- Managed market analysis, competitive analysis and preparation of sales presentations for wireless telecommunication antenna systems, towers and products.
- Prepared a Marketing Plan for PCS deployment in five major markets in the US.
- Defined and implemented method for analyzing population and wealth demographics and optimizing deployment of second generation cellular and PCS systems. This model is used by several cellular and PCS providers.
- Managed a division of Foster Grant converting the 100-year-old unprofitable cost center to profitable stand-alone business for divestiture.

As Director of Long Range Planning for Ericsson North America from 1986 to 1990 Mr. Tregoning was responsible for the corporate strategic plans and operating plans for Central Office Switching, Network Systems, Cellular Systems, PBXs, Personal Computers, Fiber Optic Cables and Systems, and Wire and Cable.

- Eliminated redundant products and operations, brought synergy to the development and marketing activities by defining and implementing a process for developing and interactively maintaining division and corporate strategic plans and operating plans.
- Sold seven wire and cable manufacturing plants after restructuring for divestiture.

- Managed one of the wire and cable plants, converting it from a 'cost' center to a stand-alone business. Acquired the business, Texarkana Wire & Cable, Inc. from Ericsson and after achieving operating profitability, sold the business in 4Q90.

As Vice President of Manufacturing and Engineering, for VMX, Inc. from 1984 to 1986, Mr. Tregoning transitioned the technical operations from a mode of 'hand built, one at a time' to scheduled full production. Through the use of program management, a new generation of lower cost and more reliable products were introduced.

In 1981 Mr. Trgoning established a consulting firm, which grew to a staff of 20 professional and technical people. This group became the core of Sunrise Systems, a portable computer design and manufacturing company. As Vice President of Operations he was responsible for product development, engineering and manufacturing.

Joined Xerox Corporation in 1967 after receiving a BS degree in Mechanical Engineering from California State Polytechnic University. Mr. Tregonings responsibilities at Xerox included:

- Product engineer and manager on military programs.

- Established, in Taiwan, facilities and trained personnel in the assembly and test of optical and electro-mechanical systems.

- Established cost estimating function combined with advanced manufacturing engineering and the pre-production laboratory for Office Products Division in Dallas. This organization was able to reduce the cost of current products and bring new products into production on schedule and cost effectively.

Doug Butz, Executive Senior President of Sales and Marketing, IP Communications Corp.

Qualifications

Sixteen years of experience in the field of telecommunications as a professional account manager and project leader including tenure in direct sales, real estate, program management and engineering.

National Account Manager — MCIWorldcom, Dallas, TX

Responsible for management of all activities related to the sales of local services for the MCI Global, National and Wholesale Accounts. Sell full range of MCI local services to assigned accounts and maintain existing revenue stream along with developing additional revenue opportunities from these accounts.

- Manage account representatives and customer accounts for local service for the 30+ accounts within MCI Carrier Sales and 40+ accounts within the Global and National segment.
- Prepare and conduct customer presentations, develop long term strategies, analyze customer requirements and make network design recommendations.
- Hiring and Training of new sales associates and implement new marketing and sales strategies.
- 1998 Year-to-date sales level at 194% of plan.
- 1997 Top Local Sales Representative within MCI Carrier Sales. Account base included RBOC, GTE, ISP, MTD, and Wireless Carriers. Access revenues in excess of 12 million.
- 1996 Received Pinnacle Award for top sales person. Developed and implemented collocation/interconnection strategy with IXC, ISP, CLEC, and RBOC customers.

Real Estate Manager — MCImetro ATS, Richardson TX

Responsible for acquisition of commercial real estate space within the Western United States for MCI local service. Obtain all access agreements with landlords while coordinating with the appropriate MCI business unit in approaching existing and potential customers for conversion and new sales development.

- Developed, implemented and managed the overall strategy for real estate acquisition within MCImetro.
- Worked directly with major commercial real estate developers on nationwide agreements for space to place switching equipment.
- Managed group of real estate professionals (15+), overseeing and monitoring the day-to-day activities, conducting performance reviews, and handling staffing and human resource issues.

Program Manager — ATS / MCI Telecommunications, Richardson, TX

Responsible for the program management of MCI local and long distance projects being implemented across MCI's network. Served as the single point of contact for all ATS national accounts, alternative access projects and direct sales /third party customers.

- Functional group management of right-of-way, real estate, engineering and construction organizations as they related to specific projects.
- Developed and maintained scheduled deliverables across various groups to insure on-time delivery of projects.
- Project level budgetary responsibility to insure projects met financial requirements. Responsible for $10M in rolling capital appropriations.
- Top Gun award winner.

Sr. Transmission Engineer — MCI Telecommunications, Richardson, TX

Responsible for installation and maintenance of various transmission and switching technologies within the MCI network. Tasked with developing recommendations to MCI's executive management team on procedures to improve network quality and efficiency.

- Representative for MCI's "Quality Awareness Program".

- Responsible for quality audits of engineering books, budgetary inputs and administrative task for assigned first-level engineers.

- Tasking of joint customer/common carrier capacity exchanges and alternate access requirements within the Northeastern United States.

Transmission Engineer II MCI Telecommunications, Richardson, TX

Responsible for providing all fiber optic engineering support to MCI's network within the New York to Washington DC corridor.

- Responsible for the development of engineering plans that were used to integrate new technology into MCI's network.

- Calculated budgetary inputs for administrative functional groups.

- Served as MCI Operations interface with equipment vendors and outside customers.

Transmission Engineer I/Shelter Construction MCI Telecommunications, Richardson, TX

- Responsible for the development of accurate engineering and installation practices to be used in conjunction with the installation of new fiber optic systems throughout MCI's network.

- Responsible for the development of fiber optic system maps and equipment layout plans.

- Assisted Project Engineers with all installation specifications

- Coordinated Shelter Production schedules, quality control assurance and implementation of new design techniques.

L. Jon Lindgren, Vice President of Wholesale Services

Mr. Lindgren brings 27 years of experience in the communications industry to IP Communications. Mr. Lindgren's background includes a broad base of successful marketing and sales experience with AT&T. He left AT&T in June of 1998 to become the Director of Sales operations at ALT Communications LLC. Mr. Lindgren set the direction for customer growth for ALT prior to its merger with Birch Telecom in the first quarter of 1999.

Prior to joining ALT, Mr. Lindgren directed AT&T's development of local product and market entry strategy for local telephone service in the Southwest Region. This included negotiation of the business product agreement with Southwestern Bell, developing pricing and product support systems to enable AT&T to compete in the local telephone service Business Market.

Mr. Lindgren started his AT&T career with Illinois Bell Telephone Company in sales. Following several years of success in the Government market segment he joined AT&T's Product Marketing team in New Jersey. Through a succession of positions his focus was to improve AT&T's success with their largest customers. His experience includes:

- Formulating product announcement strategies and marketing programs for the AT&T switch product line.
- Development of sales aids and promotional material.
- Coordinating media advertising and press releases with national sales programs.
- Providing leadership to a select team focused on AT&T's largest customer opportunities, improving the large account win rate from 9% to 70% over a 12 month period.
- Developing a Special Pricing group, subsequently improving the ability of the sales force to win in competitive situations.

In 1988 Mr. Lindgren moved to Dallas to accept the challenge of managing the relationship with AT&T's largest commercial account. While in the position of National Account Manager of EDS, his successful management of this complex customer relationship resulted in a 70% growth in AT&T's revenue while improving team efficiency. Under his leadership revenue per team member more than doubled. He was among the first to implement the

"virtual office" concept in AT&T National Account Sales, resulting in substantial expense reductions and productivity improvements.

Joann Johnson, Vice President and Controller

- More than 15 years experience in finance and accounting; CPA, MBA. Controller for Communication Expo, responsible for all aspects of accounting and financial reporting.

- Various responsibilities with Tandy Corporation in financial analysis, controller and auditor positions.

- Auditor with Ernst and Whinney.

Doug Boone

EDUCATION

United States Military Academy, West Point, NY, BS Civil Engineering, 1990
University of Texas at Arlington, Masters of Business Administration, Class of 2000

EXPERIENCE

LUCENT TECHNOLOGIES: GLOBAL SERVICE ACCOUNT EXECUTIVE, GTE

Responsible for narrow-band and broadband access product sales and marketing initiatives. Developed the plan to exploit existing access product sales, and close new voice and data opportunities. Led the development efforts for voice & data over DSL solutions for GTE.

- Generated $8M of revenue on GTE non-standardized narrow-band access products.
- Winner of GTE's Voice & Data over DSL offering, approximately $20M in annual revenue.
- Close $25M in incremental DSL revenue with GTE by year-end 1999.

MCI: LOCAL SERVICE ACCOUNT EXECUTIVE

Responsible for the pre-sales marketing of local and integrated telephone services in the Dallas metropolitan serving area to include product and market roll-out strategies for the Southwest Region. Consult and qualify new and existing global, national, and mid-size business customers. Developed the technical and application sales training for approximately 150 core sales and support representatives.

- Under a pre-product sales environment, met or exceeded sales quota using MCI's global and national account base for sales outside the Dallas metropolitan serving area.
- In quarter prior to the MCI Local Service product offering, closed 134% of the local service product quota.
- In the first quarter of sales opportunity in the Dallas market, closed 238% of quota.

- In first four months of sales, closed an average of 292% of sales quota. Ranked in top 3% of MCI's business market sales, enough to qualify for MCI's top incentive trip.

LINBECK CONSTRUCTION CORPORATION: ENGINEER/PROJECT ENGINEER

Responsible for cost management, project productivity, project scheduling, material expediting, submittal processing, contract administration, and safety implementation. Additional responsibilities include building and strengthening client and collateral client relationships.

- Supervised the completion of the 8.0 Restaurant. The $200k renovation exceeded all quality, time, and budget constraints.

- Developed the plan and scheduled the resources for the $2M renovation of the Performing Arts Administration Offices with over $75k in savings to the owner.

- Successfully developed the plan, scheduled the resources, and supervised the quality installation of over $500k of structural steel materials for the AMC Palace Theater.

- Accelerated promotion to Project Engineer for the Trinity Valley School Development Project. The $25M project is a premier development project for Linbeck Construction Corporation.

U.S. ARMY: COMPANY EXECUTIVE OFFICER

Second in command of a sixty-soldier company. Responsible for all logistical operations and the maintenance of fifteen M1A1 tanks and seven support vehicles.

- Implemented a Leader Certification Training Program that resulted in a 97% Vehicle Operational Readiness Rate.

- Successfully developed and executed a wartime deployment plan that was implemented as the model for all company deployment plans in the unit.

- Trained tank crews which placed 2nd and 5th of 58 tanks during annual gunnery.

U.S. ARMY: BATTALION OPERATIONS OFFICER (AIR), PLATOON LEADER

Norman J. Tougas

AT&T Local Services — Sep, 1998 – Present
Operations Manager — Dallas, Texas

- Manage twenty one technicians that are responsible for the installation, test and turn-up of SONET Networks that support DS3, DS1, DS0 circuits, networks to include ATM, Frame Relay, ADSL and HDSL and 7 X 24 maintenance of the Dallas Ft. Worth Architecture.

- Responsible with coordinating ILEC contracts and cage installations for rolling Type II traffic onto the AT&T ALS Network

- Responsible for coordinating with Vendors and Contractors for various types of equipment and installations to include collection and payment of invoices

Lucent Technologies — Feb, 1998 – May, 1998
Technical Sales Consultant — Dallas, Texas

- Responsible for the sales support of Lucent products

American Communication Services Inc. (ASCI) — May, 1997 – Feb, 1998
Operations Manager — Dallas, Texas

- Responsible for the day-to-day engineering and operations of the telecommunications network spanning the Dallas-Ft.Worth metroplex

US ONE Communications — Dec, 1996 - April, 1997
Program Manager/Engineer — Dallas, Texas

- Assisted with the Design and Engineering of the Digital Switched Networks under deployment using Lucent 5ESS and transport products

- Performed project management tasks to include planning, engineering, provisioning, circuit orders, construction and implementation to meet aggressive network start-up schedules for the Kansas City, Minneapolis and Seattle office

Time Warner Communications — October, 1993 - December, 1996
Director of Engineering/Operations — Tampa, Florida

- Worked with the management team to develop the strategies for the 1995 through 1997 Business Plans. Directly involved with the capital, expense and revenue forecasts for Hybrid Fiber Coax (HFC), Digital Switching and SONET Transport Networks Responsible for the *Design and Engineering* of all types of SONET Networks providing Voice, Data and Video applications

- Project Manager for the implementation of multiple Residential Shared Services (RSS) projects. Responsibilities included design and engineering, ordering, receiving and installation of materials, supervision of technicians and training of support personnel

- Representative for TWC at county 911 monthly meetings, technical sales meetings and *training coordinator* for new business services

Supervisor of Engineering/Operations — Austin, TX

- Participated in the development of *Business Plans* for Switched Services and Transport Networks

- Responsible for vendor relations to include the ordering, receiving and installation of materials, attended technical sales meetings and m*anaged a staff* of service support technicians in the installation and maintenance of a city-wide telecommunication network

Teleport Communications Group — August, 1991 - October, 1993
Lead Systems Technician — San Diego, CA

- Responsible for engineering and implementation of the Central Office and Distribution Headend. Coordinated all activities with the national engineering office, equipment vendors and followed the turn-up procedures dictated by the National Monitoring Center

Inside Plant Technician — Dallas, TX

- Responsible for all aspects of the inside plant including: engineering of PoP's, installation of power plants, optical and electrical telecommunications equipment, testing of the low to high bandwidth voice and data circuits for customer interface. Coordinated the daily tasks for the inside plant team of technicians.

Belcan Technical Services (MCI) — March, 1990 - August, 1991
Test Technician — Richardson, TX

- Test technician for MCI Equipment Test Department. Responsible for testing new communications equipment for MCI's communication network

United States Air Force — August, 1980 - August, 1985
Communication Specialist

- Performed installation and maintenance to various types of communications hardware

Education

Project Management Institute — February, 97 - Present
A member of the Project Management Institute

Continuing Education Courses/Seminars — August 1980 - Present

Computer Switching Systems (1982)
Fujitsu, Rockwell, Northern Telecom, Telco Systems - Installation and Turn-up (1990)
AT&T Digital Switching Equipment (1991)
LAN/WAN Management (1993)
ATM & Frame Relay networking (1996)
Computer Base Training ADSL and HDSL (1999)

Video Technical Institute — October, 88 - December, 1989

Associates of Occupational Studies in Telecommunications and Fiber Optics

USAF Technical Training — May, 84 - January, 1985

Electronic Computer and Switching Systems Specialist

Professional Strengths

- Communication, leadership, self-motivated, team player, customer relations, vendor relations and multi-tasking

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