

CAPTION SHEET

CASE MANAGEMENT SYSTEM

1. REPORT DATE: 00/00/00 :
 2. BUREAU: FUS :
 3. SECTION(S) : :
 5. APPROVED BY: : 4. PUBLIC MEETING DATE:
 DIRECTOR: : 00/00/00
 SUPERVISOR: :
 6. PERSON IN CHARGE: : 7. DATE FILED: 06/16/03
 8. DOCKET NO: A-310806 F0004 : 9. EFFECTIVE DATE: 00/00/00

PARTY/COMPLAINANT: ESSEX ACQUISITION CORPORATION

RESPONDENT/APPLICANT: NOW COMMUNICATIONS INC

COMP/APP COUNTY: UTILITY CODE: 310806

ALLEGATION OR SUBJECT

JOINT APPLICATION OF NOW COMMUNICATIONS, INC AND ESSEX ACQUISITION CORPORATION FOR APPROVAL OF THE TRANSFER OF ASSETS OF NOW COMMUNICATIONS, INC., TO ESSEX ACQUISITION CORPORATION. DOCKET NUMBER OF NOW COMMUNICATIONS TO TRANSFER ITS ASSETS TO ESSEX ACQUISITION: A-310806F0004; DOCKET NUMBER FOR ESSEX ACQUISITION CORPORATION TO ACQUIRE THE ASSETS OF NOW COMMUNICATIONS: A-311222F0005.

DOCUMENT
FOLDER

DOCKETED

JUL 01 2003

ESSEX ACQUISITION CORPORATION
180 NORTH WACKER DRIVE, SUITE 3
CHICAGO, IL 60606

ORIGINAL

June 16, 2003

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JUN 16 2003

PA PUBLIC UTILITY COMMISSION
SECRETARY'S OFFICE

DOCUMENT
FOLDER

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

A-310806F0004

Dear Secretary McNulty:

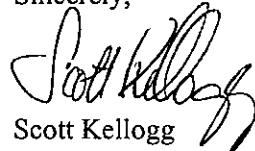
Enclosed for filing with the Pennsylvania Public Utility Commission ("Commission") are an original and four copies of the Joint Application of NOW Communications, Inc. ("NOW") and Essex Acquisition Corporation ("EAC") To Permit Transfer of Assets of NOW Communications, Inc. to Essex Acquisition Corporation and Application for Expedited Proceeding ("Application").

Also enclosed is a certificate of service and a check in the amount of \$350.00 payable to the "Commonwealth of Pennsylvania" to cover the filing fee for the Application.

Please stamp one copy of the Application and the extra copy of this transmittal letter "received" and return the same to my attention using the pre-addressed mailing label and envelope provided herein.

If you have any questions concerning this matter, please contact me at 312/658-1056.

Sincerely,


Scott Kellogg

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Enclosures

cc Office of Consumer Advocate
Small Business Advocate

ORIGINAL

RECEIVED

JUN 16 2003

BEFORE THE PENNSYLVANIA PUBLIC UTILITY COMMISSION

PA PUBLIC UTILITY COMMISSION SECRETARY'S OFFICE

Joint Application of
NOW Communications, Inc. and
Essex Acquisition Corporation
To Permit Transfer of Assets of
NOW Communications, Inc. to
Essex Acquisition Corporation;
Application for Expedited Proceeding

Docket No. A 310806 F0004

DOCUMENT FOLDER

DOCKETED

JUL 01 2003

JOINT APPLICATION AND REQUEST FOR EXPEDITED PROCEEDING

I. INTRODUCTION

NOW Communications, Inc. ("NOW" or the "Seller") and Essex Acquisition Corporation ("EAC") (together, the "Parties"), by undersigned counsel and in accordance with 66 Pa.C.S.A. §1102, hereby request Pennsylvania Public Utility Commission ("Commission") approval for EAC to acquire the Pennsylvania assets, including, but not limited to, the customer base and tariffs, of NOW.¹ NOW recently filed for reorganization under Chapter 11 of the U.S. Bankruptcy Laws in the U.S. Bankruptcy Court for the Southern District of Mississippi.² This request is being made as a result of the execution of an Asset Purchase Agreement (the "Agreement") by NOW and MCG Capital Corporation ("MCG"), pursuant to which EAC, as MCG's assignee under the Agreement, will acquire certain assets of NOW and its subsidiaries. Furthermore, the Parties seek expedited treatment of this Application to allow the Parties to consummate this transaction as soon as possible.

As discussed more fully below, the transaction is being conducted under the supervision of the U.S. Bankruptcy Court of the Southern District of Mississippi. The expeditious approval of this Application will allow EAC promptly to assume responsibility for the service of NOW's existing customer base without interruption of service or other inconveniences to Pennsylvania consumers.

¹ This Application seeks authority only to acquire assets of NOW in this state.

² *In Re: Now Communications, Inc.*, Case No. 03-01336

In support of this Application, the Parties respectfully provide the following information:

I. THE PARTIES

A. NOW Communications, Inc.

NOW is a Mississippi corporation with its principal place of business located at 1418 Ellis Avenue, Jackson, MS 39204. NOW and its various operating subsidiaries provide resold and facilities-based telecommunications services throughout the United States. NOW, together with its operating subsidiaries, holds authority to provide telecommunications services in 48 states and the District of Columbia, including the authority to provide local exchange and interexchange telecommunications services in Pennsylvania. NOW was authorized to provide telecommunications services in Pennsylvania as an Interexchange Toll Reseller carrier throughout the Commonwealth of Pennsylvania by the Commission in Docket No. A-310806 on November 4, 1999. NOW was also authorized by the Commission to operate as a Competitive Local Exchange Carrier in Docket No. A-310806 F0002. NOW also holds authority to provide international telecommunications services as a nondominant common carrier pursuant to authority of the Federal Communications Commission ("FCC"). NOW also provides interstate telecommunications services, but is not subject to FCC certification requirements for such services.

Further information concerning NOW's technical and managerial qualifications to provide service in Pennsylvania was filed with its applications for authority to provide service in the above-referenced dockets. This information is, therefore, already a matter of public record at the Commission and Parties respectfully request that it be incorporated by reference herein.

B. Essex Acquisition Corporation

EAC is a Delaware corporation with principal business office located at 6590 West Rogers Circle, Suite 6A, Boca Raton, FL 33487. EAC is a wholly-owned subsidiary of BiznessOnline.com, Inc. d/b/a VeraNet Solutions ("Biz"). EAC and its affiliates hold authority to provide resold and facilities-based telecommunications services in 10 states, including provisional authority to provide telecommunications services as a Reseller of Toll Services and as a Competitive Local Exchange Carrier

in Pennsylvania. By advice letter dated November 13, 2002, EAC was advised by the Secretary of the Commission that the protest period had expired for EAC's application to provide telecommunications services as a Reseller of Toll Services docketed at A-311222, and as a Competitive Local Exchange Carrier docketed at A-311222 F0002 and that application was found to be in compliance with the Commission's filing requirements. Accordingly, EAC was informed that it had provisional authority to do business in Pennsylvania. Subsequently, pursuant to the Commission's Order in Docket No. A-311222 F0003, approving EAC's acquisition of the assets of Essex Communications, Inc., EAC commenced the provision of telecommunications services in the Commonwealth of Pennsylvania. In addition to its operations in Pennsylvania, EAC is currently providing resold and facilities-based telecommunications services in seven other states.

Further information concerning EAC's financial, technical and managerial qualifications to provide service in Pennsylvania was filed with its application in the above-referenced dockets. This information is, therefore, already a matter of public record at the Commission and Parties respectfully request that it be incorporated by reference herein.

II. DESIGNATED CONTACTS

The Designated Contacts for this Application are:

Scott Kellogg
Essex Acquisition Corporation
180 North Wacker Drive, Suite 3
Chicago, IL 60606
Telephone: (312) 658-1056
Facsimile: (312) 658-5487
Email: skellogg@veranet.net

with a copy to:

R. Scott Seab
VP - Regulatory Affairs
NOW Communications, Inc.
711 S. Tejon Street, Ste. 201
Colorado Springs, CO 80903
Telephone: (719) 633-3059
Facsimile: (719) 623-0287

III. DESCRIPTION OF TRANSACTION

EAC proposes to acquire certain assets of NOW and its operating subsidiaries in connection with a reorganization of NOW being overseen by the U.S. Bankruptcy Court for the Southern District of Mississippi. MCG and NOW have executed an Asset Purchase Agreement under which EAC will acquire certain of NOW's assets as the assignee of MCG. Among other things, EAC will acquire all assets associated with NOW's telecommunications operations in Pennsylvania including telecommunications equipment and NOW's Pennsylvania customer base. A flow chart diagramming the transaction is attached hereto as **Exhibit A**. The Agreement is attached hereto as **Exhibit B**. The Applicants will be filing with the Federal Communications Commission ("FCC") to use the FCC's streamlined procedures for the acquisition of NOW's subscriber base. Attached hereto as **Exhibit C** is a draft of the customer notification required by the FCC's streamlined procedures.

EAC has determined that the proposed acquisition of NOW's assets in the bankruptcy proceeding will enable it to expand its operations in a cost-efficient manner, thereby enhancing its competitive position and ability to provide an array of high quality services to consumers in Pennsylvania. Although the proposed acquisition will result in a transfer of substantially all of NOW's assets, the Agreement will not involve a change in the manner in which NOW customers will receive their telecommunications services, and the transfer will be virtually seamless to customers. Specifically, customers will continue to receive the high quality, affordable telecommunications services that they presently receive. EAC will adopt NOW's tariffs, thus ensuring the uninterrupted provision of services to the existing customers of NOW under the same rates, terms, and conditions of service as are currently offered by NOW. As a result, the proposed acquisition will be virtually transparent to NOW's customers. Moreover, once the transaction is complete, NOW customers will receive service from EAC's team of well-qualified telecommunications managers. To ensure a seamless transition and avoid customer confusion or inconvenience, the Parties will notify customers of this transaction and of the change in carrier consistent with FCC rules. Accordingly, attached hereto is the aforementioned **Exhibit C**.

IV. PUBLIC INTEREST CONSIDERATIONS AND REQUEST FOR EXPEDITED PROCESSING

The Parties respectfully submit that telecommunications services in Pennsylvania, in general, and for NOW customers in particular, will realize significant public interest benefits from EAC's acquisition of the authorization and assets of NOW, including NOW's customer base. The proposed transaction will enable NOW's customers to continue to receive high quality, competitively priced telecommunications services without interruption. At the same time, the proposed asset acquisition will promote competition in Pennsylvania by enhancing EAC's ability to take advantage of certain efficiencies that will support expanded services and more competitive rates. By creating a more effective and multifaceted telecommunications carrier, the proposed transaction will expand competitive choices for U.S. telecommunications customers, including customers in Pennsylvania. The Parties hope to complete the proposed acquisition as quickly as possible in order to avoid any interruption of service or other inconvenience to NOW's existing customers.

To that end, the Parties respectfully request that the Commission expedite the processing of this Application and grant the requested authority as soon as possible. NOW serves a largely low-income residential customer base that essentially has very poor credit. These customers pay cash, in advance at local currency exchanges and merchants, for their monthly local dial tone telephone service. Very few carriers are interested in or are even capable of providing service in such a manner to such customers, especially to customers located in often the most rural areas of their states. Many customers receiving service today from NOW have not had telephone service for months or years prior to receiving service from NOW. The local dial tone telephone service provided by NOW includes 911 emergency services. In the event that NOW's service is disrupted, these residential customers have few, if any, alternatives for local dial tone telephone service. Any delay in approving the transaction risks service disruption for the thousands of residential customers that rely on NOW for their local dial tone telephone service in the Commonwealth of Pennsylvania.

V. CONCLUSION

For the foregoing reasons, the Parties respectfully request that the Commission authorize the transfer of assets, including the customer base, as described herein. Further, the Parties respectfully request that this authorization be granted on an expedited basis to allow them to consummate the transaction by August 15, 2003.

Respectfully submitted,

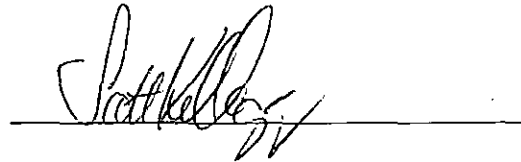
NOW COMMUNICATIONS, INC.

A handwritten signature in black ink, appearing to read "R. Seab", is written over a horizontal line.

R. Scott Seab
NOW Communications, Inc.
711 South Tejon Street, Ste. 201
Colorado Springs, CO 80903
Telephone: (719) 633-3059
Facsimile: (719) 623-0287

Its Attorney

ESSEX ACQUISITION CORPORATION

A handwritten signature in black ink, appearing to read "Scott Kellogg", is written over a horizontal line.

Scott Kellogg
Essex Acquisition Corporation
180 North Wacker Drive, Suite 3
Chicago, Illinois 60606
Telephone: (312) 658-1056
Facsimile: (312) 658-5487

Its Attorney

Dated: June 16th, 2003

LIST OF EXHIBITS

EXHIBIT A **Diagram of the Transaction**

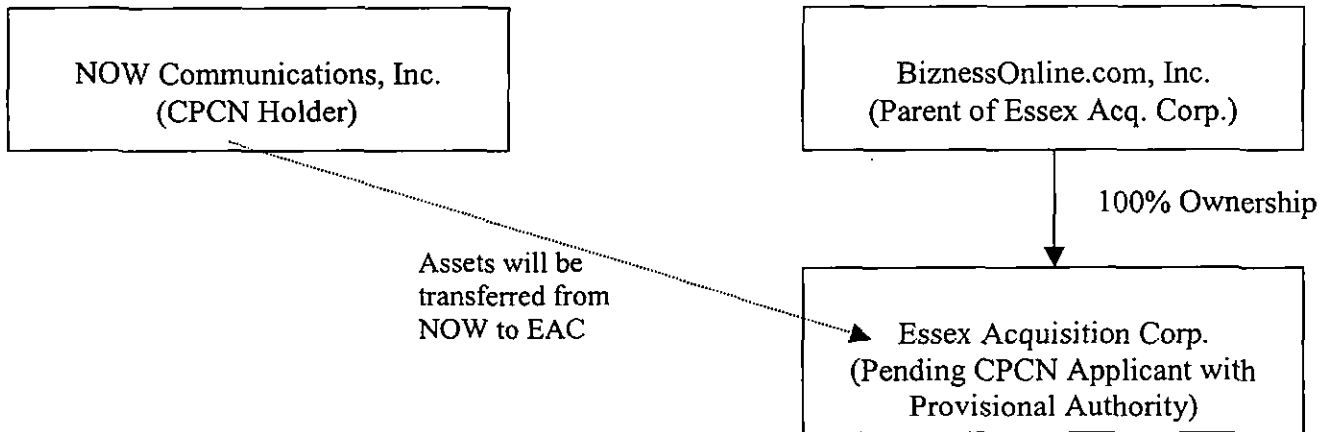
EXHIBIT B **Asset Purchase Agreement**

EXHIBIT C **Draft Customer Notification**

VERIFICATIONS

EXHIBIT A

Diagram of Transaction



Pursuant to the asset purchase agreement between NOW Communications, Inc. (“NOW”) and MCG Capital Corporation (“MCG”), the Pennsylvania assets of NOW will be transferred to Essex Acquisition Corporation (“EAC”) as MCG’s assignee with approval of the agreement by the bankruptcy court. Neither EAC, nor its direct parent company, BiznessOnline.com, Inc. (“BOI”), will be acquiring ownership of the corporate entity NOW. Rather, as indicated above, the transaction will only involve the acquisition of NOW’s assets. After the consummation of the transaction, NOW will cease to offer telecommunications in the Commonwealth of Pennsylvania. Neither NOW nor BOI have any other subsidiaries that have been granted authority by the PUC to provide services in the Commonwealth of Pennsylvania.

EXHIBIT B

Asset Purchase Agreement

(P) & R 10 "uc"
to me

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF MISSISSIPPI
JACKSON DIVISION

US BANKRUPTCY COURT
SOUTHERN DISTRICT OF MS
FILED

2003 MAY 23 PM 2:54

CHARLENE J KENNEDY
CLERK

BY _____ DEPUTY

IN RE:

NOW COMMUNICATIONS, INC.,

Debtor.

- * Case No. 03-01336
- * Chapter 11 Proceeding

**DEBTOR'S MOTION TO SELL
SUBSTANTIALLY ALL OF ITS ASSETS
PURSUANT TO 11 U.S.C. SECTION 363 (B) AND (F),
FREE AND CLEAR OF ALL CLAIMS AND LIENS**

Pursuant to Sections 363 (b) and (f) of the United States Bankruptcy Code, as now amended (the "Bankruptcy Code"), Debtor seeks authority to sell substantially all of its assets (the "Assets"), free and clear of all liens, claims, interests, and encumbrances by this Motion (the "Motion"). The proposed sale is to be consummated in accordance with the terms of that certain Asset Purchase Agreement (the "Agreement"); dated as of May 22, 2003, by and this between Debtor and MCG Capital Corporation or its designee ("MCG"). A copy of the Agreement is annexed hereto. Capitalized terms used in this Motion, but not defined herein, shall have the meanings ascribed to them in the Agreement.

INTRODUCTION

1. On March 4, 2003, Debtor filed a petition for relief under Chapter 11 of the Bankruptcy Code.
2. Pursuant to Sections 1107(a) and 1108 of the Bankruptcy Code, Debtor continues to operate its businesses as Debtor-in-Possession. No Trustee or examiner has been appointed or designated in this case.

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MAY 27 2003
Per...*[Signature]*.....

3. This Court has jurisdiction over this matter pursuant to 28 U.S.C Sections 157(b)(1) and 1334(b). This proceeding is a core proceeding pursuant to 28 U.S.C. Section 157(b)(2)(N).

4. The statutory predicates for this Motion are Sections 105(a), 363(b) and (f), 503 and 507 of the Bankruptcy Code and Rules 2002(a)(1), (d), (g), (i), (j), (l) and (m), 6004(a), (b), (c), and (f), and 9014 of the Federal Rules of Bankruptcy Procedure.

REASONS FOR THE SALE

5. Debtor has solicited offers for the purchase of all or substantially all of its assets and business to preserve and realize the going-concern value of its assets for the benefit of its creditors. The solicitation resulted in the transaction represented by the Agreement. The marketplace for the Assets has been fully explored and, as a result, the Agreement provides for the greatest value currently available to the Debtor.

6. The transaction represented by the Agreement provides the Debtor and the bankruptcy estate with the mechanism to maximize the value of its business and its Assets. Without said sale, the value of the Debtor's business and its Assets will continue to diminish. There is no indication that the demand for assets of this type will increase in the near future. Some of the Assets are subject to economic and functional depreciation and to a lesser degree, technological obsolescence.

7. Debtor lacks resources sufficient to preserve its on-going business and Assets. A successful reorganization of Debtor is unlikely. The proceeds from the sale of Assets by this Debtor under the terms of the Agreement will be used to fund a plan under section 1123(a)(5)(D) of the Bankruptcy Code.

8. The proposed sale results in the continued employment of approximately 75% of the workforce now employed by this Debtor, on approximately the same terms and conditions as is currently in place. Without this sale, it is probable that these employees of the Debtor to be retained would have to pursue meaningful employment elsewhere.

9. While Now may not be seeking expedited approval of its Sale Motion and its Bid Procedures Motion (collectively, the "Motions"), it is critical that the Court nonetheless appreciate the importance of prompt approval of the Motions.

(a) Now serves a largely indigent customer base that essentially has very poor credit and who are largely un-bankable. These customers pay cash, in advance at local currency exchanges and at local merchants, for their monthly local dial tone telephone service. Very few carriers are interested in or are even capable of providing service to such credit-challenged customers, given these payment methods, especially to customers located in often the most rural areas of their states. Many customers receiving service today from Now have not had telephone service for months or years prior to receiving service from Now.

(b) The local dial tone telephone service provided by Now also includes 911 emergency services. In the event that Now's service is disrupted, these residential users have few, if any, alternatives for local dial tone telephone service.

(c) Now's current financial situation, combined with its dramatic loss of customers since filing for bankruptcy, require that it move to implement significant cost reductions as soon as possible if it is to avoid significant service disruptions. The management agreement attached to the APA at Exhibit "H" is the operational cornerstone in ensuring uninterrupted services by Now pending the closing of the Sale, because it will provide Now with the ability to rapidly reduce costs (e.g., real estate, headcount and other overhead) and gain

stability. Any delay in approving the Agreement, and ultimately, the referenced management agreement, risks service disruption for the thousands of residential customers that rely upon Now for their local dial tone telephone service.

THE ASSET PURCHASE AGREEMENT

10. The terms and conditions of the Agreement were negotiated at arm's-length. The parties negotiated extensively and in good faith. Each party was represented by experienced insolvency and transactional professionals.

11. Under the terms of the Agreement, the Assets, as that term is defined in the Agreement, will be transferred to MCG or its designee free of all interests, claims, encumbrances and liens of every kind whatsoever.

12. In summary, the salient terms of the Agreement are:

(a) The sale will occur pursuant to the terms of the Agreement and an Order of this Court substantially in the form of which is annexed hereto as Exhibit A to the Agreement;

(b) MCG will not assume any liabilities of Debtor other than those expressly set forth in the Agreement;

(c) The Seller will sell substantially all of its Assets, including all intellectual property necessary to re-establish business operations under the MCG, or its designee, trade name; and

(d) The Sellers will receive a credit against the entire debt owed to MCG by this Debtor of at least \$4,600,000.00 as payment in full, will retain all avoidance actions available under sections 542, 544, 545, 546, 547, 549, 550, and 551 of the Bankruptcy Code, and will receive sufficient cash for payment of all allowed and approved administrative and unsecured priority tax claims.

NOTICE

13. Appropriate notice of this Motion and the hearing thereon will be given. The Debtor submits that such notice is accurate, sufficient, and reasonable.

ARGUMENT

14. This Debtor seeks an order approving the sale of substantially all its Assets to MCG or its designee pursuant to Section 363(b)(1) of the Bankruptcy Code, which provides that a Debtor, "after notice and hearing, may use, sell, or lease, other than in the ordinary course of business, property of the estate." 11 U.S.C. Section 363(b)(1). Section 363 of the Bankruptcy Code places no constraints upon this Debtor's ability to sell all or substantially all of its Assets.

15. Although no controlling precedent exists, the vast majority of courts facing the issue of the permissibility of a sale of substantially all of a Debtor's assets pursuant to Section 363 prior to confirmation of a plan of reorganization have held that such a sale may occur pre-confirmation if "a sound business purpose dictates such action." In re Lionel Corp., 722 F.2d 1063, 1071 (2d Cir.1983); see also Stephens Industries, Inc. v. McClung, 789 F.2d 386 (6th Cir. 1986); In re Delaware & Hudson Railway Co., 124 B.R. 169 (D.Del.1991). A Debtor satisfies the "sound business purpose" test by demonstrating four factors:

- (a) a sound business reason for sale;
- (b) accurate and reasonable notice to parties-in-interest;
- (c) the purchase price is fair and reasonable; and
- (d) good faith exists.

In re WBO Partnership, 189 B.R. 97 (Bank.E.D. Va. 1995); Delaware & Hudson Railway Co., 124 B.R. at 176; see also In re Chism, 48 B.R. 445 (Bankr. M.D. Ala 1985).

16. Applying the "sound business purpose" test to Debtor's proposed sale of assets here to MCG or its designee reveals that all four elements are easily met.

CONCLUSION

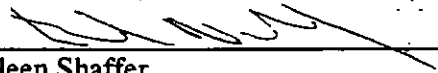
17. By reason of Debtor's efforts to sell the Assets, by reason of the fact that a bulk sale of the Assets under the terms of the Agreement produces a higher and better value for the Assets than a piecemeal sale, and by reason of the substantial cost and expense that would be associated with a sale to a buyer other than MCG, the Purchase Price is: (1) fair and reasonable; (2) represents the highest and best value realizable for the Assets; and (3) constitutes the fair market value of the Assets. The Agreement is the product of arm's length, good faith negotiations. Consequently, MCG (or the successful purchaser) at Auction Sale, should be deemed a "good faith purchaser" for all purposes under the Bankruptcy Code, including but not limited to section 363(m) of the Bankruptcy Code.

18. Consummation of the Agreement and consummation of the transaction it represents are in the best interests of Debtor's estate and its creditors.

WHEREFORE, DEBTOR REQUESTS THAT THIS COURT ENTER AN ORDER substantially in the form annexed hereto as Exhibit A:

- (a) approving and authorizing the sale of substantially all of Debtor's Assets free and clear of all interests, claims, encumbrances and liens, pursuant to the terms and conditions of the Agreement; and
- (b) for such other relief as the Court deems equitable and proper under the circumstances.

Respectfully submitted this 23rd day of April, 2003


Eileen Shaffer
Post Office Box 1177
Jackson, MS 39215-1177

Attorney for Debtor

CERTIFICATE OF SERVICE

I hereby certify that on this the 22nd of May, 2003, a copy of the foregoing pleading was served on counsel for all parties to this proceeding by placing a copy of same in the United States Mail, properly addressed and first-class postage prepaid, to:

Ronald H. McAlpin, Esq.
Assistant U.S. Trustee
McCoy Federal Building
Suite 1232
100 West Capitol Street
Jackson, MS 39269

Donald M. Wright, Esq.
Post Office Box 55727
Birmingham, AL 35255-5727
2311 Highland Avenue South
Birmingham, AL 35205

Derek Henderson, Esq.
111 East Capitol Street, Suite 455
Jackson, MS 39201

Todd C. Meyers, Esq.
Kilpatrick Stockton, LLP
1100 Peachtree Street, Suite 2800
Atlanta, GA 30309-4530

Steve Rosenblatt, Esq.
Butler, Snow, O'Mara, Stevens &
Cannada, PLLC
Post Office Box 22567
Jackson, MS 39225-2567



COUNSEL

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this "Agreement"), dated as of May 22, 2003, is made and entered into by and among NOW COMMUNICATIONS, INC., a Mississippi corporation and a debtor in possession ("NOW"), NOW COMMUNICATIONS OF MISSISSIPPI, INC., a Mississippi corporation ("Mississippi"), NOW COMMUNICATIONS OF VIRGINIA, INC., a Virginia corporation ("Virginia"), NOW COMMUNICATIONS OF SOUTH DAKOTA, INC., a Mississippi corporation ("South Dakota"), and TELSTAR INTERNATIONAL, INC., a Georgia corporation ("Telstar") and TEL-LINK, INC., a Mississippi corporation ("Tel-Link"), together with NOW, Mississippi, Virginia, South Dakota and Telstar shall hereinafter from time to time each be referred to as a "Selling Entity" and collectively as the "Selling Entities" and MCG CAPITAL CORPORATION ("MCG") or its assignee ("Buyer"). Certain capitalized terms used in this Agreement are defined in Exhibit A attached to and made a part of this Agreement.

RECITALS

A. On March 4, 2003 (the "Petition Date"), NOW commenced the Chapter 11 Case No. 03-01336 (the "Chapter 11 Case") by filing voluntary petition for reorganization under Chapter 11 of Title 11 of the United States Code, 11 U.S.C. §§ 101 et seq. (as the same may be amended from time to time, the "Bankruptcy Code"), with the United States Bankruptcy Court for the Southern District of Mississippi, Jackson Division (the "Bankruptcy Court"). NOW continues to operate its business and manage its properties as debtor and debtor in possession pursuant to Sections 1107(a) and 1108 of the Bankruptcy Code.

B. Selling Entities and MCG are parties to that Credit Facility Agreement, dated as of December 30, 1999, as amended by that Amendment Number One to Credit Facility Agreement dated as of February 10, 2000; that Amendment Number Two Document dated as of March 30, 2001, that Amendment Number Three Document dated as of September 28, 2001 (as so amended, modified or supplemented prior to the date hereof, the "Prepetition Credit Agreement"), and certain other documents, instruments and agreements executed in connection therewith (collectively with the Prepetition Credit Agreement, the "Prepetition Loan Documents"), pursuant to which MCG advanced certain loans of money and provided certain other financial accommodations to or for the direct and indirect benefit of Selling Entities.

C. MCG is a current creditor of each of the Selling Entities and is owed certain amounts pursuant to, among other things, the Prepetition Loan Documents (MCG, along with certain other lenders, has separately advanced certain additional loans of money to Selling Entities as debtors in possession pursuant to Section 364(c) of the Bankruptcy Code and an order of the Bankruptcy Court following the commencement of the Chapter 11 Cases).

D. The Bankruptcy Court approved MCG's purchase, by credit bid, of all of the Assets from the Selling Entities pursuant to, *inter alia*, Sections 363 and 365 of the Bankruptcy Code and the applicable Federal Rules of Bankruptcy Procedure.

E. The parties to this agreement acknowledge that NOW, and not the other Selling Entities, are in bankruptcy. However, in order to assure the complete transfer and sale of Assets as set forth in this Agreement, the Selling Entities other than NOW are parties to this Agreement, and have joined in the execution hereof to convey to Buyer any interest that any of these Selling Entities may have in the Assets. Further, MCG and the Selling Entities

EXHIBIT

A

acknowledge and agree that there will be no allocation of the purchase price among the Selling Entities, and that the credit bid for all of the Assets shall be for the benefit of NOW as debtor and debtor in possession.

F. Subject to the terms and conditions of this Agreement, Selling Entities desire to sell to Buyer, as MCG's designee, and Buyer desires to purchase from Selling Entities by credit bid, all of the Assets, free and clear of all Liens, Claims and Liabilities (other than as expressly provided in this Agreement), pursuant to, *inter alia*, Sections 363 and 365 of the Bankruptcy Code and the applicable Federal Rules of Bankruptcy Procedure.

NOW, THEREFORE, in consideration of the foregoing recitals, which are incorporated herein by this reference thereto, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and subject to the terms and conditions hereof, the parties, intending to be legally bound, hereby agree as follows:

1. TRANSFER OF ASSETS AND LIABILITIES; PURCHASE PRICE; CLOSING.

1.1 Transfer of Assets.

(a) **Assets to Be Sold.** Subject to Section 1.2, the other provisions of this Agreement and the Approval Order, at the Closing, Selling Entities shall sell, convey, assign, transfer and deliver to Buyer, and Buyer shall purchase, acquire and accept, all of each such Selling Entity's right, title and interest in and to the Assets, free and clear of all Liens, Claims and Liabilities (other than the Assumed Liabilities).

(b) **Excluded Assets.** Selling Entities shall sell, and Buyer shall purchase, all of Selling Entities' right, title or interest in or to any assets or properties of Selling Entities unless expressly excluded from the Assets pursuant to Schedule G, the Excluded Contracts/Assets. Buyer reserves the right to exclude additional Assets as set forth in Section 4.1(d) below.

1.2 Assumption of Liabilities.

(a) **Liabilities to be Assumed by Buyer.** Upon the transfer of the Assets on the Closing Date, Buyer shall assume and pay when due and discharge the Assumed Liabilities.

(b) **Excluded Liabilities.** Buyer shall not assume, and shall be deemed not to have assumed, any liabilities other than the Assumed Liabilities. Liabilities excluded from the Assumed Assets pursuant to this Section 1.2(b) shall include, but not be limited to, the Excluded Liabilities.

1.3 Purchase Price. The purchase price to be paid by Buyer to Selling Entities for the Assets being Purchased hereunder (the "*Purchase Price*") shall be an amount equal to the sum of (a) the credit to NOW (the "*Credit Bid Portion*") and (b) the sum of the (i) Cure Amounts and (ii) Vendor Cure Payment Settlements, in each case to be paid in respect of the assumption and assignment of the Assumed Contracts, but in no event less than \$4,600,000. Buyer shall pay the Credit Bid Portion of the Purchase Price by credit bid of a portion of the amount of indebtedness owed by Selling Entities to MCG (and assigned to Buyer) pursuant to the Prepetition Loan Documents. Buyer shall pay (1) the Cure Amounts in cash at the Closing and (2) the Vendor Cure Payment Settlements as they come due in accordance with their terms.

1.4 Closing; Transfer of Possession; Certain Deliveries.

(a) **Closing.** Provided that this Agreement shall not have been terminated and the transactions herein contemplated shall not have been abandoned pursuant to **Section 6** hereof, the closing of and the transfer of the transactions contemplated herein (the "*Closing*") shall take place at the offices of Buyer five (5) business days following notification from Buyer or its designee of the receipt of all regulatory and other third party approvals and agreements, on such terms and conditions as shall be acceptable to Buyer (the "*Closing Date*").

(b) **Selling Entities' Deliveries.** At the Closing, Selling Entities shall deliver, or shall cause to be delivered to Buyer:

(i) Such bills of sale, endorsements, assignments and other good and sufficient instruments of transfer and conveyance, duly executed by the applicable Selling Entities and, as appropriate notarized, as deemed necessary or reasonably advisable by, and in form and substance acceptable to, Buyer to vest in Buyer all of Selling Entities' right, title and interest in to the Assets in accordance with this Agreement;

(ii) A certificate of each of the Selling Entities, dated the Closing Date, signed by an authorized officer of each of the Selling Entities, certifying that the conditions specified in **Sections 5.2(a)** and **5.2(b)** hereof have been fulfilled;

(iii) A copy of the resolutions of the Board of Directors of the Selling Entities authorizing the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby, certified by a duly authorized officer of the Selling Entities as of the Closing Date;

(c) **Buyer's Deliveries.** At the Closing, Buyer shall deliver, or shall cause to be delivered to Selling Entities:

(i) Payment of the Credit Bid Portion of the Purchase Price by credit bid in accordance with **Section 1.3** and written acknowledgment by Buyer of the corresponding reduction in the amount of indebtedness owing under the Prepetition Loan Documents in connection therewith; and

(ii) A certificate of Buyer, dated the Closing Date, signed by an authorized officer of Buyer, certifying that the conditions specified in **Sections 5.3(a)** and **5.3(b)** hereof have been fulfilled.

2. REPRESENTATIONS AND WARRANTIES OF SELLING ENTITIES. Each of the Selling Entities, jointly and severally, hereby represents and warrants to Buyer as follows:

2.1 Execution and Effect of Agreement. Subject to obtaining the Approval Order, each Selling Entity has the requisite corporate power and authority to enter into this Agreement and to perform its obligations hereunder, and the execution and delivery of this Agreement by each Selling Entity and the consummation by Selling Entities of the transactions contemplated hereby and the performance of Selling Entities' obligations hereunder have been duly authorized by all necessary corporate action on the part of each Selling Entity. This Agreement has been duly executed and delivered by each Selling Entity and, following receipt of the Approval Order,

will constitute the legal, valid and binding obligation of each Selling Entity, enforceable against each Selling Entity in accordance with its terms.

2.2 Third Party Approvals. Except for (i) the Approval Order and (ii) any other third party approvals as are reflected on **Schedule 2.2** hereto, the execution, delivery and performance by the Selling Entities of this Agreement and the transactions contemplated hereby do not require any consents, waivers, authorizations or approvals of, or filings with, any third Persons that have not already been obtained by Selling Entities.

2.3 No Contravention. Subject to obtaining the approval of the Bankruptcy Court pursuant to the Approval Order, neither the execution and delivery of this Agreement, nor the consummation of the transactions contemplated hereby, will (i) violate or conflict with any provision of the Selling Entities' respective articles or certificates of incorporation or bylaws, (ii) (with or without the giving of notice or the lapse of time or both) violate, or result in a breach of, or constitute a default under, or conflict with or accelerate the performance required by, any of the terms of any Contract to which the Selling Entities are a party or by which they are bound, except to the extent any of the foregoing is not enforceable due to operation of applicable bankruptcy law or the Approval Order, or (iii) violate or conflict with any Order of any court, Governmental Body or arbitrator or any Law applicable to the Selling Entities, nor will the same result in the creation of any Liens upon any of the Assets.

2.4 Title to Assets. Selling Entities have good, valid and marketable title to, or as to leaseholds a valid leasehold interest in, or as to licenses a valid licensed interest in each of the Assets, and as of the Closing and as provided in the Approval Order the Assets will be free and clear of Liens (other than the Permitted Liens), Claims and Liabilities (other than the Assumed Liabilities) and have not otherwise been assigned, transferred, conveyed, disposed, mortgaged or otherwise encumbered. In this regard:

(a) **Schedule A** to this Agreement lists all contracts and unexpired leases used in or useful to the Business, which are to be assigned pursuant to Section 365 of the Bankruptcy Code (the "Assumed Contracts");

(b) **Schedule B** to this Agreement lists each Contract to which any Selling Entity is a party or by which any Selling Entity is bound and which is used in or useful to the Business, other than the Assumed Contracts;

(c) **Schedule C** to this Agreement lists each item of Equipment that is owned by any Selling Entity and is used in or useful to the Business;

(d) **Schedule D** to this Agreement lists each Permit that is used in or useful to the operation of the Business;

(e) **Schedule E** to this Agreement lists all Intellectual Property owned or licensed by any Selling Entity that is used in or useful to the Business, *together with* relevant identifying information, including, as to any such Intellectual Property comprising a registered (or an application to register) copyright, patent, trademark, trade name or service mark, to the extent applicable, the date of application or registration, the name of the inventor (as to any patent), the method of protection against adverse claims and the application or registration number;

(f) **Schedule F** to this Agreement lists all Accounts Receivable of any Selling Entity arising out of goods sold or leased, intellectual property or other rights licensed or services rendered, in each case in the conduct or operation of the Business; and

(g) **Schedule G** to this Agreement lists Excluded Contracts/Assets. Except for the Excluded Contracts/Assets, the Assets constitute all of the assets, tangible and intangible, of any nature whatsoever, necessary or reasonably advisable to operate the Business in the manner presently operated by Selling Entities.

3. REPRESENTATIONS AND WARRANTIES OF BUYER. Buyer hereby represents and warrants to each Selling Entity as follows:

3.1 Organization and Good Standing. Buyer is a corporation duly organized, validly existing and in good standing under the Laws of its jurisdiction of incorporation, and has full corporate power and authority to own, lease and operate its properties and carry on its business as it is now being conducted.

3.2 Execution and Effect of Agreement. Buyer has the requisite corporate power and authority to enter into this Agreement and to perform its obligations hereunder, and the execution and delivery of this Agreement and the consummation of the transactions contemplated hereby and the performance of Buyer's obligations hereunder have been duly authorized in all material respects by all necessary corporate action on the part of Buyer. This Agreement has been duly executed and delivered by Buyer and constitutes the legal, valid and binding obligation of Buyer, enforceable against Buyer in accordance with its terms, except that such enforceability may be limited by bankruptcy, insolvency, moratorium or other similar laws affecting or relating to creditors' rights generally, and is subject to general principles of equity.

3.3 No Contravention. Neither the execution and delivery of this Agreement nor the consummation of the transactions effected hereby will, in any material respect, (a) violate or conflict with any provision of Buyer's certificate of incorporation or bylaws, or (b) violate or conflict with any judgment, decree, order or award of any court, Governmental Body or arbitrator, or any Law applicable to Buyer.

4. CERTAIN COVENANTS.

4.1 Pre-Closing Covenants.

(a) **Conduct of Business.** From and after the date hereof and until the Closing Date, each Selling Entity, jointly and severally, agrees to use its best efforts in the context of the Chapter 11 Case to cause the Business to be conducted in the ordinary course and consistent with the present conduct of such business. Selling Entities shall not, and each Selling Entity shall use its best efforts to ensure that its employees, representatives and agents shall not, take any action or fail to take any action, which action or failure to act could reasonably be expected to prevent the consummation of the transactions contemplated by this Agreement in accordance with the terms of this Agreement. Without limiting the generality of the foregoing, NOW shall have entered into that certain Management Agreement in the form of Exhibit "H" attached hereto and made a part hereof.

(b) Access to Books and Records. From the date hereof until the Closing Date, each Selling Entity shall allow Buyer's employees, agents and Representatives during regular business hours to make such investigation of the Assets and Assumed Liabilities, including the Business and such Selling Entity's books and records related thereto, as Buyer reasonably deems necessary or advisable, and each Selling Entity shall instruct its employees to cooperate in any such investigation; *provided, however*, that such investigation shall not unreasonably interfere with the business or operations of such Selling Entity; and *provided further, however*, that no Selling Entity shall be required to take any action which would constitute a waiver of the attorney-client privilege.

(c) Obtaining Final Approval by Bankruptcy Court. MCG, Buyer and each Selling Entity shall use commercially reasonable efforts to obtain entry of the Approval Order from the Bankruptcy Court.

(d) Disclosure Supplements. From time to time prior to the Closing, Selling Entities and Buyer shall supplement or amend the Schedules hereto with respect to any matter hereafter arising or any information obtained after the date hereof which, if existing, occurring or known at or prior to the date of this Agreement, (i) would have been required to be set forth or described in the Schedules as is necessary to complete or correct any information in such schedule or in any representation and warranty of any Selling Entity rendered inaccurate thereby; or (ii) would have caused Buyer, in the exercise of reasonable discretion, to exclude a Contract or Asset and list such Contract or Asset on **Schedule G**. If the disclosure contained in any such supplement (i) relates to an event occurring before execution of this Agreement or (ii) alone or together with other supplements or amendments materially adversely affects the representation to which the amendment or supplement relates, the party receiving the amendment or supplement may determine not to accept it as a modification of the relevant representation. Notice of such determination, if made, shall be given by the receiving party to the other party not later than five (5) business days after it received the disclosure in question. If such notice is not timely given, or if the disclosure in question did not contain any matter of the nature specified in clause (i) or (ii) of the second preceding sentence, the relevant representation shall be deemed modified by the disclosure in the amendment or supplement with the same effect as though that disclosure had been included in the relevant Schedule as furnished prior to the execution of this Agreement. Without limiting the generality of the foregoing, Schedule changes may be based upon the inability of the parties to have third party contract assumptions voluntarily approved and/or modified by the applicable third parties, or by Bankruptcy Court order pursuant to Section 365 of the Bankruptcy Code.

(e) Notification of Certain Matters. Selling Entities shall give prompt notice to Buyer, and Buyer shall give prompt notice to Selling Entities, of (i) any notice or other communication from any Person alleging that the consent of such Person is or may be required in connection with the transactions contemplated by this Agreement and (ii) any written objection, litigation or administrative proceeding that challenges the transactions contemplated hereby or the entry of the Approval Order.

(f) Conduct of the Company Pending Closing. From the date hereof to and including the Closing Date, NOW shall cause the Selling Entities to operate its business only in the usual and ordinary course, consistent with past practice, and NOW shall use its best efforts to maintain the net worth of the Selling Entities, and Selling Entities shall not, and shall not agree to:

(i) incur any indebtedness for borrowed money or assume, guarantee, endorse or otherwise become responsible for the obligations of any other individual, firm or corporation, or make any loans or advances to any individual, firm or corporation, other than in the ordinary course of its business;

(ii) make, declare or pay any dividend, or declare or make any distribution on, or redeem, purchase or otherwise acquire, any shares of its outstanding capital stock or authorize the creation or issuance of any additional shares of its capital stock or any options, calls or commitments relating to its capital stock or any securities or obligations convertible into or exchangeable for or giving any person any right to subscribe for or acquire any shares of its capital stock;

(iii) mortgage, pledge or otherwise encumber any of its properties or assets;

(iv) sell or transfer any of its properties or assets or cancel, release or assign any indebtedness owed to them or any claims held by them, other than in the ordinary course of its business;

(v) close any plants or any other material facilities;

(vi) make any investment of a capital nature either by purchase of stock or securities, contributions to capital, property transfer or otherwise, or by the purchase or lease of any property or assets of any other individual, firm or corporation, other than in the ordinary course of its business;

(vii) enter into any joint venture, partnership or other similar arrangement or form any other new arrangement for the conduct of its business;

(viii) enter into, amend or terminate any material contract, including material leases, licenses and interconnection agreements necessary to continue to provide customer service, other than in the ordinary course of its business;

(ix) increase in any manner the compensation or fringe benefits (other than compensation or fringe benefits increases as may be required by law or in accordance with their customary compensation practices and related changes in fringe benefits) of any of their officers or employees or pay or agree to pay any pension or retirement allowance not required by any existing plan or agreement to such officers or employees, commit itself to any pension, retirement or profit-sharing plan or agreement or employment agreement (except for retainer or consulting agreements entered into in the ordinary course of its business) with or for the benefit of any officer, employee or other person or, except as required by law, alter, amend, terminate in whole or in part, or curtail or permanently discontinue distributions to, any employee pension benefit plan;

(x) permit, to the extent within its control, any insurance policy naming the Selling Entity as a beneficiary or a loss payable payee to be cancelled or terminated or any of the coverage thereunder to lapse, unless simultaneously with such termination or

cancellation replacement policies providing substantially similar coverage are in full force and effect;

(xi) make any amendments to its *Certificates of Incorporation* or *By-laws*; or

(xii) take or omit to take any action the effect of which could or will render materially inaccurate any of the Selling Entities' representations and warranties set forth herein.

4.2 Post-Closing Covenants.

(a) **Access to Books and Records.** From and after the Closing Date, until one year from the Closing Date, Selling Entities, at their own expense, shall have the right for any proper purpose, upon reasonable notice to Buyer, to inspect and make copies of the books and records of or relating to the Business for purposes reasonably related to the conduct and disposition of the Chapter 11 Case, and to have reasonable access to personnel at any time during regular business hours, upon reasonable prior written notice and in a manner determined, in consultation with Buyer, not to interfere unreasonably or unnecessarily with the ongoing conduct of Buyer's business or the conduct of the Business, to assist with the wind-down of Selling Entities, including assistance with the reconciliation of any third party Claim in respect of which any Selling Entity may have any Liability hereunder. If Buyer should plan or otherwise intend to destroy such books and records within three (3) years from the Closing Date, Buyer must provide written notice to the applicable Selling Entity at least three (3) weeks prior to the date that such books and records are to be destroyed or removed to allow such Selling Entity to make copies or otherwise obtain such books and records.

(b) **Further Actions.** Selling Entities and Buyer shall cooperate with each other to provide for the orderly transition of the Assets and to minimize the disruption to the Business. To that end, from and after the Closing Date, Selling Entities shall execute and deliver such documents and take such other actions as Buyer (and its affiliates and Representatives) may reasonably request for the purpose of evidencing the transactions contemplated hereby and putting Buyer (or an affiliate of Buyer, if Buyer shall so request) in possession and control of the Assets, which may include, without limitation, the following actions which Selling Entities shall undertake at Buyer's expense (*provided* that no Selling Entity shall be required to hire an individual to perform the items below):

(i) execute and deliver such assignments and other documents as may (in the reasonable judgment of Buyer or its Representatives) be necessary or appropriate to assign, transfer and deliver to Buyer (or an affiliate of Buyer, if Buyer shall so request) good, valid and marketable title to all of the Assets, including, but not limited to, assignments of the intellectual property rights relating to the Business, including those rights identified on **Schedule E**;

(ii) promptly forward, or cause to be forwarded, to Buyer (or an affiliate of Buyer, if Buyer shall so request) any and all proceeds from accounts receivable included in the Assets that are received by any Selling Entity, and shall direct all financial institutions to pay any funds in such accounts to Buyer (or an affiliate of Buyer, if Buyer shall so request);

(iii) assign to Buyer (or an affiliate of Buyer, if Buyer shall so request) any rights under Contracts entered into by any Selling Entity associated with the Assets, including, but not limited to, the Business, and including those identified on **Schedules A and B**, subject to the consent of third parties and subject to the right of Buyer to decline such assignment, and, if requested by Buyer, to use their best efforts to obtain third party consents that may be necessary or appropriate to assign or sub-license the rights under such contracts;

(iv) cooperate with Buyer in transitioning the employees of Selling Entities engaged in the Business that Buyer desires to employ, as well as the employee benefit plans relating to such employees that Buyer desires to maintain;

(v) help Buyer to transfer or obtain appropriate insurance policies associated with the Assets acquired hereunder;

(vi) help Buyer obtain requisite consents or take such other steps as Buyer may reasonably request relating to the leases and licenses included in the Assets, which may include (but is not limited to) terminating or assigning lease or license agreements or cooperating with Buyer in entering into new lease or license agreements or arrangements;

(vii) authorize and empower Buyer to receive and to open all mail received by Buyer relating to the Assets or the Assumed Liabilities and to deal with the contents of such communications in any proper manner; and

(viii) provide Buyer with the right to use the equipment or facilities used in the Business.

(c) **Power of Attorney.** By executing this Agreement, the Selling Entities hereby grant a special power of attorney, making, constituting and appointing each of MCG and Buyer as the attorney-in-fact for the Selling Entities, with power and authority to act in the name and on behalf of the Selling Entities, to execute such documents and make such filings relating to the Assets or the Assumed Liabilities as may be necessary or appropriate to enable Buyer to effect the provisions in **Section 4.2(b)** and otherwise effect the intent of this Agreement. This special power of attorney being granted by each Selling Entity is coupled with an interest and is irrevocable and may be exercised by MCG and Buyer signing for each Selling Entity or for all of the Selling Entities executing any particular instrument. The exercise of this power of attorney shall be performed in good faith by MCG and Buyer.

(d) **Non-Interference.** Following the Closing, Selling Entities shall not take any action that would hinder or restrict the ability of Buyer (or its affiliates) to use or exploit the Assets in order to operate the Business as previously conducted by Selling Entities, including but not limited to (a) employing or inducing to employ any employee or consultant or (b) influencing or attempting to influence any customer, advertiser or supplier to terminate a relationship with Buyer.

4.3 General Covenants.

(a) **Reasonable Efforts.** Upon the terms and subject to the conditions herein provided, each of the parties hereto shall use its respective commercially reasonable efforts to take, or cause to be taken, all actions, and to do, or cause to be done, and to assist and cooperate

with the other party hereto in doing, all things necessary, proper or advisable under applicable Laws to ensure that the conditions set forth in this Agreement are satisfied and to consummate and make effective, in the most expeditious manner practicable, the transactions contemplated by this Agreement. Without limiting the generality of the foregoing, the parties hereto shall furnish to each other such necessary information and reasonable assistance, as each may request, in connection with obtaining Bankruptcy Court approval of the transactions contemplated by this Agreement, and shall execute any additional instruments necessary to consummate the transactions contemplated hereby, whether before or after the Closing.

(b) Public Announcements. Selling Entities shall not issue a press release or otherwise make any public statements with respect to the transactions contemplated hereby, except as may be required by Law or by obligations with respect to filings to be made with the Bankruptcy Court in connection with this Agreement (in which case the Selling Entities shall notify MCG and the Buyer prior to making such public statement), without the prior consent of MCG and the Buyer, which consent shall not be unreasonably withheld.

(c) Regulatory Approval. Each of the parties hereto will use its commercially reasonable efforts to obtain all Permits that may be or become necessary for the performance of its obligations pursuant to this Agreement and will cooperate fully with the other parties hereto in promptly seeking to obtain all such Permits. Neither Selling Entities nor Buyer will take any action that will have the effect of delaying, impairing or impeding the receipt of any required approval. If, in order to properly prepare documents required to be filed with Governmental Bodies or its financial statements, it is necessary that either Selling Entities or Buyer be furnished with additional information relating to the Assets or the Assumed Liabilities, including, but not limited to, with respect to the Business, and such information is in the possession of the other party, such party agrees to use its commercially reasonable efforts to furnish such information in a timely manner to such other party, at the cost and expense of the party being furnished such information.

(d) Payment of Transfer Taxes and Tax Filings. Except to the extent as provided in an order of the Bankruptcy Code, all Transfer Taxes arising out of the transfer of the Assets and the other transactions contemplated hereby and any Transfer Taxes required to effect any recording or filing with respect thereto shall be borne by the Buyer. The Buyer or Selling Entities as ordered shall timely pay such Transfer Taxes and shall file all necessary documentation and returns with respect to such Transfer Taxes when due, and shall promptly following the filing thereof furnish a copy of such return or other filing and a copy of a receipt showing payment of any such Transfer Tax to Buyer. Each party shall furnish or cause to be furnished to the other, upon request, as promptly as practicable, such information and assistance relating to the Assets, including in respect of the Business as is reasonably necessary for filing of all Tax returns, including any claim for exemption or exclusion from the application or imposition of any Taxes or making of any election related to Taxes, the preparation for any audit by any taxing authority and the prosecution or defense of any claim, suit or proceeding relating to any Tax return.

(e) Utilities. Selling Entities shall use their best efforts to assist Buyer in transferring services with the gas, telephone, electric or other utility companies with respect to the operation of the Business. Selling Entities shall only be responsible for the payment of all utilities charges relating to the Business incurred through the Closing Date.

(f) Proration of Taxes and Certain Charges. Except as provided elsewhere in this Agreement, all Taxes levied, charges of rent and other occupancy expenses related to the operation of the Business, and all installments of special assessments or other charges paid with respect to the Assets (the "*Pro-Rated Items*"), whether imposed or assessed before or after the Closing Date, shall be prorated between Selling Entities and Buyer as of the Closing Date. All refunds, rents, fees or other use related revenue receivable by any party to the extent attributable to the operation of the Business for any period in which the Closing shall occur shall be prorated so that Selling Entities shall be entitled to all payments applicable to the period up to but not including the Closing Date and Buyer shall be entitled to the portion applicable from and after the Closing Date.

(g) Employees.

(i) Each Selling Entity shall be solely responsible to all of its employees and contractors for all compensation, incentive payments, bonuses, retirement annuities, severance payments, deferred compensation, profit sharing benefits, workers' compensation, vacation or sick pay and any severance pay accrued through and including the Closing Date for which such Selling Entity is obligated under any Contract or Employee Benefit Plan, or under any personnel or employee manual or policy or under any Law, including without limitation, all withholding and other Taxes and Tax deposits. No such responsibility or obligation shall constitute an Assumed Liability in any way whatsoever. Selling Entities shall be solely responsible for satisfying any obligations to its employees arising prior to the Closing Date under ERISA and for satisfying any obligations under COBRA with respect to continuation of group medical coverage with respect to those of its employees who do not become employees of Buyer.

(ii) Buyer is not assuming, and shall not have any responsibility whatsoever or the assumption or continuation of, or any liabilities under or in connection with, any Employee Benefit Plan or any employment contract, collective bargaining agreement or retention or severance arrangement of any Selling Entity. Buyer is not, and shall not be deemed to be, a successor employer to any Selling Entity with respect to any Employee Benefit Plan; and no plan adopted or maintained by Buyer after the Closing is or shall be deemed to be a "successor plan," as such term is defined in section 402(a) of ERISA, of any Employee Benefit Plan. Buyer shall not be obligated to assume or continue any term or condition of employment currently or previously promised or maintained by any Selling Entity with regard to its current, former or retired employees or contractors, and shall not be responsible for any debt, payment, obligation, claim, liability or agreement which relates to or arises from any Selling Entity's employment (or termination of employment) of, or contract (or termination of contract) with, its current, former or retired employees, regardless of whether such employees accept employment offered by Buyer.

(iii) Neither Buyer nor Selling Entities intend this Agreement to create any rights or interests, except as between Buyer and Selling Entities, and no present, former or future employee or contractor of Buyer or Selling Entities shall be treated as a third party beneficiary in or under this Agreement.

5. CLOSING CONDITIONS.

5.1 Conditions Precedent to Obligations of All Parties. The respective obligations of Buyer, on the one hand, and Selling Entities, on the other hand, to close under this Agreement, shall be subject to the satisfaction at or prior to the Closing Date of the following conditions:

(a) **No Injunction.** No preliminary or permanent injunction or other order issued by, and no Proceeding or Order by or before, any Governmental Body in the United States or by any United States Governmental Body, nor any Law or Order promulgated or enacted by any United States Governmental Body, shall be in effect or pending which materially delays, restrains, enjoins or otherwise prohibits or seeks to restrain, enjoin or otherwise prohibit the transactions contemplated hereby.

(b) **The Approval Order.** The Bankruptcy Court shall have entered the Approval Order. The "Approval Order" shall be an order or orders of the Bankruptcy Court, in form and substance reasonably acceptable to Buyer, approving this Agreement and all of the terms and conditions hereof, and approving and authorizing Selling Entities to consummate the transactions contemplated hereby. Without limiting the generality of the foregoing, such order shall find and provide, among other things, that (a) the Assets sold to Buyer pursuant to this Agreement shall be transferred to Buyer free and clear of all Liens and Claims of any Person except as expressly provided in this Agreement; (b) Buyer has acted in good faith within the meaning of Section 363(m) of the Bankruptcy Code and, as such, is entitled to the protections afforded thereby; (c) this Agreement was negotiated, proposed and entered into by the parties without collusion, in good faith and from arm's length bargaining positions; (d) Buyer is not acquiring or assuming any of any Selling Entity's or any other Person's Liabilities except as expressly provided in this Agreement; (e) all Assigned Contracts, including all executory contracts and unexpired leases within the meaning of Section 365 of the Bankruptcy Code, in each case to be included in the Assets, shall be duly assumed by the applicable Selling Entity and assigned to Buyer pursuant to Section 365 of the Bankruptcy Code; (f) the Bankruptcy Court shall retain jurisdiction to resolve any controversy or claim arising out of or relating to this Agreement including, without limitation, the third party supplier contracts that are being assumed by Buyer, or the breach hereof; and (g) this Agreement and the transactions and instruments contemplated hereby shall be binding upon, and not subject to rejection or avoidance by, any Selling Entity or any chapter 7 or chapter 11 trustee of any Selling Entity and its estate.

(c) **Consents and Approvals.** All consents, waivers, authorizations and approvals of third Persons as are necessary in connection with the transactions contemplated by this Agreement shall have been obtained, except for such consents, waivers, authorizations and approvals which would not materially and adversely affect the Business and such consents and approvals which are not required due to the entry by the Bankruptcy Court of the Approval Order.

5.2 Conditions Precedent to the Obligations of Buyer. The obligation of Buyer to close under this Agreement is subject to the satisfaction (or waiver by Buyer) at or prior to the Closing Date of each of the following additional conditions:

(a) **Accuracy of Representations and Warranties.** The representations and warranties of Selling Entities contained herein shall be true and correct in all respects on the date hereof and on and as of the Closing Date, with the same force and effect as though such

representations and warranties had been made on and as of the Closing Date (except to the extent that any such representation or warranty is made as of a specified date, in which case such representation or warranty shall have been true and correct in all respects as of such date), except to the extent that any failures of such representations and warranties to be true and correct, individually or when aggregated with any other such failures, does not, on the part of any Selling Entity, materially and adversely affect the Business.

(b) Performance of Agreements. Selling Entities shall have performed in all material respects all obligations and agreements contained in this Agreement required to be performed by them prior to or at the Closing Date.

(c) Closing Deliveries. Selling Entities shall have performed in all respects all obligations and agreements in Section 1.4(b).

(d) Final Approval Order. The Approval Order shall be final and non-appealable.

(e) No Material Adverse Change. No Material Adverse Change shall have occurred since the last set of complete financial statements of Selling Entities provided to Buyer.

(f) Employment Contracts. Buyer shall have entered into employment contracts acceptable to Buyer for employment with certain key persons and upon certain conditions as set forth in Schedule 5.2(f).

(g) Acceptable Interconnection Agreement with BellSouth. MCG or Buyer shall have negotiated the assumption of the existing BellSouth interconnection Agreement upon such terms and conditions as are acceptable to MCG or Buyer.

5.3 Conditions Precedent to the Obligations of Selling Entities. The obligation of Selling Entities to close under this Agreement is subject to the satisfaction (or waiver by each Selling Entity) at or prior to the Closing Date of each of the following additional conditions:

(a) Accuracy of Representations and Warranties. The representations and warranties of Buyer contained herein shall be true and correct in all respects on the date hereof and on and as of the Closing Date, with the same force and effect as though such representations and warranties had been made on and as of the Closing Date (except to the extent that any such representation or warranty is made as of a specified date, in which case such representation or warranty shall have been true and correct in all respects as of such date), except to the extent that any failures of such representations and warranties to be true and correct, individually or when aggregated with any other such failures, does not, on the part of Buyer, materially and adversely affect the Business.

(b) Performance of Agreements. Buyer shall have performed in all material respects all obligations and agreements contained in this Agreement required to be performed by it prior to or at the Closing Date.

(c) Closing Deliveries. Buyer shall have performed in all respects all obligations and agreements in Section 1.4(c).

6. TERMINATION.

6.1 Termination of Agreement. This Agreement may be terminated and the transactions contemplated hereby abandoned at any time prior to the closing,

(a) By mutual written consent of Buyer and NOW, acting on behalf of the Selling Entities;

(b) By NOW on behalf of Selling Entities, or by Buyer if the Closing shall not have occurred on or before June 1, 2004 (the "Outside Date"); *provided, however*, that the right to terminate this Agreement under this Section 6.1(b) shall not be available to any party whose failure to fulfill any material obligation under this Agreement has been the cause of, or resulted in, the failure of the Closing to occur before such date;

(c) By NOW on behalf of Selling Entities, if Buyer shall have breached in any material respect any of its representations and warranties or failed to perform in any material respect any of its covenants or other agreements contained in this Agreement, which breach or failure to perform (i) is incapable of being cured by Buyer prior to the Outside Date and (ii) renders any condition under Sections 5.1 and 5.3 hereof incapable of being satisfied prior to the Outside Date;

(d) By Buyer, (i) if any Selling Entity shall have breached any of its respective representations and warranties contained in this Agreement or (ii) if any Selling Entity failed to perform any of its covenants or other agreements contained in this Agreement, which breach or failure to perform (1) is incapable of being cured by Selling Entities prior to the Outside Date and (2) renders any condition under Sections 5.1 and 5.2 hereof incapable of being satisfied prior to the Outside Date;

(e) By Buyer if the Approval Order approved by the Bankruptcy Court is not issued or is not reasonably acceptable to Buyer;

(f) By NOW on behalf of Selling Entities, or by Buyer, upon written notice to the other party, if the Bankruptcy Court or any other Governmental Body of competent jurisdiction shall have issued an Order or taken any other action (which Order or other action the party seeking to terminate shall have used all of its reasonable efforts to resist, resolve or lift, as applicable, subject to the provisions of Section 4.3(a) hereof) enjoining or otherwise prohibiting the consummation of the transactions contemplated by this Agreement, and such Order shall have become final and non-appealable; *provided, however*, that the party seeking to terminate this Agreement pursuant to this clause (f) has fulfilled its obligations under Section 4.3(a) hereof;

(g) By Selling Entities or Buyer, if any event occurs which renders satisfaction of one or more conditions set forth in Section 5 impossible; *provided, however*, that Selling Entities or Buyer, as the case may be, shall not be entitled to terminate this Agreement pursuant to this Section 6.1(g) if the impossibility results primarily from such party itself breaching any representation, warranty or covenant contained in this Agreement.

6.2 No Liabilities in the Event of Termination. In the event of any termination of the Agreement pursuant to Section 6.1, (i) written notice thereof shall forthwith be given to the

other party specifying the provision hereof pursuant to which such termination is made, (ii) this Agreement shall forthwith become wholly void and of no further force and effect, and (iii) there shall be no liability on the part of Buyer or Selling Entities, except that (1) the obligations of Selling Entities and Buyer under Section 7.2 shall remain in full force and effect and (2) if this Agreement shall be terminated pursuant to Sections 6.1(c) or (d) hereof, the breaching party shall remain liable to the non-breaching party for costs, expenses and damages incurred by its breach.

7. MISCELLANEOUS PROVISIONS.

7.1 Expenses. Except as set forth in this Agreement and whether or not the transactions contemplated hereby are consummated, each party shall bear all costs and expenses incurred or to be incurred by such party in connection with this Agreement and the consummation of the transactions contemplated hereby.

7.2 Governing Law; Venue; Consent to Jurisdiction. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia without regard to conflict of law principles. Any disputes under this Agreement or relating thereto shall be brought exclusively in the United States Bankruptcy Court for the Southern District of the State of Mississippi, located in the Jackson Division, and the parties hereto consent to and hereby submit to the personal jurisdiction and venue of these courts.

7.3 Entire Agreement. This Agreement (including agreements incorporated herein) and the exhibits and schedules hereto contain the entire agreement between the parties with respect to the subject matter hereof and there are no agreements, understandings, representations or warranties between the parties other than those set forth or referred to herein.

7.4 Notices. Any notice or other communication required or permitted to be delivered to any party under this Agreement shall be in writing and shall be deemed properly delivered, given and received when delivered (by hand, by registered mail, by courier or express delivery service or by facsimile) to the address or facsimile telephone number set forth beneath the name of such party below (or to such other address or facsimile telephone number as such party shall have specified in a written notice given to the other parties hereto):

if to any of the Selling Entities:

NOW Communications, Inc.
1695 High Street, Suite B
Jackson, MS 39202
Attention: Larry W. Seab, CEO
Telephone: (601) 714-7231
Facsimile: _____
Email: lws@nowcommunications.com

with a copy to the following listed counsel or such other counsel as may be designated by Selling Entities from time to time (which shall not constitute notice):

Eileen Shaeffer, Attorney at Law
P.O. Box 1177
Jackson, MS 39215-1177
Telephone: (601) 969-3006
Facsimile: (601) 969-4002
Email: esblaw@bellsouth.net

if to Buyer:

MCG Capital Corporation
1100 Wilson Boulevard, Suite 3000
Arlington, VA 22209
Attention: Steven F. Tunney and Samuel G. Rubenstein
Telephone: (703) 247-7500
Facsimile: (703) 247-7545
Email: stunney@mcgcapital.com and srubenstein@mcgcapital.com

with a copy to the following listed counsel or such other counsel as may be designated by Buyer from time to time (which shall not constitute notice)

Sirote & Permutt, P.C.
2311 Highland Avenue South
Birmingham, AL 35205
Attention: Donald M. Wright, Esq.
Telephone: (205) 930-5159
Facsimile: (205) 930-5101
Email: dwright@sirote.com

7.5 Headings. The underlined headings contained in this Agreement are for convenience of reference only, shall not be deemed to be a part of this Agreement and shall not be referred to in connection with the construction or interpretation of this Agreement.

7.6 Counterparts. This Agreement may be executed in several counterparts, each of which shall constitute an original and all of which, when taken together, shall constitute one agreement.

7.7 Successors and Assigns; Parties In Interest.

(a) This Agreement shall be binding upon the Selling Entities and each of their successors in interest and assigns (if any) and Buyer and its successors in interest and assigns (if any). This Agreement shall inure to the benefit of the Selling Entities, Buyer and the respective assigns and successors in interest (if any) of each of the Selling Entities and Buyer.

(b) Buyer may freely assign in whole or in part any or all of its rights and obligations under this Agreement. The Selling Entities shall not be permitted to (i) assign any of their rights under this Agreement without Buyer's prior written consent, which consent shall not be unreasonably withheld, delayed or conditioned, or (ii) delegate any of their respective obligations under this Agreement without Buyer's prior written consent.

(c) None of the provisions of this Agreement is intended to provide any rights or remedies to any Person other than the parties to this Agreement and, as to Buyer, its respective successors and assigns (if any) and, as to the Selling Entities, their successors in interest and assigns (if any). Without limiting the generality of the foregoing, no creditor of the Selling Entities shall have any rights under this Agreement or any of the other related agreements.

7.8 Remedies Cumulative; Specific Performance. The rights and remedies of the parties hereto for obligations to be performed by the other parties hereto on and after the Closing Date shall be cumulative (and not alternative). Selling Entities agrees that: (a) in the event of any Breach by any Selling Entity, Buyer shall be entitled (in addition to any other remedy that may be available to it) to (i) a decree or order of specific performance or mandamus to enforce the observance and performance of such covenant or obligation, and (ii) an injunction restraining such Breach or threatened Breach; and (b) Buyer shall not be required to provide any bond or other security in connection with any such decree, order or injunction or in connection with any related action or Proceeding.

7.9 Waiver.

(a) No failure on the part of any Person to exercise any power, right, privilege or remedy under this Agreement, and no delay on the part of any Person in exercising any power, right, privilege or remedy under this Agreement, shall operate as a waiver of such power, right, privilege or remedy; and no single or partial exercise of any such power, right, privilege or remedy shall preclude any other or further exercise thereof or of any other power, right, privilege or remedy.

(b) No Person shall be deemed to have waived any claim arising out of this Agreement, or any power, right, privilege or remedy under this Agreement, unless the waiver of such claim, power, right, privilege or remedy is expressly set forth in a written instrument duly executed and delivered on behalf of such Person; and any such waiver shall not be applicable or have any effect except in the specific instance in which it is given.

7.10 Amendments. This Agreement may not be amended, modified, altered or supplemented other than by means of a written instrument duly executed and delivered on behalf of each of the Buyer, on the one hand, and Holdings (on behalf of Selling Entities), on the other hand; *provided* that any amendment, modification, alteration or supplement materially adverse to a particular Selling Entity shall also require the approval of such Selling Entity.

7.11 Severability. In the event that any provision of this Agreement, or the application of any such provision to any Person or set of circumstances, shall be determined to be invalid, unlawful, void or unenforceable to any extent, the remainder of this Agreement, and the application of such provision to Persons or circumstances other than those as to which it is determined to be invalid, unlawful, void or unenforceable, shall not be impaired or otherwise affected and shall continue to be valid and enforceable to the fullest extent permitted by law.

7.12 Construction.

(a) For purposes of this Agreement, whenever the context requires: the singular number shall include the plural, and vice versa; the masculine gender shall include the

feminine and neuter genders; the feminine gender shall include the masculine and neuter genders; and the neuter gender shall include the masculine and feminine genders.

(b) The parties hereto agree that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be applied in the construction or interpretation of this Agreement.

(c) As used in this Agreement, the words "include" and "including," and variations thereof, shall not be deemed to be terms of limitation, but rather shall be deemed to be followed by the words "without limitation."

(d) Except as otherwise indicated, all references in this Agreement to "Sections", "Exhibits" and "Schedules" are intended to refer to Sections of this Agreement and Exhibits or Schedules to this Agreement.

7.13 No Third Party Rights. This Agreement is not intended and shall not be construed to create any rights in any parties other than the Selling Entities and Buyer and no person shall have any rights as a third party beneficiary hereunder.

7.14 Waiver of Jury Trial. EACH OF THE SELLING ENTITIES AND BUYER HEREBY IRREVOCABLY WAIVE, TO THE FULLEST EXTENT PERMITTED BY LAW, ALL RIGHTS TO TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM (WHETHER BASED UPON CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED HEREBY.

[The Remainder of this Page Intentionally Left Blank]

IN WITNESS WHEREOF, this Agreement has been duly executed and delivered by the duly authorized officer of each party as of the date first above written.

THE BUYER:

MCG CAPITAL CORPORATION

By: _____

Printed Name: _____

Title: _____

THE SELLING ENTITIES:

NOW COMMUNICATIONS, INC.
A Mississippi corporation

By: _____

Printed Name: _____

Title: _____

NOW COMMUNICATIONS OF MISSISSIPPI, INC.
A Mississippi corporation

By: _____

Printed Name: _____

Title: _____

NOW COMMUNICATIONS OF VIRGINIA, INC.
A Virginia corporation

By: _____

Printed Name: _____

Title: _____

TELSTAR INTERNATIONAL, INC.
A Georgia corporation

By: _____

Printed Name: _____

Title: _____

NOW COMMUNICATIONS OF SOUTH DAKOTA, INC.
A Mississippi corporation

By: _____

Printed Name: _____

Title: _____

TEL-LINK, INC.
A Mississippi corporation

By: _____

Printed Name: _____

Title: _____

Exhibit A

Certain Definitions

For purposes of this Agreement (including this Exhibit A):

Affiliates. "*Affiliates*" shall have the meaning set forth in Section 101 of the Bankruptcy Code.

Agreement. "*Agreement*" shall mean the asset purchase agreement, of which this Exhibit A is an attachment (together with all Exhibits and Schedules referenced herein).

Approval Order. "*Approval Order*" shall have the meaning set forth in Section 5.1(b).

Assets. "*Assets*" shall mean all of each Selling Entity's right, title and interest in and to all assets and property used in or useful to the Business, including, without limitation, all assets and property used in or useful to the Business that are associated with the service of clients by Selling Entities regardless of where such clients are ultimately located or billed. Assets shall include, without limitation:

(a) All agreements, contracts, understandings and other arrangements to which any Selling Entity is a party or by which any Selling Entity is bound that are used in or useful to the Business, including, without limitation, (i) the arrangements entered into by or agreed upon between any Selling Entity and any vendor or other non-Selling Entity party as set forth on Exhibit C to the Sale Order in respect of the deferral or amortization of cure payments owed by such Selling Entity to such vendor or other third party arising from or allocable to the Business (the "*Vendor Cure Payment Settlements*"), in each case to the extent relating to the Business, (ii) the contracts and unexpired leases set forth on Schedule A-1 hereto (the "*Assumed Contracts*"), in each case to the extent transferable or assignable at no expense to the applicable Selling Entity (other than payment of Cure Amounts, as such term is defined below, including in accordance with a Vendor Cure Payment Settlement, if applicable) and assumable and assignable pursuant to the applicable provisions of the Bankruptcy Code or an order of the Bankruptcy Court, and (iii) the contracts as listed on Schedule B hereto (collectively with the above, the "*Assigned Contracts*");

(b) All customer relationships of any Selling Entity, and all associated assets, including, without limitation, customer lists, correspondence, agreements, contracts and other arrangements, purchase orders and books and records, comprising a source of revenue for or otherwise useful to the Business;

(c) All trucks and other vehicles, furniture, fixtures, machinery, computer, office and other equipment, supplies and other tangible personal property used in or useful to the Business, including, without limitation, the tangible personal property set forth on Schedule C hereto (the "*Equipment*"), and all warranties, if any, express or implied, existing for the benefit of any Selling Entity in connection with any Equipment to the extent transferable at no expense to the Selling Entities (other than payment of Cure Amounts) and assumable and assignable pursuant to the applicable provisions of the Bankruptcy Code or an order of the Bankruptcy Court;

(d) All cash and cash equivalents held in accounts associated with the Business;

(e) All accounts receivable arising out of goods sold or leased, intellectual property or other rights licensed or services provided in the conduct of the Business, including, without limitation, as listed on **Schedule F** hereto (the "*Accounts Receivable*");

(f) All prepaid expenses associated with the Business;

(g) All loans and advances owed to any Selling Entity;

(h) All inventories of any Selling Entity used or held for use in the conduct of the Business, wherever located, including all finished goods, work in process, active job orders, office and other supplies, raw materials, spare parts and other related materials and supplies ("*Inventory*");

(i) All licenses, permits, franchises and other authorizations of any governmental authority used in or useful to the operation of the Business, including, without limitation, those set forth on **Schedule D** hereto (the "*Permits*"), to the extent transferable or assignable by or on behalf of any Selling Entity at no expense to the applicable Selling Entity (other than the payment of Cure Amounts) and assumable and assignable pursuant to the applicable provisions of the Bankruptcy Code or an order of the Bankruptcy Court;

(j) All books, records, files or papers of any Selling Entity, whether in hard copy or computer format, associated with the Business (or an accurate copy thereof), including, sales and promotional literature, manuals and data, sales and purchase correspondence, customer lists, vendor lists, catalogues, research material, URLs, know-how, specifications, designs, drawings, processes and quality control data, if any, or any other intangible property and applications for the same;

(k) All intellectual property, including, without limitation, all trademarks, trademark registrations, trademark applications, trade names, logos, copyrights, copyright applications, copyright registrations and trade secrets used in or useful to the Business, including, without limitation, those set forth on **Schedule E** hereto, whether or not such Intellectual Property has been registered (or an application for registration has been recorded or filed) with the federal Copyright Office or the federal Patent and Trademark Office ("*Intellectual Property*");

(l) All contracts of insurance, bonds and surety bonds; and

(m) All goodwill associated with the foregoing.

(n) Choses in action and claims against third parties not otherwise avoidable under §§ 542, 544, 545, 546, 547, 548, 549, 550 and 551 of the Bankruptcy Code.

Assigned Contracts. "*Assigned Contracts*" shall have the meaning described in **Sub-Section (a)** of the definition of Assets. Notwithstanding anything to the contrary contained in this Agreement, the Assigned Contracts shall not include any Excluded Contract.

Assumed Liabilities. "*Assumed Liabilities*" shall mean the following operating liabilities associated with the Assets:

(a) liabilities arising out of the ownership of the Assets by Buyer or any other Person, including, without limitation, the contracts listed on **Schedule A-2**, and Liability for personal injury of customers or employees, but only to the extent that the event or state of facts giving rise to such Liability occurs after the Closing;

(b) liabilities under the Assigned Contracts assumed under this Agreement arising from and after the Closing, but only to the extent that the event or state of facts giving rise to such Liability occurs after the Closing and except for Cure Amounts; and

(c) liabilities under all transferable Permits that are used in and necessary for the Business, but only to the extent that the event or state of facts giving rise to such Liability occurs after the Closing.

Bankruptcy Code. "*Bankruptcy Code*" shall have the meaning set forth in the **Recitals**.

Bankruptcy Court. "*Bankruptcy Court*" shall have the meaning set forth in the **Recitals**.

Breach. There shall be deemed to be a "*Breach*" of a representation, warranty, covenant, obligation or other provision if there is or has been any inaccuracy in or breach (including any inadvertent or innocent breach) of, or any failure (including any inadvertent failure) to comply with or perform, such representation, warranty, covenant, obligation or other provision; and the term "*Breach*" shall be deemed to refer to any such inaccuracy, breach, failure, claim or circumstance.

Business. "*Business*" shall mean the Selling Entities' prepaid local telephone service to residential consumers, including without limitation, 911 emergency services, and the Selling Entities' assets and property rights wherever located, whether tangible or intangible and whether choate or inchoate relating to its telecommunications business.

Business Day. "*Business Day*" shall mean any day other than a Saturday, Sunday or a legal holiday on which banking institutions in the State of California are not required to open.

Buyer. "*Buyer*" shall have the meaning set forth in the opening paragraph.

Chapter 11 Case. "*Chapter 11 Case*" shall have the meaning set forth in the **Recitals**.

Claims. "*Claims*" shall mean all rights, demands, claims, actions and causes of action.

Closing. "*Closing*" shall have the meaning set forth in **Section 1.4(a)**.

Closing Date. "*Closing Date*" shall have the meaning set forth in **Section 1.4(a)**.

Contract. "*Contract*" shall mean any written, oral, implied or other agreement, contract, understanding, arrangement, instrument, note, guaranty, indemnity, representation, warranty, assignment, certificate, purchase order, open bid, outstanding offer, insurance policy, benefit plan, commitment, covenant, assurance or undertaking of any nature.

Cure Amounts. "*Cure Amounts*" shall mean the amounts, as determined by the Bankruptcy Court and as set forth on Exhibit C to the Sale Order, to the extent relating to the Business, necessary to cure all defaults, if any, and to pay all actual or pecuniary losses that have resulted from such

defaults under the Assumed Contracts as and to the extent required under Section 365(b) of the Bankruptcy Code.

Employee Benefit Plan. "*Employee Benefit Plan*" shall mean any (a) nonqualified deferred compensation or retirement plan or arrangement which is an Employee Pension Benefit Plan, (b) qualified defined contribution retirement plan or arrangement which is an Employee Pension Benefit Plan, (c) qualified defined benefit retirement plan or arrangement which is an Employee Pension Benefit Plan, or (d) Employee Pension Benefit Plan or material fringe benefit or program.

Employee Pension Benefit Plan. "*Employee Pension Benefit Plan*" shall have the meaning set forth in ERISA Section 3(2).

Entity. "*Entity*" shall mean any corporation (including any non-profit corporation), general partnership, limited partnership, limited liability partnership, sole proprietorship, joint venture, estate, trust, cooperative, foundation, society, political party, union, company (including any limited liability company or joint stock company), firm or other enterprise, association, organization or entity.

Equipment. "*Equipment*" shall have the meaning set forth in the definition of "Assets".

ERISA. "*ERISA*" shall mean the Employee Retirement Income Security Act of 1974, as amended.

ERISA Affiliate. "*ERISA Affiliate*" shall have the meaning set forth in the definition of "Excluded Liabilities".

Excluded Assets. "*Excluded Assets*" shall mean:

(a) all stock certificates or other investment property evidencing or representing the equity interests of any Selling Entity;

(b) all stock ledgers, option records, minute books, bylaws, articles of incorporation, financial and tax records and legal records of the Selling Entities; *provided* that the Selling Entities will provide an accurate copy of any financial or tax records applicable to the Business to MCG or Buyer, as applicable, upon MCG's or Buyer's reasonable request;

(c) the Assets specifically set forth on **Schedule G** hereto (the "*Excluded Assets*");

(d) all Claims that any Selling Entity may have against any third party, including any Governmental Body, for causes of action based on Chapter 5 of the Bankruptcy Code and for refund or credit of any type with respect to Taxes accrued with respect to periods ending on or prior to the Closing Date;

Excluded Contracts. "*Excluded Contracts*" shall mean those contracts of Selling Entities that Buyer shall not assume. MCG and Buyer may supplement **Schedule G** until Closing to add additional contracts if they are unable to negotiate acceptable cure provisions therein.

Excluded Liabilities. "*Excluded Liabilities*" shall mean Liabilities not on the Assumed Liabilities list and:

(a) any Liabilities which arise, whether before, on or after the Closing, out of, or in connection with, the Excluded Assets;

(b) except and solely to the extent otherwise expressly provided in this Agreement, including Buyer's agreement to pay the Cure Amounts and Vendor Cure Payment Settlements in respect of the Assumed Contracts in accordance with Section 1.3 of this Agreement, any Liabilities under the Assigned Contracts or accounts payable, to the extent that the event or state of facts giving rise to such Liability occurred prior to the Closing;

(c) any Liabilities arising out of, or in connection with, any Proceedings arising out of the operation of the Business, to the extent that the event or state of facts giving rise to such Liability does not occur after the Closing;

(d) any Liabilities arising out of or in connection with any indebtedness of and Selling Entity or any of its Affiliates to their lenders or to their vendors of goods and services delivered or furnished to Selling Entities that does not occur after the Closing, except as and only to the extent otherwise provided in this Agreement;

(e) any Liabilities attributable to, incurred in connection with, arising from, or relating to, any collective bargaining agreement, or any bonus, incentive, deferred compensation, medical, health, life or other insurance, welfare, fringe benefit, retention, consulting, change of control, employment, stock option, stock appreciation right, stock purchase, phantom stock or other equity-based, performance, pension, retirement or any other incentive, compensation or benefit plan, program, policy, agreement or arrangement (including, but not limited to, any Employee Benefit Plan, sponsored, maintained, contributed to or required to be contributed to at any time by any Selling Entity or any trade or business which together with any Selling Entity would be deemed (or at any time would have been) a "single employer" within the meaning of Section 4001 of ERISA (each, an "*ERISA Affiliate*"), for the benefit of any current or former employee, officer, director, agent or consultant of any Selling Entity, or of any ERISA Affiliate, whether formal or informal and whether legally binding or not, to the extent that the event or state of facts giving rise to such Liability does not occur after the Closing Date;

(f) any Liabilities for income Taxes of any Selling Entity and any other Taxes of any Selling Entity, including, but not limited to, all Taxes attributable to, incurred in connection with or arising out of the operation of the Business which are attributable to any period ending on or before the Closing Date, including those which are not due or assessed until after the Closing Date; and

(g) any Liabilities of any Selling Entity for replacement of, or refund for, damaged, defective or other returned products or of warranty, products liability, safety, advertising or other claims in respect to the Inventory, but only to the extent that the event or state of facts giving rise to such Liability does not occur after the Closing.

Governmental Body. "*Governmental Body*" shall mean any (a) nation, principality, state, commonwealth, province, territory, county, municipality, district or other jurisdiction of any nature; (b) federal, state, local, municipal, foreign or other government; (c) governmental or

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quasi-governmental authority of any nature (including any governmental division, subdivision, department, agency, bureau, branch, office, commission, council, board, instrumentality, officer, official, representative, organization, unit or body and any court or other tribunal); (d) multi-national organization or body; or (e) individual, Entity or body exercising, or entitled to exercise, any executive, legislative, judicial, administrative, regulatory, police, military or taxing authority or power of any nature.

Intellectual Property. "*Intellectual Property*" shall have the meaning set forth in the definition of "Assets".

Inventory. "*Inventory*" shall have the meaning set forth in the definition of "Assets".

Law. "*Law*" shall mean any federal, state, local or foreign statute, law, ordinance, regulation, rule, code, order, principle of common law, judgment enacted, promulgated, issued, enforced or entered into by any Governmental Body, or other requirement or rule of law.

Liabilities. "*Liabilities*" shall mean, as to any Person, all debts, adverse claims, liabilities, commitments, responsibilities and obligations of any kind or nature whatsoever, direct, indirect, absolute or contingent, of such Person, whether accrued, vested or otherwise, whether known or unknown, and whether or not actually reflected, or required to be reflected, in such Person's balance sheets or other books and records.

Liens. "*Liens*" shall mean any claim, pledge, option, charge, hypothecation, easement, security interest, right-of-way, encroachment, mortgage, deed of trust or other encumbrance.

Material Adverse Change. "*Material Adverse Change*" shall mean any event or circumstance or series of events or circumstances that materially and adversely affects the value of the Assets or that materially and adversely affects the business, operations, results or operations, assets or financial condition of the Business.

Order. "*Order*" shall mean any (a) order, judgment, injunction, edict, decree, ruling, pronouncement, determination, decision, opinion, verdict, sentence, subpoena, writ or award issued, made, entered, rendered or otherwise put into effect by or under the authority of any court, administrative agency or other Governmental Body or any arbitrator or arbitration panel; or (b) Contract with any Governmental Body entered into in connection with any Proceeding.

Outside Date. "*Outside Date*" shall have the meaning set forth in Section 6.1(b).

Permits. "*Permits*" shall have the meaning set forth in the definition of "Assets".

Person. "*Person*" shall mean any individual, Entity or Governmental Body.

Prepetition Loan Documents. "*Prepetition Loan Documents*" shall have the meaning set forth in the Recitals.

Proceeding. "*Proceeding*" shall mean any action, suit, litigation, arbitration, proceeding (including any civil, criminal, administrative, investigative or appellate proceeding and any informal proceeding), prosecution, contest, hearing, inquiry, inquest, audit, examination or investigation

commenced, brought, conducted or heard by or before, or otherwise involving, any Governmental Body or any arbitrator or arbitration panel.

Pro-Rated Items. "*Pro-Rated Items*" shall have the meaning set forth in Section 4.3(f).

Purchase Price. "*Purchase Price*" shall have the meaning set forth in Section 1.3.

Representatives. "*Representatives*" shall mean officers, directors, employees, agents, attorneys, accountants, advisors and representatives.

Sale Order. "*Sale Order*" shall mean the Order entered by the Bankruptcy Court approving (a) the sale of the Business and related assets and (b) the assumption and assignment of executory contracts and unexpired leases relating to the Business.

Selling Entities. "*Selling Entities*" shall have the meaning set forth in the opening paragraph.

Tax. "Tax" shall mean any federal, state, county, local, foreign and other income, profits, gains, net worth, sales and use, ad valorem, gross receipts, business and occupation, license, estimated, stamp, custom duties, occupation, property (real or personal), franchise, capital stock license, excise, value added, payroll, employees, income withholding, social security, unemployment or other tax, any penalty, addition to tax and interest on the foregoing.

Transfer Tax. "*Transfer Tax*" shall mean any federal, state, county, local, foreign and other sales, use, transfer, conveyance, documentary transfer, recording or other similar Tax, fee or charge imposed upon the sale, transfer or assignment of property or any interest therein or the recording thereof, and any penalty, addition to Tax or interest with respect thereto, but such term shall not include any Tax on, based upon or measured by, the net income, gains or profits from such sale, transfer or assignment of the property or any interest therein.

Vendor Cure Payment Settlements. "*Vendor Cure Payment Settlements*" shall have the meaning set forth in the definition of "Assets."

ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this "Agreement"), dated as of May 22, 2003, is made and entered into by and among NOW COMMUNICATIONS, INC., a Mississippi corporation and a debtor in possession ("NOW"), NOW COMMUNICATIONS OF MISSISSIPPI, INC., a Mississippi corporation ("Mississippi"), NOW COMMUNICATIONS OF VIRGINIA, INC., a Virginia corporation ("Virginia"), NOW COMMUNICATIONS OF SOUTH DAKOTA, INC., a Mississippi corporation ("South Dakota"), and TELSTAR INTERNATIONAL, INC., a Georgia corporation ("Telstar") and TEL-LINK, INC., a Mississippi corporation ("Tel-Link"), together with NOW, Mississippi, Virginia, South Dakota and Telstar shall hereinafter from time to time each be referred to as a "Selling Entity" and collectively as the "Selling Entities" and MCG CAPITAL CORPORATION ("MCG") or its assignee ("Buyer"). Certain capitalized terms used in this Agreement are defined in Exhibit A attached to and made a part of this Agreement.

RECITALS

A. On March 4, 2003 (the "Petition Date"), NOW commenced the Chapter 11 Case No. 03-01336 (the "Chapter 11 Case") by filing voluntary petition for reorganization under Chapter 11 of Title 11 of the United States Code, 11 U.S.C. §§ 101 et seq. (as the same may be amended from time to time, the "Bankruptcy Code"), with the United States Bankruptcy Court for the Southern District of Mississippi, Jackson Division (the "Bankruptcy Court"). NOW continues to operate its business and manage its properties as debtor and debtor in possession pursuant to Sections 1107(a) and 1108 of the Bankruptcy Code.

B. Selling Entities and MCG are parties to that Credit Facility Agreement, dated as of December 30, 1999, as amended by that Amendment Number One to Credit Facility Agreement dated as of February 10, 2000, that Amendment Number Two Document dated as of March 30, 2001, that Amendment Number Three Document dated as of September 28, 2001 (as so amended, modified or supplemented prior to the date hereof, the "Prepetition Credit Agreement"), and certain other documents, instruments and agreements executed in connection therewith (collectively with the Prepetition Credit Agreement, the "Prepetition Loan Documents"), pursuant to which MCG advanced certain loans of money and provided certain other financial accommodations to or for the direct and indirect benefit of Selling Entities.

C. MCG is a current creditor of each of the Selling Entities and is owed certain amounts pursuant to, among other things, the Prepetition Loan Documents (MCG, along with certain other lenders, has separately advanced certain additional loans of money to Selling Entities as debtors in possession pursuant to Section 364(c) of the Bankruptcy Code and an order of the Bankruptcy Court following the commencement of the Chapter 11 Cases).

D. The Bankruptcy Court approved MCG's purchase, by credit bid, of all of the Assets from the Selling Entities pursuant to, *inter alia*, Sections 363 and 365 of the Bankruptcy Code and the applicable Federal Rules of Bankruptcy Procedure.

E. The parties to this agreement acknowledge that NOW, and not the other Selling Entities, are in bankruptcy. However, in order to assure the complete transfer and sale of Assets as set forth in this Agreement, the Selling Entities other than NOW are parties to this Agreement, and have joined in the execution hereof to convey to Buyer any interest that any of

these Selling Entities may have in the Assets. Further, MCG and the Selling Entities acknowledge and agree that there will be no allocation of the purchase price among the Selling Entities, and that the credit bid for all of the Assets shall be for the benefit of NOW as debtor and debtor in possession.

F. Subject to the terms and conditions of this Agreement, Selling Entities desire to sell to Buyer, as MCG's designee, and Buyer desires to purchase from Selling Entities by credit bid, all of the Assets, free and clear of all Liens, Claims and Liabilities (other than as expressly provided in this Agreement), pursuant to, *inter alia*, Sections 363 and 365 of the Bankruptcy Code and the applicable Federal Rules of Bankruptcy Procedure.

NOW, THEREFORE, in consideration of the foregoing recitals, which are incorporated herein by this reference thereto, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged; and subject to the terms and conditions hereof, the parties, intending to be legally bound, hereby agree as follows:

1. TRANSFER OF ASSETS AND LIABILITIES; PURCHASE PRICE; CLOSING.

1.1 Transfer of Assets.

(a) **Assets to Be Sold.** Subject to Section 1.2, the other provisions of this Agreement and the Approval Order, at the Closing, Selling Entities shall sell, convey, assign, transfer and deliver to Buyer, and Buyer shall purchase, acquire and accept, all of each such Selling Entity's right, title and interest in and to the Assets, free and clear of all Liens, Claims and Liabilities (other than the Assumed Liabilities).

(b) **Excluded Assets.** Selling Entities shall sell, and Buyer shall purchase, all of Selling Entities' right, title or interest in or to any assets or properties of Selling Entities unless expressly excluded from the Assets pursuant to **Schedule G**, the Excluded Contracts/Assets. Buyer reserves the right to exclude additional Assets as set forth in **Section 4.1(d)** below.

1.2 Assumption of Liabilities.

(a) **Liabilities to be Assumed by Buyer.** Upon the transfer of the Assets on the Closing Date, Buyer shall assume and pay when due and discharge the Assumed Liabilities.

(b) **Excluded Liabilities.** Buyer shall not assume, and shall be deemed not to have assumed, any liabilities other than the Assumed Liabilities. Liabilities excluded from the Assumed Assets pursuant to this **Section 1.2(b)** shall include, but not be limited to, the Excluded Liabilities.

1.3 Purchase Price. The purchase price to be paid by Buyer to Selling Entities for the Assets being Purchased hereunder (the "**Purchase Price**") shall be an amount equal to the sum of (a) the credit to NOW (the "**Credit Bid Portion**") and (b) the sum of the (i) Cure Amounts and (ii) Vendor Cure Payment Settlements, in each case to be paid in respect of the assumption and assignment of the Assumed Contracts, but in no event less than ~~\$4,250,000~~ 4,600,000. Buyer shall pay the Credit Bid Portion of the Purchase Price by credit bid of a portion of the amount of indebtedness owed by Selling Entities to MCG (and assigned to Buyer) pursuant to the Prepetition Loan Documents. Buyer shall pay (1) the Cure Amounts in cash at the Closing and (2) the Vendor Cure Payment Settlements as they come due in accordance with their terms.

1.4 Closing; Transfer of Possession; Certain Deliveries.

(a) **Closing.** Provided that this Agreement shall not have been terminated and the transactions herein contemplated shall not have been abandoned pursuant to **Section 6** hereof, the closing of and the transfer of the transactions contemplated herein (the "*Closing*") shall take place at the offices of Buyer five (5) business days following notification from Buyer or its designee of the receipt of all regulatory and other third party approvals and agreements, on such terms and conditions as shall be acceptable to Buyer (the "*Closing Date*").

(b) **Selling Entities' Deliveries.** At the Closing, Selling Entities shall deliver, or shall cause to be delivered to Buyer:

(i) Such bills of sale, endorsements, assignments and other good and sufficient instruments of transfer and conveyance, duly executed by the applicable Selling Entities and, as appropriate notarized, as deemed necessary or reasonably advisable by, and in form and substance acceptable to, Buyer to vest in Buyer all of Selling Entities' right, title and interest in to the Assets in accordance with this Agreement;

(ii) A certificate of each of the Selling Entities, dated the Closing Date, signed by an authorized officer of each of the Selling Entities, certifying that the conditions specified in **Sections 5.2(a)** and **5.2(b)** hereof have been fulfilled;

(iii) A copy of the resolutions of the Board of Directors of the Selling Entities authorizing the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby, certified by a duly authorized officer of the Selling Entities as of the Closing Date;

(c) **Buyer's Deliveries.** At the Closing, Buyer shall deliver, or shall cause to be delivered to Selling Entities:

(i) Payment of the Credit Bid Portion of the Purchase Price by credit bid in accordance with **Section 1.3** and written acknowledgment by Buyer of the corresponding reduction in the amount of indebtedness owing under the Prepetition Loan Documents in connection therewith; and

(ii) A certificate of Buyer, dated the Closing Date, signed by an authorized officer of Buyer, certifying that the conditions specified in **Sections 5.3(a)** and **5.3(b)** hereof have been fulfilled.

2. REPRESENTATIONS AND WARRANTIES OF SELLING ENTITIES. Each of the Selling Entities, jointly and severally, hereby represents and warrants to Buyer as follows:

2.1 Execution and Effect of Agreement. Subject to obtaining the Approval Order, each Selling Entity has the requisite corporate power and authority to enter into this Agreement and to perform its obligations hereunder, and the execution and delivery of this Agreement by each Selling Entity and the consummation by Selling Entities of the transactions contemplated hereby and the performance of Selling Entities' obligations hereunder have been duly authorized by all necessary corporate action on the part of each Selling Entity. This Agreement has been duly executed and delivered by each Selling Entity and, following receipt of the Approval Order,

will constitute the legal, valid and binding obligation of each Selling Entity, enforceable against each Selling Entity in accordance with its terms.

2.2 Third Party Approvals. Except for (i) the Approval Order and (ii) any other third party approvals as are reflected on **Schedule 2.2** hereto, the execution, delivery and performance by the Selling Entities of this Agreement and the transactions contemplated hereby do not require any consents, waivers, authorizations or approvals of, or filings with, any third Persons that have not already been obtained by Selling Entities.

2.3 No Contravention. Subject to obtaining the approval of the Bankruptcy Court pursuant to the Approval Order, neither the execution and delivery of this Agreement, nor the consummation of the transactions contemplated hereby, will (i) violate or conflict with any provision of the Selling Entities' respective articles or certificates of incorporation or bylaws, (ii) (with or without the giving of notice or the lapse of time or both) violate, or result in a breach of, or constitute a default under, or conflict with or accelerate the performance required by, any of the terms of any Contract to which the Selling Entities are a party or by which they are bound, except to the extent any of the foregoing is not enforceable due to operation of applicable bankruptcy law or the Approval Order, or (iii) violate or conflict with any Order of any court, Governmental Body or arbitrator or any Law applicable to the Selling Entities, nor will the same result in the creation of any Liens upon any of the Assets.

2.4 Title to Assets. Selling Entities have good, valid and marketable title to, or as to leaseholds a valid leasehold interest in, or as to licenses a valid licensed interest in each of the Assets, and as of the Closing and as provided in the Approval Order the Assets will be free and clear of Liens (other than the Permitted Liens), Claims and Liabilities (other than the Assumed Liabilities) and have not otherwise been assigned, transferred, conveyed, disposed, mortgaged or otherwise encumbered. In this regard:

(a) **Schedule A** to this Agreement lists all contracts and unexpired leases used in or useful to the Business, which are to be assigned pursuant to Section 365 of the Bankruptcy Code (the "Assumed Contracts");

(b) **Schedule B** to this Agreement lists each Contract to which any Selling Entity is a party or by which any Selling Entity is bound and which is used in or useful to the Business, other than the Assumed Contracts;

(c) **Schedule C** to this Agreement lists each item of Equipment that is owned by any Selling Entity and is used in or useful to the Business;

(d) **Schedule D** to this Agreement lists each Permit that is used in or useful to the operation of the Business;

(e) **Schedule E** to this Agreement lists all Intellectual Property owned or licensed by any Selling Entity that is used in or useful to the Business, *together with* relevant identifying information, including, as to any such Intellectual Property comprising a registered (or an application to register) copyright, patent, trademark, trade name or service mark, to the extent applicable, the date of application or registration, the name of the inventor (as to any patent), the method of protection against adverse claims and the application or registration number;

Excluded Liabilities. "*Excluded Liabilities*" shall mean Liabilities not on the Assumed Liabilities list and:

(a) any Liabilities which arise, whether before, on or after the Closing, out of, or in connection with, the Excluded Assets;

(b) except and solely to the extent otherwise expressly provided in this Agreement, including Buyer's agreement to pay the Cure Amounts and Vendor Cure Payment Settlements in respect of the Assumed Contracts in accordance with Section 1.3 of this Agreement, any Liabilities under the Assigned Contracts or accounts payable, to the extent that the event or state of facts giving rise to such Liability occurred prior to the Closing;

(c) any Liabilities arising out of, or in connection with, any Proceedings arising out of the operation of the Business, to the extent that the event or state of facts giving rise to such Liability does not occur after the Closing;

(d) any Liabilities arising out of or in connection with any indebtedness of and Selling Entity or any of its Affiliates to their lenders or to their vendors of goods and services delivered or furnished to Selling Entities that does not occur after the Closing, except as and only to the extent otherwise provided in this Agreement;

(e) any Liabilities attributable to, incurred in connection with, arising from, or relating to, any collective bargaining agreement, or any bonus, incentive, deferred compensation, medical, health, life or other insurance, welfare, fringe benefit, retention, consulting, change of control, employment, stock option, stock appreciation right, stock purchase, phantom stock or other equity-based, performance, pension, retirement or any other incentive, compensation or benefit plan, program, policy, agreement or arrangement (including, but not limited to, any Employee Benefit Plan, sponsored, maintained, contributed to or required to be contributed to at any time by any Selling Entity or any trade or business which together with any Selling Entity would be deemed (or at any time would have been) a "single employer" within the meaning of Section 4001 of ERISA (each, an "*ERISA Affiliate*"), for the benefit of any current or former employee, officer, director, agent or consultant of any Selling Entity, or of any ERISA Affiliate, whether formal or informal and whether legally binding or not, to the extent that the event or state of facts giving rise to such Liability does not occur after the Closing Date;

(f) any Liabilities for income Taxes of any Selling Entity and any other Taxes of any Selling Entity, including, but not limited to, all Taxes attributable to, incurred in connection with or arising out of the operation of the Business which are attributable to any period ending on or before the Closing Date, including those which are not due or assessed until after the Closing Date; and

(g) any Liabilities of any Selling Entity for replacement of, or refund for, damaged, defective or other returned products or of warranty, products liability, safety, advertising or other claims in respect to the Inventory, but only to the extent that the event or state of facts giving rise to such Liability does not occur after the Closing.

Governmental Body. "*Governmental Body*" shall mean any (a) nation, principality, state, commonwealth, province, territory, county, municipality, district or other jurisdiction of any nature; (b) federal, state, local, municipal, foreign or other government; (c) governmental or

quasi-governmental authority of any nature (including any governmental division, subdivision, department, agency, bureau, branch, office, commission, council, board, instrumentality, officer, official, representative, organization, unit or body and any court or other tribunal); (d) multi-national organization or body; or (e) individual, Entity or body exercising, or entitled to exercise, any executive, legislative, judicial, administrative, regulatory, police, military or taxing authority or power of any nature.

Intellectual Property. "*Intellectual Property*" shall have the meaning set forth in the definition of "Assets".

Inventory. "*Inventory*" shall have the meaning set forth in the definition of "Assets".

Law. "*Law*" shall mean any federal, state, local or foreign statute, law, ordinance, regulation, rule, code, order, principle of common law, judgment enacted, promulgated, issued, enforced or entered into by any Governmental Body, or other requirement or rule of law.

Liabilities. "*Liabilities*" shall mean, as to any Person, all debts, adverse claims, liabilities, commitments, responsibilities and obligations of any kind or nature whatsoever, direct, indirect, absolute or contingent, of such Person, whether accrued, vested or otherwise, whether known or unknown, and whether or not actually reflected, or required to be reflected, in such Person's balance sheets or other books and records.

Liens. "*Liens*" shall mean any claim, pledge, option, charge, hypothecation, easement, security interest, right-of-way, encroachment, mortgage, deed of trust or other encumbrance.

Material Adverse Change. "*Material Adverse Change*" shall mean any event or circumstance or series of events or circumstances that materially and adversely affects the value of the Assets or that materially and adversely affects the business, operations, results or operations, assets or financial condition of the Business.

Order. "*Order*" shall mean any (a) order, judgment, injunction, edict, decree, ruling, pronouncement, determination, decision, opinion, verdict, sentence, subpoena, writ or award issued, made, entered, rendered or otherwise put into effect by or under the authority of any court, administrative agency or other Governmental Body or any arbitrator or arbitration panel; or (b) Contract with any Governmental Body entered into in connection with any Proceeding.

Outside Date. "*Outside Date*" shall have the meaning set forth in Section 6.1(b).

Permits. "*Permits*" shall have the meaning set forth in the definition of "Assets".

Person. "*Person*" shall mean any individual, Entity or Governmental Body.

Prepetition Loan Documents. "*Prepetition Loan Documents*" shall have the meaning set forth in the Recitals.

Proceeding. "*Proceeding*" shall mean any action, suit, litigation, arbitration, proceeding (including any civil, criminal, administrative, investigative or appellate proceeding and any informal proceeding), prosecution, contest, hearing, inquiry, inquest, audit, examination or investigation

commenced, brought, conducted or heard by or before, or otherwise involving, any Governmental Body or any arbitrator or arbitration panel.

Pro-Rated Items. "*Pro-Rated Items*" shall have the meaning set forth in Section 4.3(f).

Purchase Price. "*Purchase Price*" shall have the meaning set forth in Section 1.3.

Representatives. "*Representatives*" shall mean officers, directors, employees, agents, attorneys, accountants, advisors and representatives.

Sale Order. "*Sale Order*" shall mean the Order entered by the Bankruptcy Court approving (a) the sale of the Business and related assets and (b) the assumption and assignment of executory contracts and unexpired leases relating to the Business.

Selling Entities. "*Selling Entities*" shall have the meaning set forth in the opening paragraph.

Tax. "Tax" shall mean any federal, state, county, local, foreign and other income, profits, gains, net worth, sales and use, ad valorem, gross receipts, business and occupation, license, estimated, stamp, custom duties, occupation, property (real or personal), franchise, capital stock license, excise, value added, payroll, employees, income withholding, social security, unemployment or other tax, any penalty, addition to tax and interest on the foregoing.

Transfer Tax. "*Transfer Tax*" shall mean any federal, state, county, local, foreign and other sales, use, transfer, conveyance, documentary transfer, recording or other similar Tax, fee or charge imposed upon the sale, transfer or assignment of property or any interest therein or the recording thereof, and any penalty, addition to Tax or interest with respect thereto, but such term shall not include any Tax on, based upon or measured by, the net income, gains or profits from such sale, transfer or assignment of the property or any interest therein.

Vendor Cure Payment Settlements. "*Vendor Cure Payment Settlements*" shall have the meaning set forth in the definition of "Assets."

ASSET PURCHASE AGREEMENT

Schedule A

<u>Property Landlord</u>	<u>Description</u>	<u>Monthly Payment</u>	<u>Term</u>	<u>Expiration Date</u>	<u>Assume/Reject</u>	<u>Proposed Cure</u>
Webb properties	Office Space	\$2,775.00	5 Years	5/31/2007	Assume	\$0
<u>Telephone System</u>						
Avaya Financial Services	Definity G3SI Telephone System	\$2,353.76	Indefinite	Purchase @ FMV	Assume	\$0
Avaya Financial Services	Merlin Telephone System	\$551.84	60 Months	Purchase @ 10%	Assume	\$0
<u>Vehicles</u>						
Chase Automotive Finance	2001 Ford	\$771.39	36 Months	2/28/2004	Assume	\$0
Lexus Financial Services	2002 Lexus	\$1,072.21	39 Months	4/30/2005	Assume	\$0
US Bank	2001 Chevrolet	\$780.84	36 Months	8/31/2003	Assume	\$0
GMAC	2001 GMC	\$589.93	36 Months	11/30/2003	Assume	\$0
<u>Other Leases</u>						
Associated Funding	Generator	\$2,500.00	48 months	9/30/2006	Assume	\$0
Pitney Bowes	Postage Equipment	\$158.36	60 Months	4/30/2006	Assume	\$0
CDW	Computer Equipment	\$1,579.11	36 Months	2/28/2005	Assume	\$0

Schedule A Cont.

Service Agreements	Assume/Reject	Proposed Cure Amount	Terms
Billco	Assume	\$0	Subject to Section 4.1(d)
Carrier Services, Inc.	Assume	\$0	Subject to Section 4.1(d)
Cingular Wireless	Assume	\$0	Subject to Section 4.1(d)
Intec Telecom Systems	Assume	\$0	Subject to Section 4.1(d)
Z Tel	Assume	\$40,000	
BellSouth Interconnection Agreements (see following)	Assume	\$150,000	Subject to Section 4.1(d)
Excelleron	Assume	\$33,000	Subject to Section 4.1(d)

A-1 Assumed Service Contracts

State	ILEC/RBOC	Type	Dated	Proposed Cure Amount is \$0 Unless Otherwise Noted Below
Alabama	BellSouth Telecommunications, Inc.	IA	2/13/03	* See Below
	CenturyTel of Alabama, LLC	RA	4/12/02	
	Frontier Communications of Alabama, Inc. (two agreements for different areas)	RA	12/18/01 & 4/7/03	
Arizona	Qwest Corporation, Inc.	IA	6/5/02	
	Verizon California, Inc.	RA	8/24/01	
Arkansas	AllTel Communications Services Corp.	RA	10/21/99	
	Southwestern Bell Telephone Co.	RA	10/15/97	
California	Pacific Bell Telephone Co.	RA	12/3/99	
Connecticut	Southern New England Telephone Co.	IA	8/26/02	
	Verizon New York, Inc.	IA	3/18/02	
D.C.	Verizon Washington, D.C., Inc.	RA	10/25/01	
Delaware (FCC - Interstate)	Verizon Delaware, Inc.	IA	3/18/02	
	WorldCom Network Services, Inc.	RA	7/30/99	
Florida	AllTel Communications Services Corp.	RA	2/18/00	
	BellSouth	IA	2/13/03	*See Below
	Sprint Florida, Inc.	IA	12/16/02	
Georgia	Verizon Florida, Inc.	RA	8/24/01	
	AllTel Communications Services Corp.	RA	12/6/99	
	BellSouth	IA	2/13/03	*See Below
Idaho	Qwest Corporation	IA	6/5/02	
	Verizon Northwest, Inc.	RA	8/24/01	
Illinois	Illinois Bell Telephone Co.	IA	4/9/01	
	Citizens Telecommunications Co. of Illinois, Inc.	RA	7/25/01	
	Verizon North, Inc., Verizon South, Inc.	RA	8/24/01	
Indiana	Indiana Bell Telephone Company	RA	1/16/02	
	United Telephone Company of Indiana, Inc.	RA	10/29/01	
	Verizon North, Inc., Contel of the South, Inc.	RA	8/24/01	
Iowa	Qwest	IA	6/6/02	
Kansas	Southwestern Bell	RA	11/5/01	
	United Telephone Company of Kansas, Inc., United Telephone Company of Eastern Kansas, Inc., United Telephone Company of Southcentral Kansas, Inc., United Telephone Company of Southeastern Kansas, Inc.	IA	12/16/02	
	Kentucky AllTel, Inc.	RA	6/26/02	
Kentucky	BellSouth	IA	2/13/03	*See Below
	Cincinnati Bell Telephone Co.	RA	10/6/99	
	Verizon South, Inc.	RA	1/22/02	
Louisiana	BellSouth	IA	2/13/03	*See Below

Maine	Verizon New England, Inc.	IA	3/18/02	
Maryland	Verizon Maryland, Inc.	IA	11/6/02	
Massachusetts	Verizon New England, Inc.	IA	3/18/02	
Michigan	Ameritech Michigan Telephone Co.	RA	4/23/99	
	Verizon North, Inc., Contel of the South, Inc.	RA	9/25/01	
Mississippi	AllTel Mississippi, Inc.	RA	6/11/02	
	BellSouth	IA	2/13/03	*See Below
	Frontier Communications of Ms., Inc.	RA	4/1/02	
Missouri	CenturyTel of Missouri, LLC	RA	5/24/02	
	Southwestern Bell	RA	11/5/01	
	Spectra Communications Group, LLC	RA	10/25/00	
	Sprint Missouri, Inc.	RA	10/29/01	
Montana	Qwest	IA	6/6/02	
Nebraska	Qwest	IA	6/6/02	
Nevada	Nevada Bell Telephone Co.	RA	11/5/01	
	Central Telephone Company	RA	10/29/01	
	Verizon California, Inc.	RA	8/24/01	
New Hampshire	Verizon New England, Inc.	IA	7/22/02	
New Jersey	United Telephone Company of New Jersey, Inc.	RA	9/1/99	
	Verizon New Jersey, Inc.	IA	3/18/02	
New Mexico	Qwest	IA	6/6/02	
North Carolina	BellSouth	IA	2/13/03	*See Below
	Carolina Telephone and Telegraph Co., Central Telephone Company	IA	11/25/02	
	Verizon South, Inc.	RA	8/24/01	
North Dakota	Qwest	IA	5/30/02	
Ohio	Ameritech Ohio	IA	5/3/01	
	Cincinnati Bell Telephone Company	RA	10/6/99	
	United Telephone Co. of Ohio	IA	2/12/03	
	Verizon North, Inc.	RA	8/24/01	
Oklahoma	Southwestern Bell	RA	12/23/01	
Oregon	Qwest	IA	6/6/02	
	United Telephone Co. of the Northwest, Inc.	RA	10/29/01	
	Verizon Northwest, Inc.	RA	8/24/01	
Pennsylvania	United Telephone of Pa.	IA	2/12/03	
	Verizon Pennsylvania, Inc.	RA	10/26/01	
Rhode Island	Verizon New England, Inc.	IA	7/22/02	
South Carolina	BellSouth	IA	2/13/03	*See Below
	Farmers Telephone Cooperative	RA	12/30/02	
	United Telephone Co. of the Carolinas	IA	12/16/02	
	Verizon South, Inc.	RA	8/24/01	
South Dakota	Qwest	IA	12/2/02	
Tennessee	BellSouth	IA	2/13/03	*See Below
	United Telephone of the Southeast, Inc.	IA	12/16/02	

Texas	Southwestern Bell	IA	8/31/01	
Texas	United Telephone Co. of Texas, Inc., Central Telephone Co. of Texas, Inc.	IA	12/16/02	
	Verizon Southwest, Inc.	RA	11/29/01	
Utah	Qwest	IA	6/6/02	
Vermont	Verizon New England, Inc.	IA	3/18/02	
Virginia	Central Telephone Co. of Va., United Telephone – Southeast, Inc.	IA	2/12/03	
	Verizon South, Inc., Verizon Virginia, Inc.	IA	7/22/02	
Washington	Qwest	IA	6/6/02	
	United Telephone Co. of the Northwest, Inc.	IA	2/12/03	
	Verizon Northwest, Inc.	RA	8/24/01	
West Virginia	Verizon – West Virginia, Inc.	RA	10/26/01	
Wisconsin	Wisconsin Bell, Inc.	RA	11/5/01	
	CenturyTel of Central Wisconsin, LLC	RA	6/15/00	
	Telephone USA of Wisconsin, LLC	RA	6/15/00	
	Verizon North, Inc.	RA	8/24/01	
Wyoming	Qwest	IA	6/6/02	

* These nine assumed service contracts shall, in the aggregate, total \$150,000.

<u>Payee</u>	<u>Description</u>	<u>A-2 Other Assumed Liabilities</u>	
		<u>Cure</u>	<u>Monthly Payment/Expiration Date</u>
Bancorp South	LD Switch	\$0 (current)	\$1,588/4-21-04
Bancorp South	1989 Ford F250	\$0 (current)	\$561.61/5-15-05
Bancorp South	1999 Ford F150	\$0 (current)	\$460.40/11-25-05
Bancorp South	2003 Lincoln	\$0 (current)	\$696.77/2-10-06
Union Planters	1999 Ford Exp	\$0 (current)	\$603.22/5-13-2006
First Bank	LD Switch	\$0 (current)	\$5656.30/1-21-05

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Schedule B

None

Schedule C

Equipment

C-1 Furniture and Fixtures

DESCRIPTION

NOW Inventory – Atlanta Furniture/Fixtures *Count*

Cubicles	216
Desk	60
Receptionist Desk	2
Rolling Chair	185
Standard Chair	186
Stackable Chair	32
Credenza	18
4 Drawer Vertical File Cabinet	51
4 Drawer Lateral File Cabinet	18
2 Drawer Vertical File Cabinet	8
2 Drawer Lateral File Cabinet	7
8' Folding Table	17
4' Folding Table	15
Work Table	12
Round Table	12
Conference Table	3
Copier	5
Wire Shelving	13
Plastic Shelving	10
Bookcases	38
Refrigerator	6
Microwave	7
Closed 6' cabinet	8
Decorative Tree	3
Paintings	52
Desk in Boxes (unassembled)	4
Fans	9
Window AC	1
Vacuum	1
Wall Mounted Projection Screen	1
Air Compressor	1
10' Fiberglass Ladder	1
Fax Machines	8
TV	2
VCR	2
Phone Booth	1
Fish Tank	1

DESCRIPTION

Rolling TV Stand	1
Type Writer	1
Calculator.	1
Mail Cube Unit	2

1	ABRA Suite v5.2
1	Adaptec Direct CD v3.01
1	Adaptec Easy CD Creator 4
1	ADP/PC Payroll for Windows v2.02
1	Borland InterBase Client Capability
4	Borland InterBase Maintenance Kit - 10 User
1	Borland InterBase MetaData Capability
1	Borland InterBase Remote Access
50	Borland InterBase Server 5 Client Access License
1	Borland Internet Access License - Unlimited
1	Borland Paradox v7.0
1	Caere OmniForm v4.0
1	Cheyenne ARCServe for Windows NT Enterprise Edition v6.0
1	Cisco PIX 3DES Software License
1	Cisco VPN Client License
1	Citrix MetaFrame XPa w/Subscription Advantage - incl. 20 client licenses
1	Corel Paradox Runtime 8
1	Corel WordPerfect Suite 8
1	CYMA Accounting for Windows
1	CYMA Accounting for Windows Crystal Reports
31	Interact ACT! 2000 v5.0
4	InterBase 4.x Client Access License
1	Intuit Quickbooks Pro 2001
3	IONA Technologies Orbix v3.0
2	Lotus 1-2-3 97 Windows 95
15	Lucent Definity BCMS Vu CAL
1	Lucent Definity BCMS Vu Server
1	Macromedia ColdFusion Server Professional v5.0
1	McAfee VirusScan v4.0
1	Microsoft Access 97
1	Microsoft Access 97 Upgrade
2	Microsoft FrontPage for Windows 32 Bit v1.1
2	Microsoft MapPoint 2002
20	Microsoft Office 97 Professional
2	Microsoft Office 97 Standard
2	Microsoft Office Professional Upgrade Advantage
14	Microsoft Office Standard License & Software Assurance
29	Microsoft Office Standard Upgrade Advantage
2	Microsoft Project 2000
4	Microsoft SQL Server 2000 Processor
5	Microsoft SQL Server CAL
4	Microsoft SQL Server Standard Software Assurance
1	Microsoft SQL Server Upgrade Advantage
2	Microsoft SQL Server v7.0
2	Microsoft Windows 2000 Advanced Server
100	Microsoft Windows 2000 CAL
25	Microsoft Windows 2000 CAL
1	Microsoft Windows 2000 Server (Dell OEM)
1	Microsoft Windows 2000 Server Upgrade
1	Microsoft Windows 2000 Server Upgrade
280	Microsoft Windows 95 (OEM)

25	Microsoft Windows 98
1	Microsoft Windows 98 Upgrade
2	Microsoft Windows Advanced Server Software Assurance
150	Microsoft Windows CAL Software Assurance
60	Microsoft Windows CAL Upgrade Advantage
2	Microsoft Windows Me (Premio OEM)
1	Microsoft Windows Me Upgrade
90	Microsoft Windows NT 4.0 CAL
6	Microsoft Windows NT Server 4.0
1	Microsoft Windows NT Server Resource Kit
1	Microsoft Windows NT Workstation 4.0
3	Microsoft Windows Server Software Assurance
6	Microsoft Windows Server Upgrade Advantage
1	Microsoft Windows XP Home Edition (Dell OEM)
1	Microsoft Windows XP Professional (AOpen OEM)
1	Microsoft Works Suite 2001 (Dell OEM)
1	NetManage Chameleon UNIX Link 97
1	Network Associates Total Virus Defense Suite 4.0
1	Novastor NOVANET-WEB Backup
1	Peachtree Complete Accounting 2002 - Unlimited User
1	Power Quest Partition Magic 8
1	RealPlayer Plus
1	Seagate Backup Exec for Windows NT v7.0
1	Seagate Backup Exec Option Autoloader Module
1	Seagate Backup Exec Option Enterprise Edition Upgrade
1	Seagate Crystal Reports Professional v7.0
1	Seagate Crystal Reports Standard v7.0
1	SmartMailer 95
1	Softshare Delta v3.0
1	SoftSite32 Digital Surveillance Software
1	Solomon IV Accounts Payable/Accounts Receivable
1	Solomon IV Crystal Reports
1	Solomon IV Customization Manager/Basic Script Language
1	Solomon IV Data Import/Shared Information/System Manager/Transaction Import
1	Solomon IV for Windows Payroll/Direct Deposit
1	Solomon IV FRx Advanced/FRx Standard/General Ledger
1	Sterling Commerce CONNECT:Direct for Windows 95 v3.1.00
1	Sterling Commerce CONNECT:Direct for Windows NT Server v3.3.02
1	Sterling Commerce CONNECT:Direct for Windows NT Workstation v3.3.00
100	Symantec Norton Antivirus Corporate Edition v7.5
1	Symantec Norton Personal Firewall 2001 v2.5
1	Symantec Norton Utilities 2000
1	Symantec pcANYWHERE Host v8.0
1	Symantec pcANYWHERE v10.0
1	Symantec pcANYWHERE v7.5
3	Symantec pcANYWHERE v8.0
3	Symantec pcANYWHERE v9.0
1	Symantec pcANYWHERE v9.2
1	Veritas Backup Exec SQL Server Backup Agent
1	Veritas Backup Exec v8.5 Server Family
1	Visio 2000 Pro Upgrade

<u>Description</u>	<u>Quantity</u>
12 Position Card Nest	1
28.8 Modems	7
3 in 1 Machines	6
56K Modems	10
Battery Backup Controllers	1
Battery Backup Power Cells	4
Battery Backup Stations	1
Batteries	5
Individual Battery Backups	221
Battery Charger	1
Battery Rack	1
Battery Unit Monitor	1
Carrier Access Power	1
CAT 5 Wireholders	7
Cisco DSU/CSU	3
Computer Switches	2
Copiers	5
Cordless Phones	3
Dell Power Connects	2
Dell Poweredge 3500 Servers	4
DS-3 Access Multiplex	1
DTE	5
Fax Machines	4
Fax/copier	1
Fiber Connections	2
Firewall	1
Phone hold machine	1
Hubs	19
Keyboards	314
Lucent 8410B Phones	172
Lucent 8410D Phones	12
Lucent Callmaster IV Phones	84

Lucent Board	1
Lucent Definitives	3
Lucent Spectrum	1
Meridial Phone	1
Mice	336
Monitors	281
NIC Cards	11
Nortel Phone Servers	3
Nortel Phones	77
Outlook Switches	1
P.C.	240
Patch Panels	5
Phone Headsets	101
Phones Server Cards	2
Printers	23
Projectors	2
Projector Screen	1
Racks	2
Ribbon Cartridge	1
Routers	5
Scanner	1
Server rack	1
Servers	15
Shelf Units	3
Smart Card Racks	2
Speakers	24
Station Modules	11
Stripped Computers	58
Switches	4
Tape Backup	2
Teleboor	1
TeleCT (DS 3)	1
Television	1

Temperature Monitor	1
Time Clocks	3
Toner Cartridges	14
TSU	1
UPS System	1
VCR	1
Video Cards	4
Winterm A/C Adapter	19
Winter Cat 5 Connectors	15
Winterm Machines	19
Zip Drive	1

- Existing surety bonds and similar deposits, including those in place with regulatory agencies
- Any claims against third parties, including claims against BellSouth

Schedule D

Permits

STATE (ILEC)	CPN/TYPE	CLEC REGULATORY STATUS (ILEC)
AL (BST, CTL, FRONT)	CLEC/IXC	Approved Nov. 17, 1997 - CLEC Oct. 3, 2001 - Operating 2/98 (BST, CTL, FRONT)
AR (SWBT, ALLTEL, VZN)	RSL/IXC	Approved May 18, 1998 - Operating 9/98 (SWBT, ALLTEL)
AZ (Q, VZN)	RSL/IXC	Approved Jun. 9, 2000 - Operating 10/02 (Q, VZN)
CA (PacBell, VZN)	RSL/IXC	Approved RSL Jul. 22, 1999 Approved IXC Jun. 16, 1999 (PacBell); Operated 2/00 - 6/30/01 under Tel-Link
CO (Q)	RSL/IXC	Approved Jan. 28, 1998 - Operating 5/00 (Q)
DC (VZN)	CLEC/IXC	Approved Jul. 24, 2002
DE (VZN)	CLEC/IXC	Approved Apr. 20, 1999 - CLEC Aug. 2002 Ready to Go (VZN)
FL (BST, VZN, SPNT, ALLTEL)	CLEC/IXC	Approved Jun. 13, 1998 - Operating 1/00 (ALLTEL, BST, VZN, SPNT)
GA (BST, ALLTEL)	CLEC/IXC	Approved Apr. 7, 1998 - CLEC Jul. 5, 2001 - Operating 7/99 (BST, ALLTEL)
	filed 11/6/02	
	CLEC/IXC	Approved Jun. 24, 2002 - Ready to Go (Q, VZN)
	RSL/IXC	Approved Jul. 7, 2000, EXC Apr. 9, 2002 - Ready to Go (Q, VZN) Operated 2/00 - 6/30/01 under Tel-Link

IL (AMER, CITZN, VZN)	CLEC/IXC	Approved Nov. 18, 1998 - CLEC Nov. 7, 2002 - Operating 11/01 (AMER, CITZN, VZN)
IN (AMER, VZN, SPNT)	RSL/IXC	Approved Dec. 9, 1998 - Operating 12/01 (AMER, VZN, SPNT)
KS (SWBT, SPNT)	CLEC/IXC	Approved Apr. 17, 1998 - Ready to Go (SWBT, SPNT)
KY (ALLTEL, BST, CINN)	UNE/IXC	Approved Aug. 8, 1998 - Operating 9/98 (ALLTEL, BST, CINN)
LA (BST)	CLEC/IXC	Approved Jul. 9, 1997 - Operating 8/97 (BST)
MA (VZN)	CLEC/IXC	Approved Mar. 20, 2002 Operating 8/7/02 (VZN)
MD (VZN)	CLEC/IXC	Approved Sep. 16, 1998 - CLEC 7/10/02 Operating 7/31/02
ME (VZN)	CLEC/IXC	Approved Nov. 27, 2000 - CLEC 7/9/02 - IXC approved Mar. 5, 2002
MI (AMER, VZN)	CLEC/IXC	Approved Oct. 26, 1998 - Operating 7/22/02 (AMER, VZN)
	IXC ONLY	Approved Mar. 27, 2002 - Ready to Go -
MO (SWBT, CTL, SPNT)	RSL/IXC	Approved Aug. 10, 1998 - Operating 2/00 (SWBT, CTL, SPNT) (originally as Tel- Link)
MS (ALLTEL, BST, FRONT)	CLEC/IXC	Approved Feb. 5, 1997 - CLEC - Sep. 4, 2001 - Operating 3/97 (ALLTEL, BST, FRONT)
	CLEC/IXC	Approved Mar. 30, 2000 - Ready to Go (Q)
NC (BST, VZN, SPNT)	UNE	Approved Jan. 15, 1999 - Operating 5/01 (BST, SPNT, VZN)
	RSL/IXC	Approved Jun. 19, 2002 - Ready to Go (Q)
	CLEC/IXC	Approved Jun. 29, 2000 - Ready to Go (Q); IXC app'd 5/22/02
NH (VZN)	CLEC/IXC	Approved Mar. 13, 2000 - Operating 8/02 (VZN)
NJ (VZN, SPNT)	RSL	Approved Nov. 24, 1998 - Operating 9/01 (SPNT, VZN)

NM (Q, VZN)	CLEC/IXC	Approved Apr. 3, 2001 - Ready to Go; IXC app'd 5/17/02 (Q)
NY (VZN)	CLEC/IXC	Approved Apr. 28, 1999 - CLEC Jun. 26, 2001 - Operating 1/02 (VZN and Z-Tel)
NV (NevBell, VZN, SPNT)	RSL	Approved Jun. 19, 2000 - Ready to Go (NevBell, VZN, SPNT) - Operated 2/00-6/30/01 under Tel-Link
OH (AMER, CINN, SPNT, VZN)	CLEC/IXC	Approved Jul. 16, 2002 - Operating 12/02 (AMER, SPNT, VZN, CinnBell)
OK (SWBT, VZN)	RSL/IXC	Approved Feb. 17, 1999 - Ready to Go (SWBT, VZN)
OR (Q, SPNT, VZN) NNC	RSL/IXC	Approved Dec. 3, 1999 - Operating 10/2/02 (Q, VZN, SPNT)
PA (SPNT, VZN, ALLTEL)	UNE/IXC	Approved IXC Nov. 4, 1999, Approved CLEC Mar. 1, 2000 - Operating 7/23/02 (VZN, SPNT)
Puerto Rico (VZN)		Apps filed 2/24/03
RI (VZN)	CLEC/IXC	Approved Sep. 28, 1999 - CLEC Aug. 6, 2002 - Ready to Go (VZN) Operating 1/03
SC (BST, FRMRS, VZN, SPNT)	UNE/IXC	Approved Dec. 3, 1998 - Operating 11/00 (BST, FRMRS, SPNT, VZN)
TX	CLEC/IXC	Approved Oct. 31, 2002 - Ready to Go (Q)
TN (BST, SPNT)	CLEC/IXC	Approved Aug. 20, 1997 - CLEC -Dec. 3, 2001 - Operating 2/98 (BST, SPNT)
TX (SWBT, VZN, SPNT)	CLEC/IXC	Approved April 21, 1998 - CLEC Jan. 17, 2002 - Operating 4/00 (SWBT, VZN, SPNT)
UT (Q)	CLEC	Approved Nov. 24, 1999 - Ready to go (Q) Operated 4/00 - 6/30/01 under Tel-Link
VA (VZN, SPNT)	UNE	Approved Oct. 18, 1999 - Operating 1/00 (VZN, SPNT)
VT (VZN)	CLEC/IXC	Approved Mar. 20, 2002 - Operating 12/02 (VZN)
WA (Q, VZN, SPNT)	CLEC/IXC	Approved Jul. 20, 2002 - Ready to Go (Q, VZN)

WI (AMER, CTL, VZN)	RSL/IXC	Approved Oct. 13, 1998 - Operating 9/02 (AMER, CTL, VZN)
WV (VZN)	CLEC/IXC	Approved Aug. 11, 1999 - CLEC - Sep. 8, 2002 - Operating 11/02 (VZN)
WY (Q)	CLEC/IXC	Approved CLEC Jan. 20, 2000; IXC, Aug. 23, 1999 - Ready to Go (Q)

Other Permits/Licenses

Business License Types

ACNA NOW; ECC NOWC; CIC 5615; SIC 4813

Nat'l local reseller OCN 7771 Overall Company Code: 9314 NOW-VZN UNE OCN 5825
 NOW-AMER CLEC OCN 9106, 3788, 9238, 9106, 7771, 454A, 9315, 9566, 006A, 9353,
 9360, 9316, 9292, 9317, 5825, 007A, 453A, 9318, 9444, 9589, 9354

Schedule E

Intellectual Property

I. Web sites, domains, and IP addresses

www.nowcommunications.com

www.mynowline.com

II. Trade Names & Service Marks:



Schedule F
Accounts Receivable

Accounts Receivables: CABs

	<u>0-30</u>	<u>31-60</u>	<u>61-90</u>	<u>91-120</u>	<u>120-150</u>	<u>150-180</u>	<u>180 +</u>	<u>Total</u>
Balance as of 12/31/02	203,308	87,889	132,424	48,879	85,273	148,751	131,054	837,578
% of total	24.3%	10.5%	15.8%	5.8%	10.2%	17.8%	15.6%	100.0%

Days' Outstanding	Amount	% of Total	Billed	Recognized	Collected	Month	Year
0-30	203,308	24.3%	203,308	162,646	-	December	2002
31-60	87,889	10.5%	183,175	146,540	95,286	November	2002
61-90	132,424	15.8%	235,357	188,286	102,933	October	2002
91-120	48,879	5.8%	145,824	116,659	96,945	September	2002
120-150	85,273	10.2%	209,387	167,509	124,114	August	2002
150-180	148,751	17.8%	273,524	218,819	124,773	July	2002
180 +	131,054	15.6%	241,048	192,838	109,994	June	2002
Total	837,578	100.0%	1,491,623	1,193,299	654,046		

0.548098996

0-30	203,308	24.3%
31-60	87,889	10.5%
61-90	132,424	15.8%
91+	413,957	49.4%
	837,578	100.0%

1/8/2003 CABs Current Receivables

<u>BAN</u>	<u>Carrier</u>	<u>Total</u>
Louisiana		
9316D00360108	Intermedia Communications, Inc.	\$0.37
9316D00850108	WesTel, Inc.	\$0.25
9316D01470108	Data and Electronic Services, Inc.	\$0.00
9316D01870108	BellSouth Long Distance	\$292.21
9316D02200108	Telecom*USA (MCIWorldCom)	\$0.05
9316D02220108	MCI Worldcom	\$3,044.29
9316D02230108	Cable and Wireless Communications, Inc.	\$38.02
9316D02330108	ITC Deltacom Communications, Inc.	\$249.80
9316D02880108	AT&T Communiactions	\$4,995.78
9316D03330108	Sprint	\$2,295.30
9316D03770108	BellSouth Long Distance	\$360.54
9316D03890108	EATELNET	\$58.31
9316D03930108	Intermedia Communications, Inc.	\$0.00
9316D04320108	Qwest Communications	\$934.02
9316D04440108	Global Crossings Communications	\$2,430.30
9316D04570108	Telco Communications Group dba Dial & Save (Excel Comms)	\$21.61
9316D05500108	WorldCom, Inc.	\$71.31
9316D05550108	WorldCom, Inc.	\$1,256.43
9316D06360108	VarTec Telecom dba Clear Choice Communications	\$0.02
9316D06870108	NTS Communications, Inc.	\$0.00
9316D06900108	Qwest Communications	\$0.00
9316D07520108	Excel Communications	\$125.57
9316D07950108	CapRock Telemanagement	\$4.77
9316D08110108	VarTec Telecom, Inc.	\$210.12
9316D08330108	Business Telecom, Inc. (BTI)	\$22.75
9316D08800108	One Call Communications	\$0.56
9316D08850108	Communigroup, Inc.	\$48.28
9316D09140108	Century Telecommunications, Inc.	\$11.89
9316D09480108	Broadwing Communications Services, Inc.	\$40.21
9316D09880108	AT&T EasyLink Services	\$0.00

9316D50480108	e.spire Communications, Inc.	\$14.45
9316D51020108	Williams Communications LLC D36	\$182.80
9316D51190108	XO Communications, Inc.	\$21.24
9316D51240108	BellSouth Telecommunications, Inc.	\$116.78
9316D51550108	Xspedius Corp.	\$33.76
9316D51580108	Williams Communications LLC	\$627.10
9316D51890108	Stratos Telecom, Inc.	\$43.12
9316D52300108	US LEC of North Carolina, L.L.C.	\$12.33
9316D52690108	CoxCom, Inc.	\$169.69
9316D53890108	Advanced Tel, Inc.	\$13.02
9316D53930108	Intermedia Communications, Inc.	\$18.50
9316D54950108	IWL Communications dba IWL Connect	\$0.86
9316D56820108	Rig Telephones, Inc. dba Datacom	\$0.79
9316D57030108	KMC Telecom, Inc.	\$152.20
9316D57220108	Southwestern Bell Comms. Svcs. Inc. dba Southwestern Bell LD	\$6.00
9316D62330108	ITC Deltacom Communications, Inc.	\$47.52
9316D62470108	West Wisconsin Communication Systems, Inc.	\$0.00
9316D62620108	Americam MetroComm Corporation	\$18.66
9316D64840108	Adelphia Business Solutions	\$8.31
9316D65280108	Louisiana Competitive Telecommunications	\$5.25
9316D66720108	NewSouth Communications, L.L.C.	\$80.96
9316D66840108	Network Telephone	\$24.88
9316D67460108	The Phone Company	\$3.29
Total		<u>\$18,114.27</u>

Georgia

3788D00030108	Frontier Communication Int'l, Inc.	\$0.00
3788D00580108	Global Crossing Local Services, Inc.	\$30.39
3788D00700108	Qwest Communications	\$5.61
3788D00710108	Broadwing Communications, Inc.	\$0.00
3788D00810108	Covista, Inc.	\$3.66
3788D01260108	SBC Telecom, Inc.	\$0.00
3788D01470108	Data & Electronic Services, Inc.	\$14.79
3788D01830108	MCI Metro (MCIWorldCom)	\$87.87
3788D01870108	BellSouth Long Distance	\$403.60

3788D02200108	Telecom*USA (MCIWorldCom)	\$1.35
3788D02220108	MCI WorldCom	\$4,183.28
3788D02230108	Cable and Wireless Communications, Inc.	\$14.53
3788D02330108	ITC DeltaCom Communications, Inc.	\$144.61
3788D02880108	AT& T Communications	\$6,821.67
3788D02920108	Teleport Communications Group, Inc. (Subsidiary of AT&T)	\$256.40
3788D03210108	WorldCom	\$0.06
3788D03330108	Sprint	\$2,751.65
3788D03450108	Lucky Dog Phone Company	\$0.00
3788D03770108	BellSouth Long Distance	\$494.97
3788D03860108	MediaOne, Inc.	\$6.04
3788D03930108	Intermedia Communications, Inc.	\$1.09
3788D04320108	Qwest Communications	\$2,760.70
3788D04400108	WorldCom Technologies, Inc.	\$17.13
3788D04440108	Global Crossing Telecommunications, Inc.	\$4,562.05
3788D04570108	Telco Communications Group dba Dial & Save (Excel Comms)	\$62.24
3788D05020108	WorldXchange Corp.	\$0.59
3788D05550108	WorldCom, Inc.	\$1,447.82
3788D05990108	IntelCom Group, Inc.	\$10.65
3788D06140108	Broadwing Telecommunications, Inc.	\$8.19
3788D06360108	VarTec Telecom dba Clear Choice Communications	\$48.49
3788D07520108	Excel Telecommunications, Inc.	\$0.00
3788D07640108	Network Plus	\$0.00
3788D07820108	ILD Telecommunications, Inc.	\$0.00
3788D08070108	South Carolina Network, Inc.	\$4.59
3788D08110108	VarTec Telecom, Inc.	\$97.50
3788D08330108	Business Telecom, Inc. (BTI)	\$57.80
3788D08800108	One Call Communications	\$9.36
3788D09460108	RSL COM U.S.A., Inc.	\$0.14
3788D09480108	Broadwing Communications Services Inc.	\$103.61
3788D50480108	e.spire Communications, Inc.	\$2.49
3788D51020108	Williams Communications LLC D36	\$64.85
3788D51190108	XO Communications, Inc.	\$215.25
3788D51240108	BellSouth Telecommunications, Inc.	\$163.01
3788D51350108	Broadwing Communications Services Inc.	\$32.43

3788D51530108	ALLTEL Communications, Inc.	\$118.46
3788D51580108	Williams Communications LLC	\$455.75
3788D51750108	WinStar	\$11.57
3788D52300108	US LEC of North Carolina, L.L.C.	\$274.28
3788D52530108	ALLTEL Communications, Inc.	\$241.02
3788D53740108	Business Telecom, Inc. (BTI)	\$21.21
3788D53930108	Intermedia Communications Inc.	\$28.13
3788D54960108	State Communications Inc.	\$21.68
3788D56070108	Allegiance Telecom, Inc.	\$46.78
3788D56420108	Mpower Communications	\$153.51
3788D57030108	KMC Telecom, Inc.	\$34.67
3788D57220108	Southwestern Bell Comms. Svcs. Inc. dba Southwestern Bell LD	\$1.51
3788D58770108	U.S. South Communications, Inc.	\$30.70
3788D58920108	Time Warner	\$0.59
3788D59540108	Cbeyond Communications, LLC	\$0.50
3788D59760108	Concord Telephone Company (CTC)	\$110.97
3788D62330108	ITC DeltaCom Communications, Inc.	\$392.15
3788D62840108	Knology Holdings, Inc.	\$488.83
3788D63620108	Focal Communications Corp.	\$0.00
3788D63830108	LecStar Telecom, Inc.	\$0.00
3788D64840108	Adelphia Business Solutions	\$13.35
3788D64850108	Globe Telecommunications, Inc.	\$0.00
3788D66720108	NewSouth Communications, L.L.C.	\$96.27
3788D66840108	Network Telephone	\$2.64
3788D67460108	The Phone Company	\$12.02
3788D68680108	PT-1 Communications, Inc.	\$0.00
3788D90000108	Hamilton Telephone Co.	\$1,861.01
Total		<u>\$29,308.06</u>

Florida

9353D00180108	Sprint Local Telecommunications Division	\$9.04
9353D00560108	Qwest Communications	\$0.12
9353D00580108	Global Crossing Local Services, Inc.	\$6.19
9353D01260108	SBC Telecom, Inc.	\$0.00
9353D01470108	Data and Electronic Services, Inc.	\$0.17

9353D01830108	MCI Metro (MCIWorldCom)	\$8.45
9353D01870108	BellSouth Long Distance	\$77.66
9353D02110108	Frontier Communications Intl, Inc.	\$6.27
9353D02200108	Telecom*USA (MCIWorldCom)	\$13.26
9353D02220108	MCIWorldCom	\$1,198.48
9353D02230108	Cable and Wireless Communications, Inc.	\$7.32
9353D02330108	ITC DeltaCom Communications, Inc.	\$25.98
9353D02880108	AT&T Communications	\$2,271.30
9353D02920108	Teleport Communications Group, Inc. (subsidiary of AT&T)	\$150.41
9353S02970108	Excel Telecommunications, Inc.	\$0.14
9353D03330108	Sprint	\$1,172.40
9353D03770108	BellSouth Long Distance	\$88.76
9353D03860108	MediaOne, Inc.	\$368.69
9353D03930108	Intermedia Communications, Inc.	\$0.30
9353D04320108	Qwest Communications	\$646.75
9353D04400108	WorldCom Technologies, Inc.	\$11.13
9353D04440108	Global Crossing Telecommunications, Inc.	\$1,203.95
9353D04570108	Telco Communications Group dba Dial & Save (Excel Comms)	\$43.60
9353D05020108	Worldexchange Corp.	\$0.00
9353D05120108	TCG	\$0.00
9353D05550108	WorldCom, Inc.	\$462.85
9353D05740108	U.S. Connect Corp.	\$0.00
9353D07520108	Excel Telecommunications, Inc.	\$27.35
9353D07640108	Network Plus	\$0.00
9353D08110108	VarTec Telecom, Inc.	\$35.96
9353D08330108	Business Telecom, Inc. (BTI)	\$12.86
9353D08340108	Worldxchange Corp.	\$0.50
9353D08720108	Sprint	\$0.00
9353D08800108	One Call Communications	\$1.77
9353D09460108	RSL COM U.S.A., Inc.	\$0.00
9353D09480108	Broadwing Communications Services Inc.	\$32.93
9353D09620108	Gulf Long Distance, Inc.	\$1.66
9353D50460108	Sprint Metropolitan Network, Inc.	\$13.98
9353D50480108	e.spire Communications, Inc.	\$4.52
9353D51020108	Williams Communications LLC D36	\$37.44

9353D51190108	XO Communications, Inc.	\$68.37
9353D51240108	BellSouth Telecommunications, Inc.	\$17.04
9353D51350108	Broadwing Communications Services Inc.	\$9.72
9353D51580108	Williams Communications LLC	\$133.68
9353D52300108	US LEC of North Carolina, L.L.C.	\$145.94
9353D52310108	US LEC of North Carolina, L.L.C.	\$4.87
9353D52530108	ALLTEL Communications, Inc.	\$52.06
9353D53660108	Florida Digital Network	\$47.01
9353D53740108	Business Telecom, Inc. (BTI)	\$7.33
9353D53930108	Intermedia Communications Inc.	\$22.10
9353D53960108	Florida Consolidated Multimedia Services, Inc.	\$1.13
9353D54960108	State Communications Inc.	\$2.45
9353D56070108	Allegiance Telecom, Inc.	\$3.33
9353D56420108	Mpower Communications	\$42.76
9353D56650108	DSL Internet Corporation	\$0.24
9353D57030108	KMC Telecom, Inc.	\$80.73
9353D57220108	Southwestern Bell Comms. Svcs. Inc. dba Southwestern Bell LD	\$0.71
9353D58300108	Genesis Communications Int'l, Inc.	\$0.00
9353D58920108	Time Warner	\$22.98
9353D62330108	ITC DeltaCom Communications, Inc.	\$9.05
9353D62840108	Knology Holdings, Inc.	\$60.42
9353D63400108	PaeTec Communications Inc.	\$23.82
9353D63410108	PaeTec Communications, Inc.	\$56.75
9353D63620108	Focal Communications Corp.	\$30.86
9353D64370108	IDS Long Distance, Inc.	\$13.72
9353D64840108	Adelphia Business Solutions	\$16.69
9353D66720108	NewSouth Communications, L.L.C.	\$11.07
9353D67460108	The Phone Company	\$0.00
9353D69530108	NYNEX Long Distance Co. dba Verizon Enterprise Solutions	\$34.91
9353D69960108	Orlando Telephone Company Inc.	\$2.29
Total		<u>\$8,864.22</u>
 Mississippi		
9292D08850108	Communigroup, Inc.	\$0.00
9292D50620108	XCOM Technologies (Level 3)	\$1.69

9292B53050108	Lightwave Communications, LLC	\$0.25
9292D00360108	Intermedia Communications, Inc.	\$3.00
9292D00400108	Qwest Communications	\$59.97
9292D00450108	East Florida Communications	\$0.00
9292D01870108	BellSouth Long Distance	\$1,369.27
9292D02110108	Frontier Communications Intl. Inc.	\$1.77
9292D02200108	Telecom*USA (MCIWorldCom)	\$30.18
9292D02220108	MCIWorldCom	\$26,091.27
9292D02230108	Cable and Wireless Communications, Inc.	\$47.17
9292D02330108	ITC DeltaCom Communications, Inc.	\$846.00
9292D02880108	AT&T Communications	\$40,738.94
9292D02970108	Long Distance Wholesale Club (Excel Communications)	\$197.36
9292D03210108	Telecom*USA (MCIWorldCom)	\$0.00
9292D03330108	Sprint	\$17,922.68
9292D03770108	BellSouth Long Distance	\$3,217.63
9292D04320108	Qwest Communications	\$8,484.12
9292D04400108	WorldCom Technologies, Inc.	\$25.72
9292D04440108	Global Crossing Telecommunications, Inc.	\$23,912.23
9292D04570108	Telco Communications Group dba Dial & Save (Excel Comms)	\$561.72
9292D05020108	WorldXchange Corp.	\$4.09
9292D05550108	WorldCom, Inc.	\$9,931.14
9292D05690108	Global Crossing Bandwidth, Inc.	\$0.14
9292D06230108	National Teleservice	\$0.00
9292D06360108	VarTec Telecom dba Clear Choice Communications	\$0.00
9292D06870108	NTS Communications, Inc.	\$0.00
9292D07520108	Excel Telecommunications, Inc.	\$993.35
9292D08110108	VarTec Telecom, Inc.	\$1,338.47
9292D08330108	Business Telecom, Inc. (BTI)	\$157.47
9292D08800108	One Call Communications	\$12.59
9292D08850108	Communigroup, Inc.	\$854.57
9292D09460108	RSL COM U.S.A., Inc.	\$0.00
9292D09480108	Broadwing Communications Services Inc.	\$461.67
9292D09620108	Gulf Long Distance, Inc.	\$5.05
9292D09870108	Telecom*USA {MCIWorldCom}	\$0.00
9292D09880108	AT&T EasyLink Services	\$0.00

9292D15550108	Mezco, LLC - MA	\$0.19
9292D50380108	Cellular XL Associates, LP	\$0.00
9292D50560108	Cellular XL Associates, LP	\$130.08
9292D51020108	Williams Communications LLC D36	\$1,087.63
9292D51150108	Brooks Fiber Communications [WorldCom]	\$153.45
9292D51190108	XO Communications, Inc.	\$447.86
9292D51240108	BellSouth Telecommunications, Inc.	\$2,889.18
9292D51350108	Broadwing Communications Services Inc.	\$94.58
9292D51580108	Williams Communications LLC	\$3,205.60
9292D52300108	US LEC of North Carolina, L.L.C.	\$22.72
9292D52530108	ALLTEL Wholesale Expense Verification	\$0.13
9292D53490108	Dixie Net Communications, LLC	\$0.00
9292D55220108	Telapex Long Distance, Inc.	\$0.00
9292D57030108	KMC Telecom, Inc.	\$115.17
9292D57220108	Southwestern Bell Comms. Svcs. Inc. dba Southwestern Bell LD	\$56.93
9292D58920108	Time Warner	\$0.00
9292D62330108	ITC DeltaCom Communications, Inc.	\$744.13
9292D62470108	West Wisconsin Communication Systems, Inc.	\$0.00
9292S62620108	Madison River Communications	\$11.05
9292D64840108	Adelphia Business Solutions	\$516.89
9292D66720108	NewSouth Communications, L.L.C.	\$199.31
9292D66840108	Network Telephone	\$70.66
9292D67460108	The Phone Company	\$0.04
9292D69710108	GulfPines Communications, LLC	\$6.25
Total		<u>\$147,021.36</u>
GRAND TOTAL		<u>\$203,307.91</u>

12/5/2002 CABs Over 30

<u>BAN</u>	<u>Carrier</u>	<u>Total</u>	<u>Paid</u>		<u>Check#</u>	<u>Date</u>
Louisiana						
9316D00361205	Intermedia Communications, Inc.	\$0.58	\$0.58	\$0.00	1003601417	12/28/2002
9316D00851205	WesTel, Inc.	\$0.71		\$0.71		
9316D01471205	Data and Electronic Services, Inc.	\$0.00		\$0.00		
9316D01871205	BellSouth Long Distance	\$246.43	\$246.43	\$0.00	7115669	12/30/2002
9316D02201205	Telecom*USA (MCIWorldCom)	\$1.16	\$1.16	\$0.00	1003601417	12/28/2002
9316D02221205	MCI Worldcom	\$2,616.62	\$2,616.62	\$0.00	1003601417	12/28/2002
9316D02231205	Cable and Wireless Communications, Inc.	\$43.68		\$43.68		
9316D02331205	ITC Deltacom Communications, Inc.	\$229.41		\$229.41		
9316D02881205	AT&T Communiactions	\$4,618.65		\$4,618.65		
9316D03331205	Sprint	\$1,842.45	\$1,842.45	\$0.00	6987048	12/30/2002
9316D03771205	BellSouth Long Distance	\$242.83	\$242.83	\$0.00	7115669	12/30/2002
9316D03891205	EATELNET	\$43.51	\$24.62	\$18.89	6019017	12/27/2002
9316D03931205	Intermedia Communications, Inc.	\$0.00		\$0.00		
9316D04321205	Qwest Communications	\$819.41		\$819.41		
9316D04441205	Global Crossings Communications	\$1,932.20	\$1,932.20	\$0.00	6044504	12/23/2002
9316D04571205	Telco Communications Group dba Dial & Save (Excel Comms)	\$16.24	\$16.24	\$0.00	6506503	12/27/2002
9316D05501205	WorldCom, Inc.	\$46.37	\$46.37	\$0.00	1003601417	12/28/2002
9316D05551205	WorldCom, Inc.	\$1,090.26	\$1,090.26	\$0.00	1003601417	12/28/2002
9316D06361205	VarTec Telecom dba Clear Choice Communications	\$0.94	\$0.94	\$0.00	6506503	12/27/2002
9316D06871205	NTS Communications, Inc.	\$0.07		\$0.07		
9316D06901205	Qwest Communications	\$147.50	\$147.50	\$0.00	6506503	12/27/2002
9316D07521205	Excel Communications	\$0.00		\$0.00		
9316D07951205	CapRock Telemanagement	\$3.67	\$3.67	\$0.00	692831	12/23/2002
9316D08111205	VarTec Telecom, Inc.	\$165.90	\$165.90	\$0.00	6506503	12/27/2002
9316D08331205	Business Telecom, Inc. (BTI)	\$18.97		\$18.97		
9316D08801205	One Call Communications	\$0.46		\$0.46		
9316D08851205	Communigroup, Inc.	\$37.88		\$37.88		
9316D09141205	Century Telecommunications, Inc.	\$12.44		\$12.44		
9316D09481205	Broadwing Communications Services, Inc.	\$52.32		\$52.32		
9316D09881205	AT&T EasyLink Services	\$0.00		\$0.00		

9316D50481205	e.spire Communications, Inc.	\$3.80		\$3.80		
9316D51021205	Williams Communications LLC D36	\$159.45	\$159.45	\$0.00	52452	12/23/2002
9316D51191205	XO Communications, Inc.	\$15.36	\$15.36	\$0.00	200231985	12/30/2002
9316D51241205	BellSouth Telecommunications, Inc.	\$301.38		\$301.38		
9316D51551205	Xspedius Corp.	\$31.96		\$31.96		
9316D51581205	Williams Communications LLC	\$539.67	\$539.67	\$0.00	53336	12/27/2002
9316D51891205	Stratos Telecom, Inc.	\$48.75		\$48.75		
9316D52301205	US LEC of North Carolina, L.L.C.	\$16.17		\$16.17		
9316D52691205	CoxCom, Inc.	\$202.04		\$202.04		
9316D53891205	Advanced Tel, Inc.	\$13.81	\$4.92	\$8.89	6019017	12/27/2002
9316D53931205	Intermedia Communications, Inc.	\$17.52	\$17.52	\$0.00	1003601416	12/28/2002
9316D54951205	IWL Communications dba IWL Connect	\$0.53		\$0.53		
9316D56821205	Rig Telephones, Inc. dba Datacom	\$0.91		\$0.91		
9316D57031205	KMC Telecom, Inc.	\$138.35		\$138.35		
9316D57221205	Southwestern Bell Comms. Svcs. Inc. dba Southwestern Bell LD	\$3.59	\$3.59	\$0.00	53336	12/27/2002
9316D62331205	ITC Deltacom Communications, Inc.	\$30.20		\$30.20		
9316D62471205	West Wisconsin Communication Systems, Inc.	\$0.11		\$0.11		
9316D62621205	Americam MetroComm Corporation	\$22.20		\$22.20		
9316D64841205	Adelphia Business Solutions	\$48.91		\$48.91		
9316D65281205	Louisiana Competitive Telecommunications	\$8.38	\$8.38	\$0.00	1897	12/30/2002
9316D66721205	NewSouth Communications, L.L.C.	\$82.54		\$82.54		
9316D66841205	Network Telephone	\$23.56		\$23.56		
9316D67461205	The Phone Company	\$4.50		\$4.50		
Total		\$15,944.35	\$9,126.66	\$6,817.69		
				\$0.00		
Georgia				\$0.00		
3788D00031205	Frontier Communication Int'l, Inc.	\$0.00		\$0.00		
3788D00581205	Global Crossing Local Services, Inc.	\$31.34		\$31.34		
3788D00701205	Qwest Communications	\$7.08	\$7.08	\$0.00	403674	12/23/2002
3788D00711205	Broadwing Communications, Inc.	\$0.00		\$0.00		
3788D00811205	Covista, Inc.	\$1.98		\$1.98		
3788D01261205	SBC Telecom, Inc.	\$0.00		\$0.00		
3788D01831205	MCI Metro (MCIWorldCom)	\$105.00	\$105.00	\$0.00	1003601417	12/28/2002
3788D01871205	BellSouth Long Distance	\$294.60	\$294.60	\$0.00	7115669	12/30/2002
3788D02201205	Telecom*USA (MCIWorldCom)	\$5.62	\$5.62	\$0.00	1003601417	12/28/2002

3788D02221205	MCI WorldCom	\$3,536.57	\$3,536.57	\$0.00	1003601417	12/28/2002
3788D02231205	Cable and Wireless Communications, Inc.	\$23.72		\$23.72		
3788D02331205	ITC DeltaCom Communications, Inc.	\$84.43		\$84.43		
3788D02881205	AT& T Communications	\$6,331.74		\$6,331.74		
3788D02921205	Teleport Communications Group, Inc. (Subsidiary of AT&T)	\$198.44		\$198.44		
3788D03211205	WorldCom	\$1.89	\$1.89	\$0.00	1003601417	12/28/2002
3788D03331205	Sprint	\$2,318.85	\$2,318.85	\$0.00	6987047	12/30/2002
3788D03451205	Lucky Dog Phone Company	\$0.02		\$0.02		
3788D03771205	BellSouth Long Distance	\$418.09	\$418.09	\$0.00	7115669	12/30/2002
3788D03861205	MediaOne, Inc.	\$10.51		\$10.51		
3788D03931205	Intermedia Communications, Inc.	\$0.66	\$0.66	\$0.00	1003601417	12/28/2002
3788D04321205	Qwest Communications	\$2,544.44	\$2,544.44	\$0.00	4030674	12/23/2002
3788D04401205	WorldCom Technologies, Inc.	\$15.80	\$15.80	\$0.00	1003601417	12/28/2002
3788D04441205	Global Crossing Telecommunications, Inc.	\$3,810.46	\$3,810.46	\$0.00	6044504	12/23/2002
3788D04571205	Telco Communications Group dba Dial & Save (Excel Comms)	\$79.56	\$79.56	\$0.00	6506503	12/27/2002
3788D05021205	WorldXchange Corp.	\$1.05		\$1.05		
3788D05551205	WorldCom, Inc.	\$1,522.04	\$1,522.04	\$0.00	1003601417	12/28/2002
3788D05991205	IntelCom Group, Inc.	\$6.37	\$6.37	\$0.00	650402	12/16/2002
3788D06141205	Broadwing Telecommunications, Inc.	\$8.12		\$8.12		
3788D06361205	VarTec Telecom dba Clear Choice Communications	\$0.00		\$0.00		
3788D07521205	Excel Telecommunications, Inc.	\$36.00	\$36.00	\$0.00	6506719	12/30/2002
3788D07641205	Network Plus	\$0.00		\$0.00		
3788D07821205	ILD Telecommunications, Inc.	\$0.65		\$0.65		
3788D08071205	South Carolina Network, Inc.	\$5.26	\$5.26	\$0.00	23269	12/23/2002
3788D08111205	VarTec Telecom, Inc.	\$71.94		\$71.94		
3788D08331205	Business Telecom, Inc. (BTI)	\$78.90		\$78.90		
3788D08801205	One Call Communications	\$4.60		\$4.60		
3788D09461205	RSL COM U.S.A., Inc.	\$0.00		\$0.00		
3788D09481205	Broadwing Communications Services Inc.	\$93.80		\$93.80		
3788D50481205	e.spire Communications, Inc.	\$4.34		\$4.34		
3788D51021205	Williams Communications LLC D36	\$49.73	\$49.73	\$0.00	52452	12/23/2002
3788D51191205	XO Communications, Inc.	\$248.20	\$248.20	\$0.00	200231985	12/30/2002
3788D51241205	BellSouth Telecommunications, Inc.	\$102.04		\$102.04		
3788D51351205	Broadwing Communications Services Inc.	\$39.05		\$39.05		
3788D51531205	ALLTEL Communications, Inc.	\$103.89		\$103.89		

3788D51581205	Williams Communications LLC	\$370.63	\$370.63	\$0.00	53336	12/27/2002
3788D51751205	WinStar	\$11.68		\$11.68		
3788D52301205	US LEC of North Carolina, L.L.C.	\$292.53		\$292.53		
3788D52531205	ALLTEL Communications, Inc.	\$240.54	\$240.54	\$0.00	1478037	12/27/2002
3788D53741205	Business Telecom, Inc. (BTI)	\$36.07		\$36.07		
3788D53931205	Intermedia Communications Inc.	\$21.95	\$21.95	\$0.00	1003601416	12/28/2002
3788D54961205	State Communications Inc.	\$21.32		\$21.32		
3788D56071205	Allegiance Telecom, Inc.	\$53.13		\$53.13		
3788D56421205	Mpower Communications	\$144.05		\$144.05		
3788D57031205	KMC Telecom, Inc.	\$27.95		\$27.95		
3788D57221205	Southwestern Bell Comms. Svcs. Inc. dba Southwestern Bell LD	\$1.74	\$1.74	\$0.00	53336	12/27/2002
3788D58771205	U.S. South Communications, Inc.	\$30.57		\$30.57		
3788D58921205	Time Warner	\$0.17		\$0.17		
3788D59541205	Cbeyond Communications, LLC	\$0.00		\$0.00		
3788D59761205	Concord Telephone Company (CTC)	\$0.70		\$0.70		
3788D62331205	ITC DeltaCom Communications, Inc.	\$112.61		\$112.61		
3788D62841205	Knology Holdings, Inc.	\$281.11		\$281.11		
3788D63621205	Focal Communications Corp.	\$307.65		\$307.65		
3788D63831205	LecStar Telecom, Inc.	\$0.00		\$0.00		
3788D64841205	Adelphia Business Solutions	\$9.20		\$9.20		
3788D64851205	Globe Telecommunications, Inc.	\$0.00		\$0.00		
3788D66721205	NewSouth Communications, L.L.C.	\$90.79		\$90.79		
3788D66841205	Network Telephone	\$3.47		\$3.47		
3788D67461205	The Phone Company	\$10.87		\$10.87		
3788D68681205	PT-1 Communications, Inc.	\$0.00		\$0.00		
3788D90001205	Hamilton Telephone Co.	\$1,793.87		\$1,793.87		
Total		<u>\$26,059.38</u>	<u>\$15,641.08</u>	\$10,418.30		
				\$0.00		
Florida				\$0.00		
9353D00181205	Sprint Local Telecommunications Division	\$7.96		\$7.96		
9353D00561205	Qwest Communications	\$0.10	\$0.10	\$0.00	4030852	12/27/2002
9353D00581205	Global Crossing Local Services, Inc.	\$3.43		\$3.43		
9353D01261205	SBC Telecom, Inc.	\$0.00		\$0.00		
9353D01471205	Data and Electronic Services, Inc.	\$0.24		\$0.24		
9353D01831205	MCI Metro (MCIWorldCom)	\$5.54	\$5.54	\$0.00	1003601417	12/28/2002

9353D01871205	BellSouth Long Distance	\$157.49	\$157.49	\$0.00	7115669	12/30/2002
9353D02111205	Frontier Communications Intl, Inc.	\$8.57	\$8.57	\$0.00	6044762	12/23/2002
9353D02201205	Telecom*USA (MCIWorldCom)	\$9.41	\$9.41	\$0.00	1003601417	12/28/2002
9353D02221205	MCIWorldCom	\$1,213.81	\$1,213.81	\$0.00	1003601417	12/28/2002
9353D02231205	Cable and Wireless Communications, Inc.	\$10.97		\$10.97		
9353D02331205	ITC DeltaCom Communications, Inc.	\$22.14		\$22.14		
9353D02881205	AT&T Communications	\$2,418.76		\$2,418.76		
9353D02921205	Teleport Communications Group, Inc. (subsidiary of AT&T)	\$152.49		\$152.49		
9353S02971205	Excel Telecommunications, Inc.	\$0.15	\$0.15	\$0.00	6506503	12/27/2002
9353D03331205	Sprint	\$1,098.79	\$1,098.79	\$0.00	6987061	12/30/2002
9353D03771205	BellSouth Long Distance	\$27.23	\$27.23	\$0.00	7115669	12/30/2002
9353D03861205	MediaOne, Inc.	\$347.89		\$347.89		
9353D03931205	Intermedia Communications, Inc.	\$0.21	\$0.21	\$0.00	1003601417	12/28/2002
9353D04321205	Qwest Communications	\$665.49	\$665.49	\$0.00	4030674	12/23/2002
9353D04401205	WorldCom Technologies, Inc.	\$6.21	\$6.21	\$0.00	1003601417	12/28/2002
9353D04441205	Global Crossing Telecommunications, Inc.	\$1,089.69	\$1,089.69	\$0.00	6044504	12/23/2002
9353D04571205	Telco Communications Group dba Dial & Save (Excel Comms)	\$22.68	\$22.68	\$0.00	6506503	12/27/2002
9353D05021205	Worldexchange Corp.	\$1.75		\$1.75		
9353D05121205	TCG	\$0.54		\$0.54		
9353D05551205	WorldCom, Inc.	\$506.86	\$506.86	\$0.00	1003601417	12/28/2002
9353D05741205	U.S. Connect Corp.	\$0.00		\$0.00		
9353D07521205	Excel Telecommunications, Inc.	\$8.29	\$8.29	\$0.00	6506503	12/27/2002
9353D07641205	Network Plus	\$0.00		\$0.00		
9353D08111205	VarTec Telecom, Inc.	\$21.97	\$21.97	\$0.00	6506503	12/27/2002
9353D08331205	Business Telecom, Inc. (BTI)	\$15.26		\$15.26		
9353D08341205	Worldxchange Corp.	\$0.68		\$0.68		
9353D08721205	Sprint	\$0.00		\$0.00		
9353D08801205	One Call Communications	\$0.80		\$0.80		
9353D09461205	RSL COM U.S.A., Inc.	\$0.00		\$0.00		
9353D09481205	Broadwing Communications Services Inc.	\$18.93		\$18.93		
9353D09621205	Gulf Long Distance, Inc.	\$3.40		\$3.40		
9353D50461205	Sprint Metropolitan Network, Inc.	\$11.78	\$11.07	\$0.71	7028187	12/30/2002
9353D50481205	e.spire Communications, Inc.	\$7.20		\$7.20		
9353D51021205	Williams Communications LLC D36	\$44.77	\$44.77	\$0.00	52452	12/23/2002
9353D51191205	XO Communications, Inc.	\$77.77	\$77.77	\$0.00	2000231985	12/30/2002

9353D51241205	BellSouth Telecommunications, Inc.	\$15.25		\$15.25	
9353D51351205	Broadwing Communications Services Inc.	\$9.86		\$9.86	
9353D51581205	Williams Communications LLC	\$125.57	\$125.57	\$0.00	52452 12/23/2002
9353D52301205	US LEC of North Carolina, L.L.C.	\$153.94		\$153.94	
9353D52311205	US LEC of North Carolina, L.L.C.	\$3.70		\$3.70	
9353D52531205	ALLTEL Communications, Inc.	\$64.57	\$64.57	\$0.00	1478037 12/27/2002
9353D53661205	Florida Digital Network	\$56.06		\$56.06	
9353D53741205	Business Telecom, Inc. (BTI)	\$7.04		\$7.04	
9353D53931205	Intermedia Communications Inc.	\$12.88	\$12.88	\$0.00	1003601416 12/28/2002
9353D53961205	Florida Consolidated Multimedia Services, Inc.	\$3.96		\$3.96	
9353D54961205	State Communications Inc.	\$2.54		\$2.54	
9353D56071205	Allegiance Telecom, Inc.	\$5.44		\$5.44	
9353D56421205	Mpower Communications	\$39.37		\$39.37	
9353D56651205	DSL Internet Corporation	\$1.08		\$1.08	
9353D57031205	KMC Telecom, Inc.	\$89.78		\$89.78	
9353D57221205	Southwestern Bell Comms. Svcs. Inc. dba Southwestern Bell LD	\$0.25	\$0.25	\$0.00	53336 12/27/2002
9353D58301205	Genesis Communications Int'l, Inc.	\$0.00		\$0.00	
9353D58921205	Time Warner	\$42.40		\$42.40	
9353D62331205	ITC DeltaCom Communications, Inc.	\$12.20		\$12.20	
9353D62841205	Knology Holdings, Inc.	\$62.85		\$62.85	
9353D63401205	PaeTec Communications Inc.	\$17.20		\$17.20	
9353D63411205	PaeTec Communications, Inc.	\$45.16		\$45.16	
9353D63621205	Focal Communications Corp.	\$30.90		\$30.90	
9353D64371205	IDS Long Distance, Inc.	\$13.51		\$13.51	
9353D64841205	Adelphia Business Solutions	\$13.49		\$13.49	
9353D66721205	NewSouth Communications, L.L.C.	\$14.97		\$14.97	
9353D67461205	The Phone Company	\$1.04		\$1.04	
9353D69531205	NYNEX Long Distance Co. dba Verizon Enterprise Solutions	\$51.88	\$51.88	\$0.00	18051 12/31/2002
9353D69961205	Orlando Telephone Company Inc.	\$3.79		\$3.79	
Total		\$8,889.93	\$5,231.25	\$3,658.68	
				\$0.00	
Mississippi				\$0.00	
9292D08851205	Communigroup, Inc.	\$0.00		\$0.00	
9292D50621205	XCOM Technologies (Level 3)	\$1.60		\$1.60	
9292B53051205	Lightwave Communications, LLC	\$0.22		\$0.22	

9292D00361205	Intermedia Communications, Inc.	\$2.27	\$2.27	\$0.00	1003601417	12/28/2002
9292D00401205	Qwest Communications	\$87.96	\$87.96	\$0.00	4030674	12/23/2002
9292D00451205	East Florida Communications	\$0.00		\$0.00		
9292D01871205	BellSouth Long Distance	\$1,190.49	\$1,190.49	\$0.00	7115669	12/30/2002
9292D02111205	Frontier Communications I'ntl. Inc.	\$1.26	\$1.26	\$0.00	6044762	12/23/2002
9292D02201205	Telecom*USA (MCIWorldCom)	\$48.50	\$48.50	\$0.00	1003601417	12/28/2002
9292D02221205	MCIWorldCom	\$23,145.32	\$23,145.32	\$0.00	1003601417	12/28/2002
9292D02231205	Cable and Wireless Communications, Inc.	\$121.39		\$121.39		
9292D02331205	ITC DeltaCom Communications, Inc.	\$839.26		\$839.26		
9292D02881205	AT&T Communications	\$35,480.52		\$35,480.52		
9292D02971205	Long Distance Wholesale Club (Excel Communications)	\$79.96	\$79.96	\$0.00	6506503	12/27/2002
9292D03211205	Telecom*USA (MCIWorldCom)	\$0.03	\$0.03	\$0.00	1003601417	12/28/2002
9292D03331205	Sprint	\$15,904.72	\$15,904.72	\$0.00	6987045	12/30/2002
9292D03771205	BellSouth Long Distance	\$2,647.93	\$2,647.93	\$0.00	71156969	12/30/2002
9292D04321205	Qwest Communications	\$8,818.91	\$8,818.91	\$0.00	4030674	12/23/2002
9292D04401205	WorldCom Technologies, Inc.	\$38.59		\$38.59		
9292D04441205	Global Crossing Telecommunications, Inc.	\$21,749.47		\$21,749.47		
9292D04571205	Telco Communications Group dba Dial & Save (Excel Comms)	\$378.96		\$378.96		
9292D05021205	WorldXchange Corp.	\$1.70		\$1.70		
9292D05551205	WorldCom, Inc.	\$9,238.07	\$9,238.07	\$0.00	1003601417	12/28/2002
9292D05691205	Global Crossing Bandwidth, Inc.	\$0.21		\$0.21		
9292D06231205	National Teleservice	\$24.16		\$24.16		
9292D06361205	VarTec Telecom dba Clear Choice Communications	\$1,115.99	\$1,115.99	\$0.00	6506503	12/27/2002
9292D06871205	NTS Communications, Inc.	\$0.00		\$0.00		
9292D07521205	Excel Telecommunications, Inc.	\$1,125.05	\$1,125.05	\$0.00	6506503	12/27/2002
9292D08111205	VarTec Telecom, Inc.	\$0.00		\$0.00		
9292D08331205	Business Telecom, Inc. (BTI)	\$165.07		\$165.07		
9292D08801205	One Call Communications	\$23.38		\$23.38		
9292D08851205	Communigroup, Inc.	\$852.10		\$852.10		
9292D09461205	RSL COM U.S.A., Inc.	\$0.00		\$0.00		
9292D09481205	Broadwing Communications Services Inc.	\$351.32		\$351.32		
9292D09621205	Gulf Long Distance, Inc.	\$4.92		\$4.92		
9292D09871205	Telecom*USA (MCIWorldCom)	\$0.00		\$0.00		
9292D09881205	AT&T EasyLink Services	\$0.00		\$0.00		
9292D15551205	Mezco, LLC - MA	\$0.94		\$0.94		

9292D50381205	Cellular XL Associates, LP	\$0.00		\$0.00		
9292D50561205	Cellular XL Associates, LP	\$92.64		\$92.64		
9292D51021205	Williams Communications LLC D36	\$851.74	\$851.74	\$0.00	53336	12/27/2002
9292D51151205	Brooks Fiber Communications [WorldCom]	\$166.90		\$166.90		
9292D51191205	XO Communications, Inc.	\$342.67	\$342.67	\$0.00	200231985	12/30/2002
9292D51241205	BellSouth Telecommunications, Inc.	\$2,514.40		\$2,514.40		
9292D51351205	Broadwing Communications Services Inc.	\$142.34		\$142.34		
9292D51581205	Williams Communications LLC	\$3,132.13		\$3,132.13		
9292D52301205	US LEC of North Carolina, L.L.C.	\$25.76		\$25.76		
9292D52531205	ALLTEL Wholesale Expense Verification	\$0.00		\$0.00		
9292D53491205	Dixie Net Communications, LLC	\$0.08		\$0.08		
9292D55221205	Telapex Long Distance, Inc.	\$0.00		\$0.00		
9292D57031205	KMC Telecom, Inc.	\$113.94		\$113.94		
9292D57221205	Southwestern Bell Comms. Svcs. Inc. dba Southwestern Bell LD	\$43.58	\$43.58	\$0.00	53336	12/27/2002
9292D58921205	Time Warner	\$0.00		\$0.00		
9292D62331205	ITC DeltaCom Communications, Inc.	\$642.94	\$642.94	\$0.00	214741	12/23/2002
9292D62471205	West Wisconsin Communication Systems, Inc.	\$0.06		\$0.06		
9292S62621205	Madison River Communications	\$10.31		\$10.31		
9292D64841205	Adelphia Business Solutions	\$510.17		\$510.17		
9292D66721205	NewSouth Communications, L.L.C.	\$186.62		\$186.62		
9292D66841205	Network Telephone	\$59.84		\$59.84		
9292D67461205	The Phone Company	\$1.60		\$1.60		
9292D69711205	GulfPines Communications, LLC	\$3.24		\$3.24		
Total		<u>\$132,281.23</u>	<u>\$65,287.39</u>	\$66,993.84		
				\$0.00		
				\$0.00		
GRAND TOTAL		<u>\$183,174.89</u>	<u>\$95,286.38</u>	\$87,888.51		

10/30/2002 CABs Over 60

<u>BAN</u>	<u>Carrier</u>	<u>Total</u>	<u>Paid</u>	<u>Check#</u>	<u>Date</u>
Louisiana					
9316D00361030	Intermedia Communications, Inc.	\$8.26			
9316D00851030	WesTel, Inc.	\$0.55			
9316D01471030	Data and Electronic Services, Inc.	\$0.00			
9316D01871030	BellSouth Long Distance	\$290.88	\$290.88	7112157	11/27/02
9316D02201030	Telecom*USA (MCIWorldCom)	\$29.23			
9316D02221030	MCI Worldcom	\$2,704.05			
9316D02231030	Cable and Wireless Communications, Inc.	\$41.37	\$41.37	40018462	11/25/02
9316D02331030	ITC Deltacom Communications, Inc.	\$208.26			
9316D02881030	AT&T Communiactions	\$4,840.44			
9316D03331030	Sprint	\$2,076.38	\$2,076.38	6848448	11/21/02
9316D03771030	BellSouth Long Distance	\$251.28	\$251.28	7112157	11/27/02
9316D03891030	EATELNET	\$53.85	\$31.08	6018745	12/02/02
9316D03931030	Intermedia Communications, Inc.	\$0.39			
9316D04321030	Qwest Communications	\$1,002.30	\$1,002.30	4029687	12/02/02
9316D04441030	Global Crossings Communications	\$2,317.83	\$2,317.83	6039267	11/18/02
9316D04571030	Telco Communications Group dba Dial & Save (Excel Comms)	\$18.52	\$18.52	6504363	11/22/02
9316D05501030	WorldCom, Inc.	\$41.12	\$41.12	100358288	12/03/02
9316D05551030	WorldCom, Inc.	\$1,233.40			
9316D06361030	VarTec Telecom dba Clear Choice Communications	\$1.78	\$1.78	6505215	12/05/02
9316D06871030	NTS Communications, Inc.	\$0.29	\$0.29	90440	11/21/02
9316D06901030	Qwest Communications	\$0.00			
9316D07521030	Excel Communications	\$219.72	\$219.72	6504363	11/22/02
9316D07951030	CapRock Telemanagement	\$4.89	\$4.89	682668	11/18/02
9316D08111030	VarTec Telecom, Inc.	\$241.07	\$241.07	6504590	11/25/02
9316D08331030	Business Telecom, Inc. (BTI)	\$25.37	\$25.67	360330	12/02/02
9316D08801030	One Call Communications	\$2.45	\$2.45	110426	12/04/02
9316D08851030	Communigroup, Inc.	\$45.61			
9316D09141030	Century Telecommunications, Inc.	\$13.29			
9316D09481030	Broadwing Communications Services, Inc.	\$72.40			
9316D09881030	AT&T EasyLink Services	\$0.00			

9316D50481030	e.spire Communications, Inc.	\$2.96			
9316D51021030	Williams Communications LLC D36	\$150.66	\$150.66	48211	11/25/02
9316D51191030	XO Communications, Inc.	\$19.72	\$19.72	2000230550	12/11/02
9316D51241030	BellSouth Telecommunications, Inc.	\$146.90			
9316D51551030	Xspedius Corp.	\$26.30	\$2.34	16318	12/24/02
9316D51581030	Williams Communications LLC	\$660.13	\$660.13	53336	12/27/02
9316D51891030	Stratos Telecom, Inc.	\$6.53	\$1.47	903598	12/11/02
9316D52301030	US LEC of North Carolina, L.L.C.	\$16.78			
9316D52691030	CoxCom, Inc.	\$300.57			
9316D53891030	Advanced Tel, Inc.	\$11.98	\$4.68	6018745	12/02/02
9316D53931030	Intermedia Communications, Inc.	\$15.00	\$15.00	1003558288	12/03/02
9316D54951030	IWL Communications dba IWL Connect	\$0.03			
9316D56821030	Rig Telephones, Inc. dba Datacom	\$2.63			
9316D57031030	KMC Telecom, Inc.	\$120.82			
9316D57221030	Southwestern Bell Comms. Svcs. Inc. dba Southwestern Bell LD	\$4.82	\$4.82	48211	11/25/02
9316D62331030	ITC Deltacom Communications, Inc.	\$33.84			
9316D62471030	West Wisconsin Communication Systems, Inc.	\$1.57			
9316D62621030	Americam MetroComm Corporation	\$31.31	\$63.14	127/83	11/18/02
9316D64841030	Adelphia Business Solutions	\$16.34	\$16.34	77246	12/12/02
9316D66721030	NewSouth Communications, L.L.C.	\$125.69			
9316D66841030	Network Telephone	\$7.67			
9316D67461030	The Phone Company	\$8.27	\$8.27	45182	12/16/02
Total		\$17,455.50	\$7,513.20		

Georgia

3788D00031030	Frontier Communication Int'l, Inc.	\$0.00			
3788D00581030	Global Crossing Local Services, Inc.	\$52.14			
3788D00701030	Qwest Communications	\$16.53	\$16.53	4029687	12/02/02
3788D00711030	Broadwing Communications, Inc.	\$0.00			
3788D00811030	Covista, Inc.	\$1.70			
3788D01261030	SBC Telecom, Inc.	\$0.00			
3788D01831030	MCI Metro (MCIWorldCom)	\$75.90	\$75.90	1003558288	12/03/02
3788D01871030	BellSouth Long Distance	\$289.77	\$289.77	7112157	11/27/02
3788D02201030	Telecom*USA (MCIWorldCom)	\$17.18			
3788D02221030	MCI WorldCom	\$4,161.74			

3788D02231030	Cable and Wireless Communications, Inc.	\$43.09	\$43.09	40018462	11/25/02
3788D02331030	ITC DeltaCom Communications, Inc.	\$146.77			
3788D02881030	AT& T Communications	\$6,354.58			
3788D02921030	Teleport Communications Group, Inc. (Subsidiary of AT&T)	\$242.26			
3788D03211030	WorldCom	\$2.25			
3788D03331030	Sprint	\$3,157.71	\$3,157.71	6870392	11/25/02
3788D03451030	Lucky Dog Phone Company	\$0.00			
3788D03771030	BellSouth Long Distance	\$586.18	\$586.18	7112157	11/27/02
3788D03861030	MediaOne, Inc.	\$11.75	\$11.75	11067460	12/02/02
3788D03931030	Intermedia Communications, Inc.	\$4.74			
3788D04321030	Qwest Communications	\$2,296.82	\$2,296.82	4029687	12/02/02
3788D04401030	WorldCom Technologies, Inc.	\$25.94	\$25.94	1003558288	12/03/02
3788D04441030	Global Crossing Telecommunications, Inc.	\$4,882.23	\$4,882.23	6038997	11/18/02
3788D04571030	Telco Communications Group dba Dial & Save (Excel Comms)	\$77.26	\$77.26	6504363	11/22/02
3788D05021030	WorldXchange Corp.	\$2.24			
3788D05551030	WorldCom, Inc.	\$2,613.00			
3788D05991030	IntelCom Group, Inc.	\$17.77	\$17.77	648241	11/18/02
3788D06141030	Broadwing Telecommunications, Inc.	\$14.94			
3788D06361030	VarTec Telecom dba Clear Choice Communications	\$53.89			
3788D07521030	Excel Telecommunications, Inc.	\$0.00			
3788D07641030	Network Plus	\$0.00			
3788D07821030	ILD Telecommunications, Inc.	\$0.00			
3788D08071030	South Carolina Network, Inc.	\$5.18	\$5.18	22849	11/19/02
3788D08111030	VarTec Telecom, Inc.	\$92.15			
3788D08331030	Business Telecom, Inc. (BTI)	\$70.25	\$70.25	360330	12/02/02
3788D08801030	One Call Communications	\$6.17	\$6.17	110426	12/04/02
3788D09461030	RSL COM U.S.A., Inc.	\$0.58	\$0.58	88550	12/06/02
3788D09481030	Broadwing Communications Services Inc.	\$36.69			
3788D50481030	e.spire Communications, Inc.	\$0.44			
3788D51021030	Williams Communications LLC D36	\$86.22	\$86.22	48211	11/25/02
3788D51191030	XO Communications, Inc.	\$252.72	\$252.72	2000230550	12/11/02
3788D51241030	BellSouth Telecommunications, Inc.	\$123.57			
3788D51351030	Broadwing Communications Services Inc.	\$28.57			
3788D51531030	ALLTEL Communications, Inc.	\$91.91	\$91.91	1461507	12/02/02
3788D51581030	Williams Communications LLC	\$386.53	\$386.53	53336	12/27/02

3788D51751030	WinStar	\$22.35			
3788D52301030	US LEC of North Carolina, L.L.C.	\$318.71			
3788D52531030	ALLTEL Communications, Inc.	\$240.76	\$240.76	1453221	11/21/02
3788D53741030	Business Telecom, Inc. (BTI)	\$58.62			
3788D53931030	Intermedia Communications Inc.	\$32.88	\$32.88	1003558288	12/03/02
3788D54961030	State Communications Inc.	\$31.36			
3788D56071030	Allégiance Telecom, Inc.	\$66.46			
3788D56421030	Mpower Communications	\$158.61			
3788D57031030	KMC Telecom, Inc.	\$45.18			
3788D57221030	Southwestern Bell Comms. Svcs. Inc. dba Southwestern Bell LD	\$2.84	\$2.84	48211	11/25/02
3788D58771030	U.S. South Communications, Inc.	\$34.57			
3788D58921030	Time Warner	\$1.04			
3788D59541030	Cbeyond Communications, LLC	\$0.00			
3788D59761030	Concord Telephone Company (CTC)	\$0.46			
3788D62331030	ITC DeltaCom Communications, Inc.	\$155.85			
3788D62841030	Knology Holdings, Inc.	\$215.31			
3788D63621030	Focal Communications Corp.	\$334.61			
3788D63831030	LecStar Telecom, Inc.	\$0.00			
3788D64841030	Adelphia Business Solutions	\$9.78	\$9.78	77246	12/12/02
3788D64851030	Globe Telecommunications, Inc.	\$0.00			
3788D66721030	NewSouth Communications, L.L.C.	\$96.83			
3788D66841030	Network Telephone	\$4.26			
3788D67461030	The Phone Company	\$7.79	\$7.79	45182	12/16/02
3788D68681030	PT-1 Communications, Inc.	\$0.00			
3788D90001030	Hamilton Telephone Co.	\$2,097.11			
Total		\$30,264.74	\$12,674.56		

Florida

9353D00181030	Sprint Local Telecommunications Division	\$17.21			
9353D00561030	Qwest Communications	\$1.27	\$1.27	4029687	12/02/02
9353D00581030	Global Crossing Local Services, Inc.	\$3.72			
9353D01261030	SBC Telecom, Inc.	\$0.00			
9353D01471030	Data and Electronic Services, Inc.	\$0.24			
9353D01831030	MCI Metro (MCIWorldCom)	\$7.75	\$7.75	1003558288	12/03/02
9353D01871030	BellSouth Long Distance	\$190.23	\$190.23	7112157	11/27/02

9353D02111030	Frontier Communications Intl, Inc.	\$5.33	\$5.33	6040025	11/19/02
9353D02201030	Telecom*USA (MCIWorldCom)	\$2.81			
9353D02221030	MCIWorldCom	\$1,626.47			
9353D02231030	Cable and Wireless Communications, Inc.	\$11.88	\$11.88	40018462	11/25/02
9353D02331030	ITC DeltaCom Communications, Inc.	\$53.37			
9353D02881030	AT&T Communications	\$2,867.50			
9353D02921030	Teleport Communications Group, Inc. (subsidiary of AT&T)	\$131.27			
9353S02971030	Excel Telecommunications, Inc.	\$0.07	\$0.07	6504363	11/22/02
9353D03331030	Sprint	\$1,278.93	\$1,278.93	6848450	11/21/02
9353D03771030	BellSouth Long Distance	\$16.16	\$16.16	7112157	11/27/02
9353D03861030	MediaOne, Inc.	\$396.34			
9353D03931030	Intermedia Communications, Inc.	\$16.35			
9353D04321030	Qwest Communications	\$870.60	\$870.60	4029687	12/02/02
9353D04401030	WorldCom Technologies, Inc.	\$3.69	\$3.69	1003558288	12/03/02
9353D04441030	Global Crossing Telecommunications, Inc.	\$1,250.74	\$1,250.74	6039267	11/18/02
9353D04571030	Telco Communications Group dba Dial & Save (Excel Comms)	\$14.67	\$14.67	6504363	11/22/02
9353D05021030	Worldexchange Corp.	\$8.43			
9353D05121030	TCG	\$0.83			
9353D05551030	WorldCom, Inc.	\$589.19			
9353D05741030	U.S. Connect Corp.	\$0.00			
9353D07521030	Excel Telecommunications, Inc.	\$18.52	\$18.52	6504363	11/22/02
9353D07641030	Network Plus	\$0.00			
9353D08111030	VarTec Telecom, Inc.	\$24.99	\$24.99	6504590	11/25/02
9353D08331030	Business Telecom, Inc. (BTI)	\$27.44	\$27.44	360330	12/02/02
9353D08341030	Worldxchange Corp.	\$4.16			
9353D08721030	Sprint	\$0.21	\$0.21	6848507	11/21/02
9353D08801030	One Call Communications	\$1.29	\$1.29	110426	12/04/02
9353D09461030	RSL COM U.S.A., Inc.	\$0.23	\$0.23	88550	12/06/02
9353D09481030	Broadwing Communications Services Inc.	\$38.23			
9353D09621030	Gulf Long Distance, Inc.	\$7.77			
9353D50461030	Sprint Metropolitan Network, Inc.	\$31.36	\$29.48	6903353	12/02/02
9353D50481030	e.spire Communications, Inc.	\$6.62			
9353D51021030	Williams Communications LLC D36	\$47.47	\$47.47	48211	11/25/02
9353D51191030	XO Communications, Inc.	\$65.44	\$65.44	2000230550	12/11/02
9353D51241030	BellSouth Telecommunications, Inc.	\$17.49			

9353D51351030	Broadwing Communications Services Inc.	\$15.97			
9353D51581030	Williams Communications LLC	\$141.65	\$141.65	48211	11/25/02
9353D52301030	US LEC of North Carolina, L.L.C.	\$182.89			
9353D52311030	US LEC of North Carolina, L.L.C.	\$17.60			
9353D52531030	ALLTEL Communications, Inc.	\$77.76	\$77.76	1453221	11/21/02
9353D53661030	Florida Digital Network	\$71.92			
9353D53741030	Business Telecom, Inc. (BTI)	\$7.56			
9353D53931030	Intermedia Communications Inc.	\$12.20	\$12.20	1003558288	12/03/02
9353D53961030	Florida Consolidated Multimedia Services, Inc.	\$1.80			
9353D54961030	State Communications Inc.	\$4.61			
9353D56071030	Allegiance Telecom, Inc.	\$5.73			
9353D56421030	Mpower Communications	\$33.36			
9353D57031030	KMC Telecom, Inc.	\$151.39			
9353D57221030	Southwestern Bell Comms. Svcs. Inc. dba Southwestern Bell LD	\$2.10	\$2.10	48211	11/25/02
9353D58301030	Genesis Communications Int'l, Inc.	\$0.00			
9353D58921030	Time Warner	\$49.51			
9353D62331030	ITC DeltaCom Communications, Inc.	\$14.88			
9353D62841030	Knology Holdings, Inc.	\$60.79			
9353D63401030	PaeTec Communications Inc.	\$17.13			
9353D63411030	PaeTec Communications, Inc.	\$45.90			
9353D63621030	Focal Communications Corp.	\$33.70			
9353D64371030	IDS Long Distance, Inc.	\$12.32			
9353D64841030	Adelphia Business Solutions	\$59.25	\$59.25	77246	12/12/02
9353D66721030	NewSouth Communications, L.L.C.	\$26.43			
9353D67461030	The Phone Company	\$2.28	\$2.28	45182	12/16/02
9353D69531030	NYNEX Long Distance Co. dba Verizon Enterprise Solutions	\$42.20	\$42.20	17616	12/10/02
9353D69961030	Orlando Telephone Company Inc.	\$5.77			
Total		\$10,752.97	\$4,203.83		

Mississippi

9292D08851030	Communigroup, Inc.	\$0.00			
9292D50621030	XCOM Technologies (Level 3)	\$2.88	\$2.88	2-06866334/9	11/27/02
9292B53051030	Lightwave Communications, LLC	\$0.25			
9292D00361030	Intermedia Communications, Inc.	\$8.95			
9292D00401030	Qwest Communications	\$155.11	\$155.11	4029687	12/02/02

9292D00451030	East Florida Communications	\$0.00			
9292D01871030	BellSouth Long Distance	\$1,274.52	\$1,274.52	7112157	11/27/02
9292D02111030	Frontier Communications Intl. Inc.	\$1.73	\$1.73	6040025	11/19/02
9292D02201030	Telecom*USA (MCIWorldCom)	\$132.02			
9292D02221030	MCIWorldCom	\$27,771.16			
9292D02231030	Cable and Wireless Communications, Inc.	\$259.94	\$259.94	40018462	11/25/02
9292D02331030	ITC DeltaCom Communications, Inc.	\$1,265.86			
9292D02881030	AT&T Communications	\$47,817.60			
9292D02971030	Long Distance Wholesale Club (Excel Communications)	\$73.41	\$73.41	6504363	11/22/02
9292D03211030	Telecom*USA (MCIWorldCom)	\$0.08			
9292D03331030	Sprint	\$20,662.63	\$20,662.63	6870390	11/25/02
9292D03771030	BellSouth Long Distance	\$3,504.53	\$3,504.53	7112157	11/27/02
9292D04321030	Qwest Communications	\$12,744.39	\$12,744.39	4029687	12/02/02
9292D04401030	WorldCom Technologies, Inc.	\$42.82	\$42.82	1003558288	12/03/02
9292D04441030	Global Crossing Telecommunications, Inc.	\$30,612.34	\$30,612.34	6040281	11/22/02
9292D04571030	Telco Communications Group dba Dial & Save (Excel Comms)	\$242.31	\$242.31	6504363	11/22/02
9292D05021030	WorldXchange Corp.	\$2.69			
9292D05551030	WorldCom, Inc.	\$13,665.81			
9292D05691030	Global Crossing Bandwidth, Inc.	\$0.14	\$0.14	6044504	12/23/02
9292D06361030	VarTec Telecom dba Clear Choice Communications	\$0.00			
9292D06871030	NTS Communications, Inc.	\$0.00			
9292D07521030	Excel Telecommunications, Inc.	\$1,603.67	\$1,603.67	6504363	11/22/02
9292D08111030	VarTec Telecom, Inc.	\$1,375.75	\$1,375.75	6504590	11/25/02
9292D08331030	Business Telecom, Inc. (BTI)	\$224.59	\$224.59	360330	12/02/02
9292D08801030	One Call Communications	\$51.63	\$51.63	110426	12/04/02
9292D08851030	Communigroup, Inc.	\$1,169.75			
9292D09461030	RSL COM U.S.A., Inc.	\$1.49	\$1.49	88550	12/06/02
9292D09481030	Broadwing Communications Services Inc.	\$291.17			
9292D09621030	Gulf Long Distance, Inc.	\$7.02	\$7.02	11798	12/06/02
9292D09871030	Telecom*USA (MCIWorldCom)	\$2.98			
9292D09881030	AT&T EasyLink Services	\$0.00			
9292D15551030	Mezco, LLC - MA	\$0.74			
9292D50381030	Cellular XL Associates, LP	\$0.00			
9292D50561030	Cellular XL Associates, LP	\$116.25			
9292D51021030	Williams Communications LLC D36	\$1,371.85	\$1,097.48	49037	12/02/02

9292D51151030	Brooks Fiber Communications [WorldCom]	\$201.78	\$201.78	1003579712	12/23/02
9292D51191030	XO Communications, Inc.	\$430.68	\$430.68	2000230550	12/11/02
9292D51241030	BellSouth Telecommunications, Inc.	\$3,443.91			
9292D51351030	Broadwing Communications Services Inc.	\$210.30			
9292D51581030	Williams Communications LLC	\$4,191.30	\$3,353.04	49037	12/02/02
9292D52301030	US LEC of North Carolina, L.L.C.	\$18.00			
9292D52531030	ALLTEL Wholesale Expense Verification	\$0.00			
9292D53491030	Dixie Net Communications, LLC	\$0.88			
9292D55221030	Telapex Long Distance, Inc.	\$55.93			
9292D57031030	KMC Telecom, Inc.	\$116.62			
9292D57221030	Southwestern Bell Comms. Svcs. Inc. dba Southwestern Bell LD	\$27.79	\$27.79	48211	11/25/02
9292D58921030	Time Warner	\$0.02			
9292D62331030	ITC DeltaCom Communications, Inc.	\$864.01			
9292D62471030	West Wisconsin Communication Systems, Inc.	\$0.33			
9292S62621030	Madison River Communications	\$9.90			
9292D64841030	Adelphia Business Solutions	\$587.44	\$587.44	77246	12/12/02
9292D66721030	NewSouth Communications, L.L.C.	\$245.39			
9292D66841030	Network Telephone	\$19.17			
9292D69711030	GulfPines Communications, LLC	\$2.22	\$2.22	11573	12/23/02
Total		<u>\$176,883.73</u>	<u>\$78,541.33</u>		

GRAND TOTAL

\$235,356.94 \$102,932.92

9/27/2002 CABs Over 90

<u>BAN</u>	<u>Carrier</u>	<u>Total</u>	<u>Paid</u>	<u>Check#</u>	<u>Date</u>
Louisiana					
9316D00360927	Intermedia Communications, Inc.	\$11.70	\$11.70	1003519821	10/28/2002
9316D00850927	WesTel, Inc.	\$0.14			
9316D01470927	Data and Electronic Services, Inc.	\$0.00			
9316D01870927	BellSouth Long Distance	\$182.80	\$182.80	7110610	11/13/2002
9316D02200927	Telecom*USA (MCIWorldCom)	\$30.93	\$30.93	1003519821	10/28/2002
9316D02220927	MCI Worldcom	\$1,447.83	\$1,447.83	1003519821	10/28/2002
9316D02230927	Cable and Wireless Communications, Inc.	\$36.93	\$36.93	40014555	10/17/2002
9316D02330927	ITC Deltacom Communications, Inc.	\$133.54			
9316D02880927	AT&T Communiactions	\$3,014.66			
9316D03330927	Sprint	\$1,428.71	\$1,428.71	6705008	10/21/2002
9316D03770927	BellSouth Long Distance	\$161.14	\$161.14	7108910	10/29/2002
9316D03890927	EATELNET	\$30.65	\$16.81	6018421	10/28/2002
9316D03930927	Intermedia Communications, Inc.	\$1.10	\$1.10	1003519821	10/28/2002
9316D04320927	Qwest Communications	\$672.64	\$672.64	4027375	10/21/2002
9316D04440927	Global Crossings Communications	\$1,661.10	\$1,661.10	6034492	10/15/2002
9316D04570927	Telco Communications Group dba Dial & Save (Excel Comms)	\$15.23	\$15.23	6502626	10/24/2002
9316D05500927	WorldCom, Inc.	\$24.88	\$24.88	1003519821	10/28/2002
9316D05550927	WorldCom, Inc.	\$797.60	\$797.60	1003519821	10/28/2002
9316D06360927	VarTec Telecom dba Clear Choice Communications	\$1.31	\$1.31	6502626	10/24/2002
9316D06870927	NTS Communications, Inc.	\$0.32	\$0.32	90440	11/21/2002
9316D06900927	Qwest Communications	\$0.00			
9316D07520927	Excel Communications	\$82.44	\$82.44	6502626	10/24/2002
9316D07950927	CapRock Telemanagement	\$3.40	\$3.40	672871	10/18/2002
9316D08110927	VarTec Telecom, Inc.	\$166.68	\$166.68	6502626	10/24/2002
9316D08330927	Business Telecom, Inc. (BTI)	\$18.42	\$18.42	357922	11/4/2002
9316D08800927	One Call Communications	\$0.33	\$0.33	109546	11/8/2002
9316D08850927	Communigroup, Inc.	\$27.71			
9316D09140927	Century Telecommunications, Inc.	\$4.71			
9316D09480927	Broadwing Communications Services, Inc.	\$33.31			
9316D09880927	AT&T EasyLink Services	\$0.00			

9316D50480927	e.spire Communications, Inc.	\$2.24			
9316D51020927	Williams Communications LLC D36	\$140.55	\$140.55	42696	10/25/2002
9316D51190927	XO Communications, Inc.	\$8.71	\$8.71	2000225704	10/31/2002
9316D51240927	BellSouth Telecommunications, Inc.	\$62.84			
9316D51550927	Xspedius Corp.	\$23.79	\$1.56	15227	11/4/2002
9316D51580927	Williams Communications LLC	\$488.27	\$488.27	50259	12/12/2002
9316D51890927	Stratos Telecom, Inc.	\$23.66	\$25.44	903388	11/8/2002
9316D52300927	US LEC of North Carolina, L.L.C.	\$11.74			
9316D52690927	CoxCom, Inc.	\$160.50			
9316D53890927	Advanced Tel, Inc.	\$4.12	\$1.45	6018421	10/28/2002
9316D53930927	Intermedia Communications, Inc.	\$1.41	\$1.41	1003519821	10/28/2002
9316D54950927	IWL Communications dba IWL Connect	\$0.05			
9316D56820927	Rig Telephones, Inc. dba Datacom	\$0.86	\$0.07	903388	11/8/2002
9316D57030927	KMC Telecom, Inc.	\$76.87			
9316D57220927	Southwestern Bell Comms. Svcs. Inc. dba Southwestern Bell LD	\$2.01	\$2.01	42696	10/25/2002
9316D62330927	ITC Deltacom Communications, Inc.	\$22.19			
9316D62470927	West Wisconsin Communication Systems, Inc.	\$1.06			
9316D62620927	American MetroComm Corporation	\$34.26			
9316D64840927	Adelphia Business Solutions	\$16.40	\$16.40	75296	11/18/02
9316D66720927	NewSouth Communications, L.L.C.	\$70.78			
9316D66840927	Network Telephone	\$2.16			
9316D67460927	The Phone Company	\$2.54	\$2.54	45182	12/16/02
Total		\$11,147.22	\$7,450.71		

Georgia

3788D00030927	Frontier Communication Int'l, Inc.	\$0.00			
3788D00580927	Global Crossing Local Services, Inc.	\$33.71			
3788D00700927	Qwest Communications	\$4.43	\$4.43	4027375	10/21/02
3788D00710927	Broadwing Communications, Inc.	\$0.00			
3788D00810927	Covista, Inc.	\$0.84			
3788D01260927	SBC Telecom, Inc.	\$0.00			
3788D01830927	MCI Metro (MCIWorldCom)	\$61.74	\$61.74	1003519821	10/28/02
3788D01870927	BellSouth Long Distance	\$208.94			
3788D02200927	Telecom*USA (MCIWorldCom)	\$2.37	\$2.37	1003519821	10/28/02
3788D02220927	-MCI WorldCom	\$2,951.34	\$2,951.34	1003519821	10/28/02

3788D02230927	Cable and Wireless Communications, Inc.	\$34.14	\$34.14	40014555	10/17/02
3788D02330927	ITC DeltaCom Communications, Inc.	\$107.57			
3788D02880927	AT&T Communications	\$4,306.58			
3788D02920927	Teleport Communications Group, Inc. (Subsidiary of AT&T)	\$175.78			
3788D03210927	WorldCom	\$0.02	\$0.02	1003519821	10/28/02
3788D03330927	Sprint	\$2,121.10	\$2,121.10	6705007	10/21/02
3788D03450927	Lucky Dog Phone Company	\$4.79			
3788D03770927	BellSouth Long Distance	\$322.85	\$322.85	7108910	10/29/02
3788D03860927	MediaOne, Inc.	\$3.28			
3788D03930927	Intermedia Communications, Inc.	\$6.19	\$6.19	1003519821	10/28/02
3788D04320927	Qwest Communications	\$1,526.51	\$1,526.51	4027375	10/21/02
3788D04400927	WorldCom Technologies, Inc.	\$16.25	\$16.25	1003519821	10/28/02
3788D04440927	Global Crossing Telecommunications, Inc.	\$2,641.35	\$2,641.35	6034492	10/15/02
3788D04570927	Telco Communications Group dba Dial & Save (Excel Comms)	\$31.18	\$31.18	6502626	10/24/02
3788D05020927	WorldXchange Corp.	\$2.69			
3788D05550927	WorldCom, Inc.	\$2,732.64	\$2,732.64	1003519821	10/28/02
3788D05990927	IntelCom Group, Inc.	\$3.71	\$3.71	645903	10/21/02
3788D06140927	Broadwing Telecommunications, Inc.	\$5.51			
3788D06360927	VarTec Telecom dba Clear Choice Communications	\$0.00			
3788D07520927	Excel Telecommunications, Inc.	\$25.70	\$25.70	6502626	10/24/02
3788D07640927	Network Plus	\$0.00			
3788D07820927	ILD Telecommunications, Inc.	\$0.00			
3788D08070927	South Carolina Network, Inc.	\$0.00			
3788D08110927	VarTec Telecom, Inc.	\$64.63	\$64.63	6502626	10/24/02
3788D08330927	Business Telecom, Inc. (BTI)	\$69.92	\$69.92	357922	11/04/02
3788D08800927	One Call Communications	\$3.74	\$3.74	109546	11/08/02
3788D09460927	RSL COM U.S.A., Inc.	\$0.66	\$0.66	87802	11/04/02
3788D09480927	Broadwing Communications Services Inc.	\$14.69			
3788D50480927	e.spire Communications, Inc.	\$4.73			
3788D51020927	Williams Communications LLC D36	\$31.97	\$31.97	42696	10/25/02
3788D51190927	XO Communications, Inc.	\$141.08	\$141.08	2000223779	10/18/02
3788D51240927	BellSouth Telecommunications, Inc.	\$72.71			
3788D51350927	Broadwing Communications Services Inc.	\$19.76			
3788D51530927	ALLTEL Communications, Inc.	\$40.38	\$40.38	1434624	10/25/02
3788D51580927	Williams Communications LLC	\$244.63	\$195.70	51623	12/16/02

3788D51750927	WinStar	\$4.39			
3788D52300927	US LEC of North Carolina, L.L.C.	\$201.89			
3788D52530927	ALLTEL Communications, Inc.	\$167.57	\$167.57	1434624	10/25/02
3788D53740927	Business Telecom, Inc. (BTI)	\$30.15			
3788D53930927	Intermedia Communications Inc.	\$24.95	\$24.95	1003519821	10/28/02
3788D54960927	State Communications Inc.	\$24.68	\$0.74	66620	12/09/02
3788D56070927	Allegiance Telecom, Inc.	\$41.79			
3788D56420927	Mpower Communications	\$125.08			
3788D57030927	KMC Telecom, Inc.	\$32.16			
3788D57220927	Southwestern Bell Comms. Svcs. Inc. dba Southwestern Bell LD	\$3.80	\$3.80	42696	10/25/02
3788D58770927	U.S. South Communications, Inc.	\$14.43	\$14.43	8424	11/05/02
3788D58920927	Time Warner	\$0.67			
3788D59540927	Cbeyond Communications, LLC	\$0.00			
3788D59760927	Concord Telephone Company (CTC)	\$2.59			
3788D62330927	ITC DeltaCom Communications, Inc.	\$71.34			
3788D62840927	Knology Holdings, Inc.	\$165.06			
3788D63620927	Focal Communications Corp.	\$270.19			
3788D63830927	LecStar Telecom, Inc.	\$0.00			
3788D64840927	Adelphia Business Solutions	\$7.70	\$7.70	75296	11/18/02
3788D64850927	Globe Telecommunications, Inc.	\$0.00			
3788D66720927	NewSouth Communications, L.L.C.	\$99.37			
3788D66840927	Network Telephone	\$2.81			
3788D67460927	The Phone Company	\$8.14	\$8.14	45182	12/16/02
3788D68680927	PT-1 Communications, Inc.	\$0.00			
3788D90000927	Hamilton Telephone Co.	\$1,507.33			
Total		<u>\$20,846.20</u>	<u>\$13,256.93</u>		

Florida

9353D00180927	Sprint Local Telecommunications Division	\$7.99			
9353D00560927	Qwest Communications	\$3.41	\$3.41	4027375	10/21/2002
9353D00580927	Global Crossing Local Services, Inc.	\$2.38			
9353D01260927	SBC Telecom, Inc.	\$0.00			
9353D01470927	Data and Electronic Services, Inc.	\$0.24			
9353D01830927	MCI Metro (MCIWorldCom)	\$6.33	\$6.33	1003519821	10/28/2002
9353D01870927	BellSouth Long Distance	\$238.13			

9353D02110927	Frontier Communications I'ntl, Inc.	\$2.12	\$2.12	6038997	11/18/2002
9353D02200927	Telecom*USA (MCIWorldCom)	\$1.87	\$1.87	1003519821	10/28/2002
9353D02220927	MCIWorldCom	\$1,251.15	\$1,251.15	1003519821	10/28/2002
9353D02230927	Cable and Wireless Communications, Inc.	\$9.86	\$9.86	40015667	10/28/2002
9353D02330927	ITC DeltaCom Communications, Inc.	\$48.14			
9353D02880927	AT&T Communications	\$2,592.77			
9353D02920927	Teleport Communications Group, Inc. (subsidiary of AT&T)	\$43.52			
9353S02970927	Excel Telecommunications, Inc.	\$0.00			
9353D03330927	Sprint	\$1,155.33	\$1,155.33	6705010	10/21/2002
9353D03770927	BellSouth Long Distance	\$22.32			
9353D03860927	MediaOne, Inc.	\$289.98			
9353D03930927	Intermedia Communications, Inc.	\$14.12	\$14.12	1003519821	10/28/2002
9353D04320927	Qwest Communications	\$653.31	\$653.31	4027375	10/21/2002
9353D04400927	WorldCom Technologies, Inc.	\$3.91	\$3.91	1003519821	10/28/2002
9353D04440927	Global Crossing Telecommunications, Inc.	\$1,098.16	\$1,098.16	6034492	10/15/2002
9353D04570927	Telco Communications Group dba Dial & Save (Excel Comms)	\$30.43	\$30.43	6502626	10/24/2002
9353D05020927	Worldexchange Corp.	\$1.17			
9353D05120927	TCG	\$0.95			
9353D05550927	WorldCom, Inc.	\$543.41	\$543.41	1003519821	10/28/2002
9353D05740927	U.S. Connect Corp.	\$0.05			
9353D07520927	Excel Telecommunications, Inc.	\$11.91	\$11.91	6502626	10/24/2002
9353D07640927	Network Plus	\$0.00			
9353D08110927	VarTec Telecom, Inc.	\$56.39	\$56.39	6502626	10/24/2002
9353D08330927	Business Telecom, Inc. (BTI)	\$25.85	\$25.85	357922	11/4/2002
9353D08340927	Worldxchange Corp.	\$1.11			
9353D08720927	Sprint	\$0.12	\$0.12	6705061	10/21/2002
9353D08800927	One Call Communications	\$0.37	\$0.37	109546	11/8/2002
9353D09460927	RSL COM U.S.A., Inc.	\$0.32	\$0.32	87802	11/4/2002
9353D09480927	Broadwing Communications Services Inc.	\$34.07			
9353D09620927	Gulf Long Distance, Inc.	\$5.52	\$5.52	11704	10/25/2002
9353D50460927	Sprint Metropolitan Network, Inc.	\$35.17	\$35.17	6763988	11/4/2002
9353D50480927	e.spire Communications, Inc.	\$6.50			
9353D51020927	Williams Communications LLC D36	\$45.61	\$45.61	42696	10/25/2002
9353D51190927	XO Communications, Inc.	\$52.47	\$52.47	2000225704	10/31/2002
9353D51240927	BellSouth Telecommunications, Inc.	\$19.09			

9353D51350927	Broadwing Communications Services Inc.	\$5.34			
9353D51580927	Williams Communications LLC	\$127.56	\$127.56	42696	10/25/2002
9353D52300927	US LEC of North Carolina, L.L.C.	\$165.28			
9353D52310927	US LEC of North Carolina, L.L.C.	\$11.84			
9353D52530927	ALLTEL Communications, Inc.	\$36.34	\$36.34	1431500	10/23/2002
9353D53660927	Florida Digital Network	\$53.69			
9353D53740927	Business Telecom, Inc. (BTI)	\$7.59			
9353D53930927	Intermedia Communications Inc.	\$11.50	\$11.50	1003506566	10/23/2002
9353D53960927	Florida Consolidated Multimedia Services, Inc.	\$0.03			
9353D54960927	State Communications Inc.	\$5.10	\$0.29	66620	12/9/2002
9353D56070927	Allegiance Telecom, Inc.	\$6.58			
9353D56420927	Mpower Communications	\$24.20			
9353D57030927	KMC Telecom, Inc.	\$49.66			
9353D57220927	Southwestern Bell Comms. Svcs. Inc. dba Southwestern Bell LD	\$1.39	\$1.39	42696	10/25/2002
9353D58300927	Genesis Communications Int'l, Inc.	\$0.00			
9353D58920927	Time Warner	\$40.95			
9353D62330927	ITC DeltaCom Communications, Inc.	\$18.17			
9353D62840927	Knology Holdings, Inc.	\$87.15			
9353D63400927	PaeTec Communications Inc.	\$19.51	\$19.51	118182	12/30/2002
9353D63410927	PaeTec Communications, Inc.	\$38.93			
9353D63620927	Focal Communications Corp.	\$29.23			
9353D64370927	IDS Long Distance, Inc.	\$6.69			
9353D64840927	Adelphia Business Solutions	\$38.71	\$38.71	75296	11/18/2002
9353D66720927	NewSouth Communications, L.L.C.	\$12.05			
9353D67460927	The Phone Company	\$1.57	\$1.57	45182	12/16/2002
9353D69530927	NYNEX Long Distance Co. dba Verizon Enterprise Solutions	\$46.27	\$46.27	16750	10/30/2002
9353D69960927	Orlando Telephone Company Inc.	\$7.49			
Total		\$9,168.37	\$5,290.28		

Mississippi

9292D08850927	Communigroup, Inc.	\$0.10			
9292D50620927	XCOM Technologies (Level 3)	\$1.68	\$1.68	2-06866334/9	11/27/02
9292B53050927	Lightwave Communications, LLC	\$0.14			
9292D00360927	Intermedia Communications, Inc.	\$14.87	\$14.87	1003519821	10/28/2002
9292D00400927	Qwest Communications	\$86.32	\$86.32	4027375	10/21/2002

9292D00450927	East Florida Communications	\$0.37			
9292D01870927	BellSouth Long Distance	\$736.08	\$736.08	7110610	11/13/2002
9292D02110927	Frontier Communications I'ntl. Inc.	\$0.98	\$0.98	6038997	11/18/2002
9292D02200927	Telecom*USA (MCIWorldCom)	\$78.66	\$78.66	1003519821	10/28/2002
9292D02220927	MCIWorldCom	\$15,613.37	\$15,613.37	1003519821	10/28/2002
9292D02230927	Cable and Wireless Communications, Inc.	\$172.03	\$172.03	40015667	10/28/2002
9292D02330927	ITC DeltaCom Communications, Inc.	\$758.75			
9292D02880927	AT&T Communications	\$28,111.23			
9292D02970927	Long Distance Wholesale Club (Excel Communications)	\$22.68	\$22.68	6502626	10/24/2002
9292D03210927	Telecom*USA (MCIWorldCom)	\$0.07	\$0.07	1003519821	10/28/2002
9292D03330927	Sprint	\$12,183.77	\$12,183.77	6705006	10/21/2002
9292D03770927	BellSouth Long Distance	\$2,055.59	\$2,055.59	7108910	10/29/2002
9292D04320927	Qwest Communications	\$7,171.27	\$7,171.27	4027375	10/21/2002
9292D04400927	WorldCom Technologies, Inc.	\$32.54	\$32.54	1003512448	10/24/2002
9292D04440927	Global Crossing Telecommunications, Inc.	\$18,907.61	\$18,907.61	6035189	10/22/2002
9292D04570927	Telco Communications Group dba Dial & Save (Excel Comms)	\$229.18	\$229.18	6502626	10/24/2002
9292D05020927	WorldXchange Corp.	\$1.00			
9292D05550927	WorldCom, Inc.	\$8,432.00	\$8,432.00	1003519821	10/28/2002
9292D05690927	Global Crossing Bandwidth, Inc.	\$0.21	\$0.21	6038997	11/18/2002
9292D06360927	VarTec Telecom dba Clear Choice Communications	\$0.00			
9292D06870927	NTS Communications, Inc.	\$0.00			
9292D07520927	Excel Telecommunications, Inc.	\$920.06	\$920.06	6502626	10/24/2002
9292D08110927	VarTec Telecom, Inc.	\$721.56	\$721.56	6502626	10/24/2002
9292D08330927	Business Telecom, Inc. (BTI)	\$134.88	\$134.88	360330	12/2/2002
9292D08800927	One Call Communications	\$11.92	\$11.92	109546	11/8/2002
9292D08850927	Communigroup, Inc.	\$748.02			
9292D09460927	RSL COM U.S.A., Inc.	\$1.05	\$1.05	87802	11/4/2002
9292D09480927	Broadwing Communications Services Inc.	\$206.78			
9292D09620927	Gulf Long Distance, Inc.	\$3.37	\$3.37	11704	10/25/2002
9292D09870927	Telecom*USA {MCIWorldCom}	\$5.65			
9292D09880927	AT&T EasyLink Services	\$0.00			
9292D15550927	Mezco, LLC - MA	\$1.14			
9292D50380927	Cellular XL Associates, LP	\$8.47			
9292D50560927	Cellular XL Associates, LP	\$38.86	\$38.86	54387	10/28/2002
9292D51020927	Williams Communications LLC D36	\$971.38	\$777.10	48211	11/25/2002

9292D51150927	Brooks Fiber Communications [WorldCom]	\$135.90			
9292D51190927	XO Communications, Inc.	\$236.02	\$236.02	2000225704	10/31/2002
9292D51240927	BellSouth Telecommunications, Inc.	\$2,165.63			
9292D51350927	Broadwing Communications Services Inc.	\$137.85			
9292D51580927	Williams Communications LLC	\$2,467.95	\$1,974.36	43486	10/29/2002
9292D52300927	US LEC of North Carolina, L.L.C.	\$4.94			
9292D52530927	ALLTEL Wholesale Expense Verification	\$0.32	\$0.32	1453221	11/21/2002
9292D53490927	Dixie Net Communications, LLC	\$0.26			
9292D55220927	Telapex Long Distance, Inc.	\$32.28			
9292D57030927	KMC Telecom, Inc.	\$86.72			
9292D57220927	Southwestern Bell Comms. Svcs. Inc. dba Southwestern Bell LD	\$19.02	\$19.02	42696	10/25/2002
9292D58920927	Time Warner	\$0.00			
9292D62330927	ITC DeltaCom Communications, Inc.	\$486.71			
9292D62470927	West Wisconsin Communication Systems, Inc.	\$0.11			
9292D64840927	Adelphia Business Solutions	\$366.12	\$366.12	75296	11/18/02
9292D66720927	NewSouth Communications, L.L.C.	\$126.05			
9292D66840927	Network Telephone	\$9.14			
9292D69710927	GulfPines Communications, LLC	\$3.90	\$3.90	11573	12/23/02
Total		<u>\$104,662.56</u>	<u>\$70,947.45</u>		

GRAND TOTAL

\$145,824.35 \$96,945.37

9/4/2002 CABs Over 120

<u>BAN</u>	<u>Carrier</u>	<u>Total</u>	<u>Paid</u>	<u>Check#</u>	<u>Date</u>
<u>Louisiana</u>					
9316D0036	Intermedia Copmmunications, Inc.	\$8.94	\$5.94	1003499253	10/18/02
9316D0085	WesTel, Inc.	\$0.39			
9316D0147	Data and Electronic Services, Inc.	\$0.27			
9316D0187	BellSouth Long Distance	\$120.79	\$120.79	7108910	10/29/02
9316D0220	Telecom*USA (MCIWorldCom)	\$0.17	\$0.17	1003499253	10/18/02
9316D0222	MCI Worldcom	\$1,101.36	\$731.31	1003499253	10/18/02
9316D0223	Cable and Wireless Communications, Inc.	\$27.01	\$27.01	40013623	10/07/02
9316D0233	ITC Deltacom Communications, Inc.	\$111.67			
9316D0288	AT&T Communiactions	\$2,401.06			
9316D0333	Sprint	\$1,128.54	\$1,128.54	6561794	09/23/02
9316D0377	BellSouth Long Distance	\$156.17	\$156.17	7107206	10/14/02
9316D0389	EATELNET	\$39.06	\$19.78	6018150	09/30/02
9316D0393	Intermedia Copmmunications, Inc.	\$0.35	\$0.35	1003499253	10/18/02
9316D0432	Qwest Communications	\$544.63	\$544.63	4025632	09/24/02
9316D0444	Global Crossings Communications	\$1,016.67	\$1,016.67	6032105	10/01/02
9316D0457	Telco Communications Group dba Dial & Save (Excel Comms)	\$7.86	\$7.86	6500679	09/23/02
9316D0550	Century Long Distance	\$21.35	\$18.99	1003472474	09/27/02
9316D0555	WorldCom, Inc.	\$785.60	\$521.63	1003499253	10/18/02
9316D0636	VarTec Telecom dba Clear Choice Communications	\$0.02	\$0.02	6501602	10/02/02
9316D0687	NTS Communications, Inc.	\$2.27	\$2.27	87880	10/14/02
9316D0690	Qwest Communications	\$0.85	\$0.85	4026984	10/15/02
9316D0752	Excel Communications	\$55.18	\$55.18	6500679	09/23/02
9316D0795	CapRock Telemanagement	\$3.91	\$3.91	663543	09/30/02
9316D0811	VarTec Telecom, Inc.	\$102.42	\$102.42	6500848	09/26/02
9316D0833	Business Telecom, Inc. (BTI)	\$9.58	\$9.58	355443	10/02/02
9316D0880	One Call Communications	\$0.86	\$0.86	108190	10/02/02
9316D0885	Communigroup, Inc.	\$17.80			
9316D0914	Century Telecommunications, Inc.	\$6.33			
9316D0948	Broadwing Communications Services, Inc.	\$28.19			
9316D0988	AT&T EasyLink Services	\$0.00			

9316D5048	e.spire Communications, Inc.	\$1.81			
9316D5102	Williams Communications LLC D36	\$112.60	\$112.60	37485	09/27/02
9316D5119	XO Communications, Inc.	\$11.80	\$11.80	2000223012	10/10/02
9316D5124	BellSouth Telecommunications, Inc.	\$44.77			
9316D5155	Xspedius Corp.	\$30.48	\$2.69	14880	10/01/02
9316D5158	Williams Communications LLC	\$335.77	\$335.77	38003	09/30/02
9316D5189	Stratos Telecom, Inc.	\$10.93			
9316D5230	US LEC of North Carolina, L.L.C.	\$11.25			
9316D5269	CoxCom, Inc.	\$107.44			
9316D5389	Advanced Tel, Inc.	\$5.89	\$2.09	6500679	09/23/02
9316D5393	Intermedia Copmmunications, Inc.	\$0.57	\$0.57	1003472474	09/27/02
9316D5495	IWL Communications dba IWL Connect	\$0.24			
9316D5682	Rig Telephones, Inc. dba Datacom	\$0.00			
9316D5703	KMC Telecom, Inc.	\$78.24			
9316D5722	Southwestern Bell Comms. Svcs. Inc. dba Southwestern Bell LD	\$2.81	\$2.81	37485	09/27/02
9316D6233	ITC Deltacom Communications, Inc.	\$15.04			
9316D6247	West Wisconsin Communication Systems, Inc.	\$1.92			
9316D6262	Americam MetroComm Corporation	\$22.03			
9316D6484	Adelphia Business Solutions	\$10.28	\$10.28	73767	10/31/02
9316D6672	NewSouth Communications, L.L.C.	\$48.84			
9316D6684	Network Telephone	\$2.28			
9316D6746	The Phone Company	\$2.09	\$2.09	42615	10/15/02
Total		<u>\$8,556.38</u>	<u>\$4,955.63</u>		

Georgia

3788D0003	Frontier Communication Int'l, Inc.	\$0.00			
3788D0058	Global Crossing Local Services, Inc.	\$46.39			
3788D0070	Qwest Communications	\$7.44	\$7.44	4026507	10/07/02
3788D0081	Covista, Inc.	\$2.08			
3788D0126	SBC Telecom, Inc.	\$3.81			
3788D0183	MCI Metro (MCIWorldCom)	\$92.63	\$54.99	1003472474	09/27/02

3788D0187	BellSouth Long Distance	\$186.60	\$186.60	7107206	10/14/02
3788D0220	Telecom*USA (MCIWorldCom)	\$1.35	\$1.23	1003472474	09/27/02
3788D0222	MCI WorldCom	\$3,724.95	\$3,724.95	1003472474	09/27/02
3788D0223	Cable and Wireless Communications, Inc.	\$36.12	\$36.12	40013623	10/07/02
3788D0233	ITC DeltaCom Communications, Inc.	\$102.72			
3788D0288	AT& T Communications	\$6,082.89			
3788D0292	Teleport Communications Group, Inc. (Subsidiary of AT&T)	\$240.27			
3788D0321	WorldCom	\$0.34	\$0.34	1003472474	09/27/02
3788D0333	Sprint	\$2,759.46	\$3,759.46	6868795	09/24/02
3788D0377	BellSouth Long Distance	\$407.20	\$407.20	7107206	10/14/02
3788D0386	MediaOne, Inc.	\$15.59			
3788D0393	Intermedia Communications, Inc.	\$5.24	\$5.24	1003472474	09/27/02
3788D0432	Qwest Communications	\$2,329.67	\$2,329.67	4025781	09/30/02
3788D0440	WorldCom Technologies, Inc.	\$30.88	\$17.35	103472474	09/27/02
3788D0444	Global Crossing Telecommunications, Inc.	\$2,553.68	\$2,553.68	6031622	09/26/02
3788D0457	Telco Communications Group dba Dial & Save (Excel Comms)	\$21.42	\$21.42	6500679	09/23/02
3788D0502	WorldXchange Corp.	\$9.63	\$9.63	5480	10/07/02
3788D0555	WorldCom, Inc.	\$4,152.38	\$2,757.18	1003472474	09/27/02
3788D0599	IntelCom Group, Inc.	\$19.21	\$19.21	644096	09/23/02
3788D0614	Broadwing Telecommunications, Inc.	\$11.99			
3788D0636	VarTec Telecom dba Clear Choice Communications	\$0.13	\$0.13	6500848	09/26/02
3788D0752	Excel Telecommunications, Inc.	\$46.32	\$46.32	6500679	09/23/02
3788D0764	Network Plus	\$0.00			
3788D0807	South Carolina Network, Inc.	\$0.14	\$0.14	22849	11/19/02
3788D0811	VarTec Telecom, Inc.	\$65.83	\$65.83	6500848	09/26/02
3788D0833	Business Telecom, Inc. (BTI)	\$77.60	\$77.60	355443	10/02/02
3788D0880	One Call Communications	\$4.65	\$4.65	108190	10/02/02
3788D0946	RSL COM U.S.A., Inc.	\$0.68	\$0.68	87090	10/07/02
3788D0948	Broadwing Communications Services Inc.	\$20.72			
3788D5048	e.spire Communications, Inc.	\$12.27			
3788D5102	Williams Communications LLC D36	\$61.24	\$61.24	37485	09/27/02
3788D5119	XO Communications, Inc.	\$182.72	\$182.72	2000223012	10/10/02
3788D5124	BellSouth Telecommunications, Inc.	\$118.75			
3788D5135	Broadwing Communications Services Inc.	\$20.14			
3788D5153	ALLTEL Communications, Inc.	\$28.65	\$28.65	1427402	10/15/02

3788D5158	Williams Communications LLC	\$311.86	\$311.86	38003	09/30/02
3788D5175	WinStar	\$15.57			
3788D5230	US LEC of North Carolina, L.L.C.	\$277.30			
3788D5253	ALLTEL Communications, Inc.	\$226.22	\$226.22	18169063	09/30/02
3788D5374	Business Telecom, Inc. (BTI)	\$24.75			
3788D5393	Intermedia Communications Inc.	\$46.65	\$16.51	1003485213	10/07/02
3788D5496	State Communications Inc.	\$29.18	\$4.13	62975	10/08/02
3788D5607	Allegiance Telecom, Inc.	\$54.06			
3788D5642	Mpower Communications	\$206.13			
3788D5703	KMC Telecom, Inc.	\$40.00			
3788D5722	Southwestern Bell Commis. Svcs. Inc. dba Southwestern Bell LD	\$2.05	\$2.05	37485	09/27/02
3788D5877	U.S. South Communications, Inc.	\$32.89	\$32.89	8364	10/14/02
3788D5892	Time Warner	\$0.86			
3788D5954	Cbeyond Communications, LLC	\$18.31			
3788D5976	Concord Telephone Company (CTC)	\$6.64			
3788D6233	ITC DeltaCom Communications, Inc.	\$106.36			
3788D6284	Knology Holdings, Inc.	\$249.49			
3788D6362	Focal Communications Corp.	\$262.16			
3788D6484	Adelphia Business Solutions	\$14.01	\$14.01	73767	10/31/02
3788D6485	Globe Telecommunications, Inc.	\$33.49			
3788D6672	NewSouth Communications, L.L.C.	\$142.12			
3788D6684	Network Telephone	\$2.90			
3788D6746	The Phone Company	\$13.10	\$13.10	42615	10/15/02
3788D6868	PT-1 Communications, Inc.	\$0.00			
3788D9000	Hamilton Telephone Co.	\$2,010.35			
Total		\$27,610.23	\$16,980.44		

Florida

9353D0018	Sprint Local Telecommunications Division	\$14.02			
9353D0056	Qwest Communications	\$4.69	\$4.69	4026245	10/01/02
9353D0058	Global Crossing Local Services, Inc.	\$7.19			
9353D0126	SBC Telecom, Inc.	\$38.33			
9353D0147	Data and Electronic Services, Inc.	\$2.05			
9353D0183	MCI Metro (MCIWorldCom)	\$15.06	\$8.53	1003472474	09/27/02
9353D0187	BellSouth Long Distance	\$307.78	\$307.78	7108910	10/29/02
9353D0211	Frontier Communications I'ntl, Inc.	\$4.51	\$4.51	6032871	10/04/02
9353D0220	Telecom*USA (MCIWorldCom)	\$21.43	\$14.23	1003472474	09/27/02
9353D0222	MCIWorldCom	\$2,078.18			
9353D0223	Cable and Wireless Communications, Inc.	\$21.56	\$21.56	40013623	10/07/02
9353D0233	ITC DeltaCom Communications, Inc.	\$66.51			
9353D0288	AT&T Communications	\$3,918.85			
9353D0292	Teleport Communications Group, Inc. (subsidiary of AT&T)	\$82.66			
9353S0297	Excel Telecommunications, Inc.	\$0.11	\$0.11	6502626	10/24/02
9353D0333	Sprint	\$1,761.07	\$1,761.07	6582285	09/23/02
9353D0377	BellSouth Long Distance	\$10.15	\$10.15	7107206	10/14/02
9353D0386	MediaOne, Inc.	\$554.76			
9353D0393	Intermedia Communications, Inc.	\$34.88	\$23.16	1003472474	09/27/02
9353D0432	Qwest Communications	\$1,102.23	\$1,102.23	4025632	09/24/02
9353D0440	WorldCom Technologies, Inc.	\$3.78	\$2.63	1003472474	09/27/02
9353D0444	Global Crossing Telecommunications, Inc.	\$1,826.51	\$1,826.51	6031424	09/24/02
9353D0457	Telco Communications Group dba Dial & Save (Excel Comms)	\$52.91	\$52.91	6500679	09/23/02
9353S0512	TCG	\$0.28			
9353D0555	WorldCom, Inc.	\$919.66	\$610.65	1003472474	09/27/02
9353D0574	U.S. Connect Corp.	\$1.25			
9353D0752	Excel Telecommunications, Inc.	\$46.70	\$46.70	6500679	09/23/02
9353D0764	Network Plus	\$0.00			
9353D0811	VarTec Telecom, Inc.	\$82.90	\$82.90	6500848	09/26/02
9353D0833	Business Telecom, Inc. (BTI)	\$48.75	\$48.75	355443	10/02/02
9353D0834	Worldxchange Corp.	\$0.70			
9353D0872	Sprint	\$0.40	\$0.40	6582323	09/23/02
9353D0880	One Call Communications	\$4.94	\$4.94	108190	10/02/02
9353D0946	RSL COM U.S.A., Inc.	\$0.34	\$0.34	87090	10/07/02

9353D0948	Broadwing Communications Services Inc.	\$40.39			
9353D0962	Gulf Long Distance, Inc.	\$19.15	\$47.15	11662	10/14/02
9353D5046	Sprint Metropolitan Network, Inc.	\$16.07	\$16.07	6615946	10/03/02
9353D5048	e.spire Communications, Inc.	\$7.81			
9353D5102	Williams Communications LLC D36	\$76.72	\$76.72	37485	09/27/02
9353D5119	XO Communications, Inc.	\$80.49	\$80.49	2000223012	10/10/02
9353D5124	BellSouth Telecommunications, Inc.	\$42.18			
9353D5135	Broadwing Communications Services Inc.	\$6.19			
9353D5158	Williams Communications LLC	\$153.32	\$153.32	37485	09/27/02
9353D5230	US LEC of North Carolina, L.L.C.	\$195.36			
9353D5231	US LEC of North Carolina, L.L.C.	\$10.67			
9353D5253	ALLTEL Communications, Inc.	\$91.32	\$91.32	18169063	09/30/02
9353D5366	Florida Digital Network	\$79.57			
9353D5374	Business Telecom, Inc. (BTI)	\$8.89			
9353D5393	Intermedia Communications Inc.	\$23.04	\$15.30	1003472474	09/27/02
9353D5396	Florida Consolidated Multimedia Services, Inc.	\$1.85			
9353D5496	State Communications Inc.	\$4.56			
9353D5607	Allegiance Telecom, Inc.	\$5.60			
9353D5642	Mpower Communications	\$34.96			
9353D5703	KMC Telecom, Inc.	\$80.17			
9353D5722	Southwestern Bell Comms. Svcs. Inc. dba Southwestern Bell LD	\$5.04	\$5.04	37485	09/27/02
9353D5830	Genesis Communications Int'l, Inc.	\$0.07			
9353D5892	Time Warner	\$59.64			
9353D6233	ITC DeltaCom Communications, Inc.	\$48.17	\$48.17	214741	12/23/02
9353D6284	Knology Holdings, Inc.	\$146.63			
9353D6340	PaeTec Communications Inc.	\$36.20	\$36.20	118182	12/30/02
9353D6341	PaeTec Communications, Inc.	\$36.45			
9353D6362	Focal Communications Corp.	\$18.29			
9353D6437	IDS Long Distance, Inc.	\$5.51			
9353D6484	Adelphia Business Solutions	\$26.10	\$26.10	73767	10/31/02
9353D6672	NewSouth Communications, L.L.C.	\$24.07			
9353D6746	The Phone Company	\$1.62	\$1.62	42615	10/15/02
9353D6953	NYNEX Long Distance Co. dba Verizon Enterprise Solutions	\$71.06	\$71.06	16244	10/01/02
9353D6996	Orlando Telephone Company Inc.	\$10.27			

Total

\$14,502.57 \$6,603.31

Mississippi

9292B0885	Communigroup, Inc.	\$0.56			
9292B5062	XCOM Technologies (Level 3)	\$2.90	\$2.90	2-06828487/2	09/25/02
9292B5305	Lightwave Communications, LLC	\$0.26			
9292D0036	Intermedia Communications, Inc.	\$16.95	\$11.25	1003472474	09/27/02
9292D0040	Qwest Communications	\$110.66	\$110.66	4025781	09/30/02
9292D0187	BellSouth Long Distance	\$1,152.91	\$1,152.91	7108910	10/29/02
9292D0211	Frontier Communications I'ntl. Inc.	\$1.54	\$1.54	6032871	10/04/02
9292D0220	Telecom*USA (MCIWorldCom)	\$40.96	\$27.20	1003472474	09/27/02
9292D0222	MCIWorldCom	\$22,927.20	\$15,223.66	1003472474	09/27/02
9292D0223	Cable and Wireless Communications, Inc.	\$271.70	\$271.70	40013623	10/07/02
9292D0233	ITC DeltaCom Communications, Inc.	\$1,175.11			
9292D0288	AT&T Communications	\$43,493.99			
9292D0297	Long Distance Wholesale Club (Excel Communications)	\$24.43	\$24.43	6500679	09/23/02
9292D0321	Telecom*USA (MCIWorldCom)	\$0.00			
9292D0333	Sprint	\$18,572.15	\$18,572.15	6568793	09/24/02
9292D0377	BellSouth Long Distance	\$2,933.72	\$2,933.72	7107206	10/14/02
9292D0432	Qwest Communications	\$11,731.00	\$11,731.00	4026507	10/07/02
9292D0440	WorldCom Technologies, Inc.	\$41.86	\$26.60	1003472474	09/27/02
9292D0444	Global Crossing Telecommunications, Inc.	\$27,385.52	\$27,385.52	6031622	09/26/02
9292D0457	Telco Communications Group dba Dial & Save (Excel Comms)	\$260.13	\$260.13	6500679	09/23/02
9292D0502	WorldXchange Corp.	\$2.17	\$2.17	5480	10/07/02
9292D0555	WorldCom, Inc.	\$13,026.26	\$8,649.43	1003472474	09/27/02
9292D0569	Global Crossing Bandwidth, Inc.	\$0.49	\$0.49	6032871	10/04/02
9292D0636	VarTec Telecom dba Clear Choice Communications	\$0.05	\$0.05	6500679	09/23/02
9292D0687	NTS Communications, Inc.	\$1.82	\$1.82	87880	10/14/02

9292D0752	Excel Telecommunications, Inc.	\$1,190.69	\$1,190.69	6500679	09/23/02
9292D0811	VarTec Telecom, Inc.	\$1,212.63	\$1,212.63	6500848	09/26/02
9292D0833	Business Telecom, Inc. (BTI)	\$239.06	\$239.06	355443	10/02/02
9292D0880	One Call Communications	\$20.36	\$20.36	108190	10/02/02
9292D0885	CommuniGroup, Inc.	\$1,109.45			
9292D0946	RSL COM U.S.A., Inc.	\$1.88	\$1.88	87090	10/07/02
9292D0948	Broadwing Communications Services Inc.	\$160.66			
9292D0962	Gulf Long Distance, Inc.	\$4.09	\$4.09	11662	10/14/02
9292D0987	Telecom*USA {MCIWorldCom}	\$13.63			
9292D0988	AT&T EasyLink Services	\$0.00			
9292D1555	Mezco, LLC - MA	\$0.60			
9292D5038	Cellular XL Associates, LP	\$65.60	\$65.60	53590	09/26/02
9292D5102	Williams Communications LLC D36	\$1,691.35	\$1,691.35	38603	10/01/02
9292D5115	Brooks Fiber Communications [WorldCom]	\$179.15	\$179.15	1003494237	10/14/02
9292D5119	XO Communications, Inc.	\$370.64	\$370.64	2000223012	10/10/02
9292D5124	BellSouth Telecommunications, Inc.	\$3,514.71			
9292D5135	Broadwing Communications Services Inc.	\$338.97			
9292D5158	Williams Communications LLC	\$3,612.75	\$3,612.75	38603	10/01/02
9292D5230	US LEC of North Carolina, L.L.C.	\$8.29			
9292D5349	Dixie Net Communications, LLC	\$3.31			
9292D5522	Telapex Long Distance, Inc.	\$45.57			
9292D5703	KMC Telecom, Inc.	\$147.37			
9292D5722	Southwestern Bell Comms. Svcs. Inc. dba Southwestern Bell LD	\$29.88	\$29.88	37485	09/27/02
9292D5892	Time Warner	\$0.00			
9292D6233	ITC DeltaCom Communications, Inc.	\$770.23			
9292D6247	West Wisconsin Communication Systems, Inc.	\$0.03			
9292D6484	Adelphia Business Solutions	\$562.53	\$562.53	73767	10/31/02
9292D6672	NewSouth Communications, L.L.C.	\$236.32			
9292D6684	Network Telephone	\$9.29			
9292D6971	GulfPines Communications, LLC	\$4.27	\$4.27	11502	11/18/02
Total		<u>\$158,717.65</u>	<u>\$95,574.21</u>		

GRAND TOTAL

\$209,386.83 \$124,113.59

7/29/2002 CABs Over 150

<u>BAN</u>	<u>Carrier</u>	<u>Total</u>	<u>Paid</u>	<u>Check#</u>	<u>Date</u>
<u>Louisiana</u>					
9316D0036	Intermedia Copmmunications, Inc.	\$5.25			
9316D0147	Data and Electronic Services, Inc.	\$4.75			
9316D0187	BellSouth Long Distance	\$91.35	91.35	7108438	08/18/29
9316D0220	Telecom*USA (MCIWorldCom)	\$0.15			
9316D0222	MCI Worldcom	\$840.16			
9316D0223	Cable and Wireless Communications, Inc.	\$13.82	13.82	40010226	09/03/02
9316D0233	ITC Deltacom Communications, Inc.	\$96.39			
9316D0288	AT&T Communiactions	\$1,929.70			
9316D0333	Sprint	\$905.93	905.93	6432455	08/26/02
9316D0377	BellSouth Long Distance	\$177.95	177.95	7102953	08/27/02
9316D0389	EATELNET	\$40.34	19.39	6017919	09/04/02
9316D0393	Intermedia Copmmunications, Inc.	\$0.08			
9316D0432	Qwest Communications	\$589.42	589.42	4024469	08/27/02
9316D0444	Global Crossings Communications	\$632.22	632.22	6028599	09/03/02
9316D0457	Telco Communications Group dba Dial & Save (Excel Comms)	\$5.50	5.50	6069226	08/23/02
9316D0550	Century Long Distance	\$8.47			
9316D0555	WorldCom, Inc.	\$660.03			
9316D0636	VarTec Telecom dba Clear Choice Communications	\$1.66	1.66	6501602	10/02/02
9316D0687	NTS Communications, Inc.	\$2.78	2.78	85990	08/26/02
9316D0752	Excel Communications	\$53.43	53.43	6069226	08/23/02
9316D0795	CapRock Telemanagement	\$1.46	1.46	653633	08/27/02
9316D0811	VarTec Telecom, Inc.	\$106.28	106.28	6500316	09/19/02
9316D0833	Business Telecom, Inc. (BTI)	\$9.96	9.96	355443	10/02/02
9316D0880	One Call Communications	\$0.44	0.44	106981	09/05/02
9316D0885	Communigroup, Inc.	\$25.25			
9316D0914	Century Telecommunications, Inc.	\$11.46			
9316D0948	Broadwing Communications Services, Inc.	\$26.72	26.72	330686	10/01/02
9316D0988	AT&T EasyLink Services	\$0.12			
9316D5048	e.spire Communications, Inc.	\$5.72			
9316D5102	Williams Communications LLC D36	\$119.14	119.14	33308	08/26/02

9316D5119	XO Communications, Inc.	\$8.87	8.87	2000220132	09/16/02
9316D5124	BellSouth Telecommunications, Inc.	\$25.10			
9316D5155	Xspedius Corp.	\$19.74	1.29	14364	08/26/02
9316D5158	Williams Communications LLC	\$192.31	192.31	33308	08/26/02
9316D5189	Stratos Telecom, Inc.	\$11.64	1.86	903020	08/19/02
9316D5230	US LEC of North Carolina, L.L.C.	\$8.97			
9316D5269	CoxCom, Inc.	\$29.52			
9316D5389	Advanced Tel, Inc.	\$3.95	1.40	6017919	09/04/02
9316D5393	Intermedia Copmmunications, Inc.	\$1.00	0.07	1003451567	09/16/02
9316D5495	IWL Communications dba IWL Connect	\$0.03			
9316D5682	Rig Telephones, Inc. dba Datacom	\$0.05			
9316D5703	KMC Telecom, Inc.	\$67.56			
9316D5722	Southwestern Bell Comms. Svcs. Inc. dba Southwestern Bell LD	\$2.02	2.02	33308	08/26/02
9316D6233	ITC Deltacom Communications, Inc.	\$9.50			
9316D6247	West Wisconsin Communication Systems, Inc.	\$0.67			
9316D6262	American MetroComm Corporation	\$27.61			
9316D6484	Adelphia Business Solutions	\$10.10	10.1	70800	09/30/02
9316D6672	NewSouth Communications, L.L.C.	\$49.22			
9316D6684	Network Telephone	\$0.73			
9316D6746	The Phone Company	\$1.51	1.51	42615	10/15/02
Total		<u>\$6,836.03</u>	<u>\$2,976.88</u>		

Georgia

3788D0003	Frontier Communications Int'l, Inc.	\$0.34	0.34	6038997	11/18/02
3788D0058	Global Crossing Local Services, Inc.	\$73.49			
3788D0070	U. S. Long Distance, Inc.	\$36.69	36.69	4023847	08/19/02
3788D0081	Covista, Inc.	\$0.23			
3788D0126	SBC Telecom, Inc.	\$7.18			
3788D0183	MCI Metro (MCIWorldCom)	\$129.06			
3788D0187	BellSouth Long Distance	\$287.89	287.89	7102953	08/27/02
3788D0220	Telecom*USA (MCIWorldCom)	\$15.08			

3788D0222	MCI WorldCom	\$5,148.62			
3788D0223	Cable and Wireless Communications, Inc.	\$60.93	60.93	40008796	08/19/02
3788D0233	ITC DeltaCom Communications, Inc.	\$163.00	163.00	206467	08/20/02
3788D0288	AT& T Communications	\$9,366.45			
3788D0292	Teleport Communications Group, Inc. (Subsidiary of AT&T)	\$356.78			
3788D0333	Sprint	\$4,478.94	4,478.94	6421542	08/19/02
3788D0377	BellSouth Long Distance	\$632.38	632.38	7102953	08/27/02
3788D0386	MediaOne, Inc.	\$9.05			
3788D0393	Intermedia Communications, Inc.	\$11.74			
3788D0432	Qwest Communications	\$3,235.64	3,235.64	4024721	09/04/02
3788D0440	WorldCom Technologies, Inc.	\$48.89			
3788D0444	Global Crossing Telecommunications, Inc.	\$3,569.97	3,569.97	6069226	08/23/02
3788D0457	Telco Communications Group dba Dial & Save (Excel Comms)	\$71.30	71.30	6069226	08/23/02
3788D0502	WorldXchange Corp.	\$0.55	0.55	5480	10/07/02
3788D0555	WorldCom, Inc.	\$5,972.09			
3788D0599	IntelCom Group, Inc.	\$8.81	8.81	641315	08/14/02
3788D0614	Broadwing Telecommunications, Inc.	\$17.88	17.88	330686	10/01/02
3788D0636	VarTec Telecom dba Clear Choice Communications.	\$0.54	0.54	6500316	09/19/02
3788D0752	Excel Telecommunications, Inc.	\$103.47	103.47	6069226	08/23/02
3788D0764	Network Plus	\$8.27	8.27	2615	09/26/02
3788D0807	South Carolina Network, Inc.	\$13.52	13.52	215557	08/30/02
3788D0811	VarTec Telecom, Inc.	\$162.01	162.01	6500316	09/19/02
3788D0833	Business Telecom, Inc. (BTI)	\$191.94	191.94	353210	09/06/02
3788D0880	One Call Communications	\$4.82	4.82	106981	09/05/02
3788D0946	RSL COM U.S.A., Inc.	\$2.93	2.93	86083	09/03/02
3788D0948	Broadwing Communications Services Inc.	\$148.66	148.66	330686	10/01/02
3788D5048	e.spire Communications, Inc.	\$17.48			
3788D5102	Williams Communications LLC D36	\$99.20	99.20	33308	08/26/02
3788D5119	XO Communications, Inc.	\$325.45	325.45	2000220132	09/16/02
3788D5124	BellSouth Telecommunications, Inc.	\$144.96			
3788D5135	Broadwing Communications Services Inc.	\$31.86	31.86	330686	10/01/02
3788D5153	ALLTEL Communications, Inc.	\$52.73	52.73	1400884	09/03/02
3788D5158	Williams Communications LLC	\$397.64			
3788D5175	WinStar	\$22.58			
3788D5230	US LEC of North Carolina, L.L.C.	\$418.73			

3788D5253	ALLTEL Communications, Inc.	\$406.93	406.93	1396585	08/30/02
3788D5374	Business Telecom, Inc. (BTI)	\$37.40			
3788D5393	Intermedia Communications Inc.	\$60.32			
3788D5496	State Communications Inc.	\$22.16			
3788D5607	Allegiance Telecom, Inc.	\$75.11			
3788D5642	Mpower Communications	\$301.76			
3788D5703	KMC Telecom, Inc.	\$82.34			
3788D5722	Southwestern Bell Comms. Svcs. Inc. dba Southwestern Bell LD	\$2.95	2.95	33308	08/26/02
3788D5877	U.S. South Communications, Inc.	\$24.93	24.93	8287	09/09/02
3788D5892	Time Warner	\$6.63			
3788D5954	Cbeyond Communications, LLC	\$19.53			
3788D5976	Concord Telephone Company (CTC)	\$11.92			
3788D6233	ITC DeltaCom Communications, Inc.	\$93.17			
3788D6284	Knology Holdings, Inc.	\$389.93			
3788D6362	Focal Communications Corp.	\$337.15			
3788D6484	Adelphia Business Solutions	\$33.52	33.52	69943	09/16/02
3788D6485	Globe Telecommunications, Inc.	\$64.98			
3788D6672	NewSouth Communications, L.L.C.	\$155.55			
3788D6684	Network Telephone	\$3.16			
3788D6746	The Phone Company	\$17.05	17.05	42615	10/15/02
3788D6868	PT-1 Communications, Inc.	\$0.00			
3788D9000	Hamilton Telephone Co.	\$3,011.55			
Total		\$41,007.81	\$14,194.76		

Florida

9353D0018	Sprint Local Telecommunications Division	\$8.04			
9353D0056	Qwest Communications	\$5.18	5.18	4024056	08/26/02

9353D0058	Global Crossing Local Services, Inc.	\$0.83			
9353D0126	SBC Telecom, Inc.	\$33.44			
9353D0147	Data and Electronic Services, Inc.	\$0.31			
9353D0183	MCI Metro (MCIWorldCom)	\$10.56			
9353D0187	BellSouth Long Distance	\$246.38	246.38	7109792	11/05/02
9353D0211	Frontier Communications Int'l, Inc.	\$0.92	0.92	6027379	08/26/02
9353D0220	Telecom*USA (MCIWorldCom)	\$25.34			
9353D0222	MCIWorldCom	\$1,614.30			
9353D0223	Cable and Wireless Communications, Inc.	\$11.92	11.92	40010226	09/03/02
9353D0233	ITC DeltaCom Communications, Inc.	\$56.47	56.47	206467	08/20/02
9353D0288	AT&T Communications	\$3,504.20			
9353D0292	Teleport Communications Group, Inc. (subsidiary of AT&T)	\$87.36			
9353D0333	Sprint	\$1,470.60	1,472.50	6421558	08/19/02
9353D0377	BellSouth Long Distance	\$13.87	13.87	7102953	08/27/02
9353D0386	MediaOne, Inc.	\$374.39			
9353D0393	Intermedia Communications, Inc.	\$30.32			
9353D0432	Qwest Communications	\$977.40	977.40	4024056	08/26/02
9353D0440	WorldCom Technologies, Inc.	\$2.61			
9353D0444	Global Crossing Telecommunications, Inc.	\$1,472.50	1,472.50	6026625	08/19/02
9353D0457	Telco Communications Group dba Dial & Save (Excel Comms)	\$47.81	47.81	6069226	08/23/02
9353D0555	WorldCom, Inc.	\$704.51			
9353D0574	U.S. Connect Corp.	\$0.56	10.00	10054	09/03/02
9353D0752	Excel Telecommunications, Inc.	\$31.68	31.68	6069226	08/23/02
9353D0764	Network Plus	\$0.00			
9353D0811	VarTec Telecom, Inc.	\$69.20	69.20	6500316	09/19/02
9353D0833	Business Telecom, Inc. (BTI)	\$70.68	70.68	355443	10/02/02
9353D0834	Worldxchange Corp.	\$0.07	0.07	4580	10/07/02
9353D0872	Sprint	\$0.79	0.79	6561894	09/23/02
9353D0880	One Call Communications	\$2.44	2.44	106981	09/05/02
9353D0946	RSL COM U.S.A., Inc.	\$0.52	0.52	86083	09/03/02
9353D0948	Broadwing Communications Services Inc.	\$33.06	33.06	330686	10/01/02
9353D0962	Gulf Long Distance, Inc.	\$5.42	5.42	11537	08/30/02
9353D5046	Sprint Metropolitan Network, Inc.	\$11.96	11.96	6477971	09/03/02
9353D5048	espire Communications, Inc.	\$5.25			
9353D5102	Williams Communications LLC D36	\$47.60	47.60	33308	08/26/02

9353D5119	XO Communications, Inc.	\$70.34	70.34	2000220132	09/16/02
9353D5124	BellSouth Telecommunications, Inc.	\$53.12			
9353D5135	Broadwing Communications Services Inc.	\$8.95	8.95	330686	10/01/02
9353D5158	Williams Communications LLC	\$129.57	129.57	33308	08/26/02
9353D5230	US LEC of North Carolina, L.L.C.	\$180.41			
9353D5231	US LEC of North Carolina, L.L.C.	\$15.64			
9353D5253	ALLTEL Communications, Inc.	\$69.05	69.05	1392528	08/21/02
9353D5366	Florida Digital Network	\$70.30			
9353D5374	Business Telecom, Inc. (BTI)	\$7.28			
9353D5393	Intermedia Communications Inc.	\$32.84			
9353D5496	State Communications Inc.	\$3.39	9.16	61817	09/24/02
9353D5607	Allegiance Telecom, Inc.	\$3.58			
9353D5642	Mpower Communications	\$33.64			
9353D5703	KMC Telecom, Inc.	\$62.09			
9353D5722	Southwestern Bell Comms. Svcs. Inc. dba Southwestern Bell LD	\$11.35	11.35	33308	08/26/02
9353D5830	Genesis Communications Int'l, Inc.	\$0.98			
9353D5892	Time Warner	\$63.72			
9353D6233	ITC DeltaCom Communications, Inc.	\$85.67	85.67	206467	08/20/02
9353D6284	Knology Holdings, Inc.	\$120.54			
9353D6340	PaeTec Communications Inc.	\$32.96	32.96	118182	12/30/02
9353D6341	PaeTec Communications, Inc.	\$22.37			
9353D6362	Focal Communications Corp.	\$7.48			
9353D6437	IDS Long Distance, Inc.	\$4.93			
9353D6484	Adelphia Business Solutions	\$21.76	21.76	69943	09/16/02
9353D6672	NewSouth Communications, L.L.C.	\$26.48			
9353D6746	The Phone Company	\$1.22	1.22	42615	10/15/02
9353D6953	NYNEX Long Distance Co. dba Verizon Enterprise Solutions	\$34.94	34.94	16113	09/23/02
9353D6996	Orlando Telephone Company Inc.	\$15.50			
Total		<u>\$12,168.59</u>	<u>\$5,063.34</u>		

Mississippi

9292B0885	Communigroup, Inc.	\$0.32				
9292B5062	XCOM Technologies (Level 3)	\$3.34	3.34	2-06816066/3	09/04/02	
9292B5305	Lightwave Communications, LLC	\$0.58				
9292D0036	Intermedia Communications, Inc.	\$21.03				
9292D0040	Qwest Communications	\$221.99	221.99	4024469	08/27/02	
9292D0187	BellSouth Long Distance	\$1,530.35	1,530.35	7109792	11/05/02	
9292D0211	Frontier Communications Int'l. Inc.	\$1.50	1.50	6028599	09/03/02	
9292D0220	Telecom*USA (MCIWorldCom)	\$36.97				
9292D0222	MCIWorldCom	\$28,194.18				
9292D0223	Cable and Wireless Communications, Inc.	\$369.37	369.37	40010226	09/03/02	
9292D0233	ITC DeltaCom Communications, Inc.	\$1,408.89				
9292D0288	AT&T Communications	\$60,486.19				
9292D0297	Long Distance Wholesale Club (Excel Communications)	\$23.69	23.69	6069226	08/23/02	
9292D0321	Telecom*USA (MCIWorldCom)	\$0.06				
9292D0333	Sprint	\$27,702.38	27,702.38	6476190	09/04/02	
9292D0377	BellSouth Long Distance	\$3,383.62	3,383.62	7103596	09/03/02	
9292D0432	Qwest Communications	\$17,487.67	17,487.67	4026245	10/01/02	
9292D0440	WorldCom Technologies, Inc.	\$26.26				
9292D0444	Global Crossing Telecommunications, Inc.	\$37,368.86	37,368.86	6028000	09/03/02	
9292D0457	Telco Communications Group dba Dial & Save (Excel Comms)	\$307.90	307.90	6069226	08/23/02	
9292D0502	WorldXchange Corp.	\$7.03	7.03	5480	10/07/02	
9292D0555	WorldCom, Inc.	\$14,622.78				
9292D0569	Global Crossing Bandwidth, Inc.	\$0.35	0.35	6028599	09/03/02	
9292D0636	VarTec Telecom dba Clear Choice Communications	\$0.06	0.06	6500316	09/19/02	
9292D0687	NTS Communications, Inc.	\$49.65	49.65	86311	09/04/02	
9292D0752	Excel Telecommunications, Inc.	\$1,322.68	1,322.68	6069226	08/23/02	
9292D0811	VarTec Telecom, Inc.	\$1,759.60	1,759.60	6500316	09/19/02	
9292D0833	Business Telecom, Inc. (BTI)	\$451.65	451.65	360330	12/02/02	
9292D0880	One Call Communications	\$29.56	29.56	106981	09/05/02	
9292D0885	Communigroup, Inc.	\$1,366.39				
9292D0946	RSL COM U.S.A., Inc.	\$5.59	5.59	86083	09/03/02	
9292D0948	Broadwing Communications Services Inc.	\$2,033.85	2,033.85	330686	10/01/02	

9292D0962	Gulf Long Distance, Inc.	\$11.72	11.72	11578	09/06/02
9292D0987	Telecom*USA {MCIWorldCom}	\$19.94			
9292D0988	AT&T EasyLink Services	\$0.48			
9292D1555	Mezco, LLC - MA	\$0.96			
9292D5038	Cellular XL Associates, LP	\$61.46	61.46	53590	09/26/02
9292D5102	Williams Communications LLC D36	\$2,385.28	2,047.54	33730	08/30/02
9292D5115	Brooks Fiber Communications [WorldCom]	\$171.37	7.59	1003474528	10/01/02
9292D5119	XO Communications, Inc.	\$685.57	685.57	2000220132	09/16/02
9292D5124	BellSouth Telecommunications, Inc.	\$3,044.19			
9292D5135	Broadwing Communications Services Inc.	\$419.92	419.92	330686	10/01/02
9292D5158	Williams Communications LLC	\$4,529.53	4529.53	33730	08/30/02
9292D5230	US LEC of North Carolina, L.L.C.	\$13.15			
9292D5349	Dixie Net Communications, LLC	\$2.39			
9292D5522	Telapex Long Distance, Inc.	\$29.27			
9292D5703	KMC Telecom, Inc.	\$159.21			
9292D5722	Southwestern Bell Comms. Svcs. Inc. dba Southwestern Bell LD	\$55.58	55.58	35508	09/10/02
9292D5892	Time Warner	\$0.09			
9292D6233	ITC DeltaCom Communications, Inc.	\$771.27			
9292D6247	West Wisconsin Communication Systems, Inc.	\$0.13			
9292D6484	Adelphia Business Solutions	\$654.26	654.26	70800	09/30/02
9292D6672	NewSouth Communications, L.L.C.	\$259.79			
9292D6684	Network Telephone	\$7.75			
9292D6971	GulfPines Communications, LLC	\$4.26	4.26	11445	10/10/02
Total		<u>\$213,511.91</u>	<u>\$102,538.12</u>		

GRAND TOTAL

\$273,524.34 \$124,773.10

7/1/2002 CABs Over 180

<u>BAN</u>	<u>Carrier</u>	<u>Total</u>	<u>Paid</u>	<u>Check#</u>	<u>Date</u>
<u>Louisiana</u>					
9316D0036	Intermedia Copmmunications, Inc.	\$3.54			
9316D0147	Data and Electronic Services, Inc.	\$3.22			
9316D0187	BellSouth Long Distance	\$79.21	\$79.21	7108438	10/23/02
9316D0220	Telecom*USA (MCIWorldCom)	\$1.50			
9316D0222	MCI Worldcom	\$734.52			
9316D0223	Cable and Wireless Communications, Inc.	\$12.71	\$12.71	40006835	07/26/02
9316D0233	ITC Deltacom Communications, Inc.	\$68.96			
9316D0288	AT&T Communiactions	\$1,590.58			
9316D0333	Sprint	\$835.97	\$835.97	6354122	08/02/02
9316D0377	BellSouth Long Distance	\$83.60	\$83.60	7100119	07/29/02
9316D0389	EATELNET	\$26.62	\$13.53	6017568	07/29/02
9316D0393	Intermedia Copmmunications, Inc.	\$0.50			
9316D0432	Qwest Communications	\$430.03	\$430.03	4022664	07/25/02
9316D0444	Global Crossings Communications	\$612.68	\$612.68	6026625	08/19/02
9316D0457	Telco Communications Group dba Dial & Save (Excel Comms)	\$4.52	\$4.52	6068178	07/24/02
9316D0550	Century Long Distance	\$20.86			
9316D0555	WorldCom, Inc.	\$528.41			
9316D0636	VarTec Telecom dba Clear Choice Communications	\$0.73	\$0.73	6501602	10/02/02
9316D0687	NTS Communications, Inc.	\$3.57	\$3.57	81127	07/24/02
9316D0752	Excel Communications	\$41.57	\$41.57	6068178	07/24/02
9316D0795	CapRock Telemanagement	\$1.28	\$1.28	642979	07/25/02
9316D0811	VarTec Telecom, Inc.	\$102.30	\$102.30	6500316	09/19/02
9316D0833	Business Telecom, Inc. (BTI)	\$6.53	\$6.53	353210	09/06/02
9316D0880	One Call Communications	\$2.26	\$2.26	105581	07/24/02
9316D0885	Communigroup, Inc.	\$12.88			
9316D0914	Century Telecommunications, Inc.	\$6.55			
9316D0948	Broadwing Communications Services, Inc.	\$21.83	\$21.83	327308	09/03/02
9316D5048	e.spire Communications, Inc.	\$2.42			
9316D5102	Williams Communications LLC D36	\$64.38	\$64.38	29666	07/29/02
9316D5119	XO Communications, Inc.	\$17.20	\$17.20	200217728	08/27/02

9316D5124	BellSouth Telecommunications, Inc.	\$10.50			
9316D5155	Xspedius Corp.	\$10.07	\$1.19	14037	08/05/02
9316D5158	Williams Communications LLC	\$154.87	\$154.87	29666	07/29/02
9316D5189	Stratos Telecom, Inc.	\$14.75	\$2.29	903020	08/19/02
9316D5230	US LEC of North Carolina, L.L.C.	\$2.62			
9316D5269	CoxCom, Inc.	\$31.33			
9316D5389	Advanced Tel, Inc.	\$2.81	\$0.99	6017568	07/29/02
9316D5393	Intermedia Copmmunications, Inc.	\$0.36			
9316D5682	Rig Telephones, Inc. dba Datacom	\$0.40			
9316D5703	KMC Telecom, Inc.	\$45.73			
9316D5722	Southwestern Bell Comms. Svcs. Inc. dba Southwestern Bell LD	\$0.72	\$0.72	29666	07/29/02
9316D6233	ITC Deltacom Communications, Inc.	\$3.21			
9316D6247	West Wisconsin Communication Systems, Inc.	\$2.13			
9316D6262	Americam MetroComm Corporation	\$21.73			
9316D6484	Adelphia Business Solutions	\$6.29	\$1.01	65688	08/02/02
9316D6672	NewSouth Communications, L.L.C.	\$42.37			
9316D6746	The Phone Company	\$9.59	\$9.59	40757	08/26/02
Total		<u>\$5,680.41</u>	<u>\$2,504.56</u>		

Georgia

3788D0058	Global Crossing Local Services, Inc.	\$44.34			
3788D0070	U. S. Long Distance, Inc.	\$38.33	\$38.33	4022664	07/25/02
3788D0126	SBC Telecom, Inc.	\$10.42			
3788D0183	MCI Metro (MCIWorldCom)	\$81.58			
3788D0187	BellSouth Long Distance	\$188.34	\$188.34	7100119	07/30/02
3788D0220	Telecom*USA (MCIWorldCom)	\$12.15			
3788D0222	MCI WorldCom	\$4,153.41			
3788D0223	Cable and Wireless Communications, Inc.	\$46.77	\$46.77	40006835	07/26/02
3788D0233	ITC DeltaCom Communications, Inc.	\$165.30	\$165.30	205123	07/23/02
3788D0288	AT&T Communications	\$7,906.52			
3788D0292	Teleport Communications Group, Inc. (Subsidiary of AT&T)	\$196.69			
3788D0333	Sprint	\$4,095.62	\$4,095.62	6354121	08/02/02
3788D0377	BellSouth Long Distance	\$573.23	\$573.23	7100119	07/29/02
3788D0386	MediaOne, Inc.	\$12.11			

3788D0393	Intermedia Communications, Inc.	\$6.34				
3788D0432	Qwest Communications	\$2,650.40	\$2,650.40	4022664	07/25/02	
3788D0440	WorldCom Technologies, Inc.	\$27.69				
3788D0444	Global Crossing Telecommunications, Inc.	\$3,150.98	\$3,150.98	6025785	08/16/02	
3788D0457	Telco Communications Group dba Dial & Save (Excel Comms)	\$55.75	\$55.75	6068178	07/24/02	
3788D0502	WorldXchange Corp.	\$0.32	\$0.32	5480	10/07/02	
3788D0555	WorldCom, Inc.	\$4,939.52				
3788D0599	IntelCom Group, Inc.	\$5.49	\$5.49	639515	07/23/02	
3788D0614	Broadwing Telecommunications, Inc.	\$9.97	\$9.97	327308	09/03/02	
3788D0752	Excel Telecommunications, Inc.	\$71.41	\$71.41	6068178	07/24/02	
3788D0764	Network Plus	\$0.61	\$0.61	2167	09/16/02	
3788D0807	South Carolina Network, Inc.	\$13.07	\$13.07	20534	07/24/02	
3788D0811	VarTec Telecom, Inc.	\$110.99	\$110.99	6500316	09/19/02	
3788D0833	Business Telecom, Inc. (BTI)	\$80.10	\$80.10	353210	09/06/02	
3788D0880	One Call Communications	\$4.98	\$4.98	105581	07/24/02	
3788D0946	RSL COM U.S.A., Inc.	\$1.31	\$1.31	85921	08/26/02	
3788D0948	Broadwing Communications Services Inc.	\$60.88	\$60.88	327308	09/03/02	
3788D5048	e.spire Communications, Inc.	\$5.70				
3788D5102	Williams Communications LLC D36	\$90.64	\$90.64	29666	07/29/02	
3788D5119	XO Communications, Inc.	\$266.85	\$266.85	200217728	08/27/02	
3788D5124	BellSouth Telecommunications, Inc.	\$117.00				
3788D5135	Broadwing Communications Services Inc.	\$18.38	\$18.38	327308	09/03/02	
3788D5153	ALLTEL Communications, Inc.	\$45.74	\$45.74	1378818	07/25/02	
3788D5158	Williams Communications LLC	\$319.11	\$319.11	30381	08/01/02	
3788D5175	WinStar	\$15.17				
3788D5230	US LEC of North Carolina, L.L.C.	\$241.23				
3788D5253	ALLTEL Communications, Inc.	\$339.76	\$339.76	1375382	07/25/02	
3788D5374	Business Telecom, Inc. (BTI)	\$30.80				
3788D5393	Intermedia Communications Inc.	\$33.49				
3788D5496	State Communications Inc.	\$15.63				
3788D5607	Allegiance Telecom, Inc.	\$51.99				
3788D5642	Mpower Communications	\$219.86				
3788D5703	KMC Telecom, Inc.	\$47.81				
3788D5722	Southwestern Bell Comms. Svcs. Inc. dba Southwestern Bell LD	\$4.42	\$4.42	29666	07/29/02	
3788D5877	U.S. South Communications, Inc.	\$28.72	\$28.72	8226	08/07/02	

3788D5892	Time Warner	\$1.65			
3788D5954	Cbeyond Communications, LLC	\$10.81			
3788D5976	Concord Telephone Company (CTC)	\$10.84			
3788D6233	ITC DeltaCom Communications, Inc.	\$71.16			
3788D6284	Knology Holdings, Inc.	\$249.23			
3788D6362	Focal Communications Corp.	\$245.09			
3788D6484	Adelphia Business Solutions	\$18.66	\$18.66	65406	07/25/02
3788D6485	Globe Telecommunications, Inc.	\$105.19			
3788D6672	NewSouth Communications, L.L.C.	\$121.25			
3788D6746	The Phone Company	\$10.34	\$10.34	40757	08/26/02
3788D6868	PT-1 Communications, Inc.	\$0.00			
Total		<u>\$31,451.14</u>	<u>\$12,466.47</u>		

Florida

9353D0018	Sprint Local Telecommunications Division	\$7.08			
9353D0056	Qwest Communications	\$6.08	\$6.08	4022664	07/25/02
9353D0058	Global Crossing Local Services, Inc.	\$2.07			
9353D0126	SBC Telecom, Inc.	\$60.51			
9353D0147	Data and Electronic Services, Inc.	\$0.79			
9353D0183	MCI Metro (MCIWorldCom)	\$12.45			
9353D0187	BellSouth Long Distance	\$435.19	\$435.19	7109792	11/05/02
9353D0211	Frontier Communications Intl, Inc.	\$2.91	\$2.91	6027379	08/26/02
9353D0220	Telecom*USA (MCIWorldCom)	\$23.79			
9353D0222	MCIWorldCom	\$2,324.51			
9353D0223	Cable and Wireless Communications, Inc.	\$22.42	\$22.42	40006835	07/26/02
9353D0233	ITC DeltaCom Communications, Inc.	\$93.20			
9353D0288	AT&T Communications	\$5,250.77			
9353D0292	Teleport Communications Group, Inc. (subsidiary of AT&T)	\$57.83			
9353D0333	Sprint	\$2,363.30	\$2,363.30	6354154	08/02/02
9353D0377	BellSouth Long Distance	\$7.11	\$7.11	7100119	07/29/02
9353D0386	MediaOne, Inc.	\$386.59			
9353D0393	Intermedia Communications, Inc.	\$48.78			
9353D0432	Qwest Communications	\$1,557.30	\$1,557.30	4022664	07/25/02
9353D0440	WorldCom Technologies, Inc.	\$3.25			

9353D0444	Global Crossing Telecommunications, Inc.	\$1,798.68	\$1,798.68	6023304	07/23/02
9353D0457	Telco Communications Group dba Dial & Save (Excel Comms)	\$79.84	\$79.84	6068178	07/24/02
9353D0555	WorldCom, Inc.	\$1,078.22			
9353D0752	Excel Telecommunications, Inc.	\$56.25	\$56.25	6068178	07/24/02
9353D0764	Network Plus	\$0.26	\$0.26	2228	09/16/02
9353D0811	VarTec Telecom, Inc.	\$120.21	\$120.21	6500316	09/19/02
9353D0833	Business Telecom, Inc. (BTI)	\$131.73	\$131.73	353210	09/06/02
9353D0834	Worldxchange Corp.	\$0.24	\$0.24	5480	10/07/02
9353D0880	One Call Communications	\$4.00	\$4.00	105581	07/24/02
9353D0946	RSL COM U.S.A., Inc.	\$0.51	\$0.51	85921	08/26/02
9353D0948	Broadwing Communications Services Inc.	\$49.28	\$49.28	327308	09/03/02
9353D0962	Gulf Long Distance, Inc.	\$22.58	\$22.58	11495	09/03/02
9353D5046	Sprint Metropolitan Network, Inc.	\$8.96	\$8.96	6477971	09/03/02
9353D5048	e.spire Communications, Inc.	\$4.67			
9353D5102	Williams Communications LLC D36	\$92.36	\$92.36	29666	07/29/02
9353D5119	XO Communications, Inc.	\$109.36	\$109.36	200217728	08/27/02
9353D5124	BellSouth Telecommunications, Inc.	\$57.97			
9353D5135	Broadwing Communications Services Inc.	\$12.65	\$12.65	327308	09/03/02
9353D5158	Williams Communications LLC	\$217.04	\$217.04	30381	08/01/02
9353D5230	US LEC of North Carolina, L.L.C.	\$234.43			
9353D5231	US LEC of North Carolina, L.L.C.	\$4.70			
9353D5253	ALLTEL Communications, Inc.	\$79.90	\$79.90	1427402	10/15/02
9353D5366	Florida Digital Network	\$88.08			
9353D5374	Business Telecom, Inc. (BTI)	\$5.18			
9353D5393	Intermedia Communications Inc.	\$37.58			
9353D5496	State Communications Inc.	\$2.78			
9353D5607	Allegiance Telecom, Inc.	\$3.78			
9353D5642	Mpower Communications	\$22.74			
9353D5703	KMC Telecom, Inc.	\$76.45			
9353D5722	Southwestern Bell Comms. Svcs. Inc. dba Southwestern Bell LD	\$2.12	\$2.12	29666	07/29/02
9353D5892	Time Warner	\$9.48			
9353D6233	ITC DeltaCom Communications, Inc.	\$65.00			
9353D6284	Knology Holdings, Inc.	\$115.88			
9353D6340	PaeTec Communications Inc.	\$6.12	\$6.12	118182	12/30/02
9353D6341	PaeTec Communications, Inc.	\$2.43			

9353D6362	Focal Communications Corp.	\$8.08				
9353D6437	IDS Long Distance, Inc.	\$5.30				
9353D6484	Adelphia Business Solutions	\$40.87	\$6.60	66145	08/05/02	
9353D6672	NewSouth Communications, L.L.C.	\$29.95				
9353D6746	The Phone Company	\$3.76	\$3.76	40757	08/26/02	
9353D6953	NYNEX Long Distance Co. dba Verizon Enterprise Solutions	\$61.35	\$61.35	16113	09/23/02	
9353D6996	Orlando Telephone Company Inc.	\$5.77				
		<u>\$17,422.47</u>	<u>\$7,258.11</u>			

Mississippi

9292D0885	CommuniGroup, Inc.	\$0.22				
9292D5062	XCOM Technologies (Level 3)	\$3.46	\$3.46	2-06816066/3	09/04/02	
9292D0036	Intermedia Communications, Inc.	\$20.56				
9292D0040	Qwest Communications	\$127.08	\$127.08	4022664	07/25/02	
9292D0187	BellSouth Long Distance	\$1,270.86	\$1,270.86	7109792	11/05/02	
9292D0211	Frontier Communications Intl. Inc.	\$1.36	\$1.36	6027379	08/26/02	
9292D0220	Telecom*USA (MCIWorldCom)	\$41.54				
9292D0222	MCIWorldCom	\$25,399.02				
9292D0223	Cable and Wireless Communications, Inc.	\$342.91	\$342.91	40005458	07/23/02	
9292D0233	ITC DeltaCom Communications, Inc.	\$1,256.13				
9292D0288	AT&T Communications	\$53,112.75				
9292D0297	Long Distance Wholesale Club (Excel Communications)	\$20.91	\$20.91	6068178	07/24/02	
9292D0321	Telecom*USA (MCIWorldCom)	\$0.00				
9292D0333	Sprint	\$25,733.72	\$25,733.72	6354116	08/02/02	
9292D0377	BellSouth Long Distance	\$3,584.16	\$3,584.16	7099960	07/26/02	
9292D0432	Qwest Communications	\$14,214.69	\$14,214.69	4022664	07/25/02	
9292D0440	WorldCom Technologies, Inc.	\$24.46				
9292D0444	Global Crossing Telecommunications, Inc.	\$31,345.43	\$31,345.43	6027740	08/26/02	
9292D0457	Telco Communications Group dba Dial & Save (Excel Comms)	\$319.53	\$319.53	6068178	07/24/02	
9292D0502	WorldXchange Corp.	\$4.23	\$4.23	5480	10/07/02	
9292D0555	WorldCom, Inc.	\$12,875.76				
9292D0569	Global Crossing Bandwidth, Inc.	\$0.48	\$0.48	6027379	08/26/02	
9292D0636	VarTec Telecom dba Clear Choice Communications	\$0.06				
9292D0687	NTS Communications, Inc.	\$20.17	\$20.17	80994	07/24/02	

9292D0752	Excel Telecommunications, Inc.	\$1,149.10	\$1,149.10	6068178	07/24/02
9292D0811	VarTec Telecom, Inc.	\$1,701.87	\$1,701.87	6500316	09/19/02
9292D0833	Business Telecom, Inc. (BTI)	\$437.24	\$437.24	353210	09/06/02
9292D0880	One Call Communications	\$48.36	\$48.36	105581	07/24/02
9292D0885	Communigroup, Inc.	\$1,123.45			
9292D0946	RSL COM U.S.A., Inc.	\$7.70	\$7.70	85921	08/26/02
9292D0948	Broadwing Communications Services Inc.	\$350.72	\$350.72	327308	09/03/02
9292D0962	Gulf Long Distance, Inc.	\$20.05	\$20.05	11459	07/23/02
9292D0987	Telecom*USA {MCIWorldCom}	\$22.70			
9292D5038	Cellular XL Associates, LP	\$56.53	\$56.53	53590	09/26/02
9292D5102	Williams Communications LLC D36	\$1,911.58	\$1,556.88	29038	07/30/02
9292D5115	Brooks Fiber Communications [WorldCom]	\$137.18			
9292D5119	XO Communications, Inc.	\$562.67	\$562.67	200217728	08/27/02
9292D5124	BellSouth Telecommunications, Inc.	\$3,299.92			
9292D5135	Broadwing Communications Services Inc.	\$436.67	\$436.67	327308	09/03/02
9292D5158	Williams Communications LLC	\$3,888.70	\$3,888.70	29038	07/25/02
9292D5230	US LEC of North Carolina, L.L.C.	\$9.55			
9292D5349	Dixie Net Communications, LLC	\$1.63			
9292D5522	Telapex Long Distance, Inc.	\$20.17			
9292D5703	KMC Telecom, Inc.	\$165.15			
9292D5722	Southwestern Bell Comms. Svcs. Inc. dba Southwestern Bell LD	\$54.26	\$54.26	27888	07/24/02
9292D6233	ITC DeltaCom Communications, Inc.	\$638.67			
9292D6247	West Wisconsin Communication Systems, Inc.	\$1.31			
9292D6484	Adelphia Business Solutions	\$503.05	\$503.05	65688	07/26/02
9292D6672	NewSouth Communications, L.L.C.	\$219.28			
9292D6684	Network Telephone	\$4.55			
9292D6971	GulfPines Communications, LLC	\$2.51	\$2.51	11355	08/07/02
Total		<u>\$186,494.06</u>	<u>\$87,765.30</u>		

GRAND TOTAL

\$241,048.08 \$109,994.44

Current Balance

\$131,053.64

Agent Receivables

Customer ID	Customer	Contact	0-6 Days	7-13 Days	14-20 Days	Over 21 Days	Amount Due
GF113	American Auto Insurance	CAROL			84.99	-235.68	-150.69
FT-62	Ace Wireless Inc	CAROL	35.00				35.00
FT-18	Carolina Wireless	CAROL		144.98			144.98
GF103	Bay Pawn	CAROL	35.00	25.00	49.99	76.66	186.65
GF601	New Hialeah Supermarket	CAROL	99.99	49.99	54.99		204.97
GF122	S & K Communications	CAROL	64.99	89.99		64.99	219.97
GF305	B & W Gold	CAROL	69.99			183.85	253.84
GF116	Mr. Convenience/Bay Cellular	CAROL	59.99	64.00	135.97	-0.10	259.86
GF111	Folmar Gun & Pawn	CAROL		50.00		264.97	314.97
GF313	Lake Weir Grocery	CAROL	394.94	109.98	104.98		609.90
IN-61	Speedy Check Cashers Inc	DMI				-84.87	-84.87
IN-01	Greentree Check Advance	DMI	45.00				45.00
GA511	Newby's Pawn & Gun	DMI	189.97	119.98	99.98		409.93
IN-63	Greentree Ck Advance Louisville	DMI	524.95		79.99	-85.99	518.95
SC-17	Hall Radio & TV	DMI	399.94	324.94			724.88
JR-13	Myer's Television & Satellite	DMI	444.95			559.96	1,004.91
JR-08	Batesville Pawn Shop Inc.	DMI	1,464.82				1,464.82
IN-65	Greentree Ck Advance Kosciusko	DMI	1,454.87		45.44	-1.00	1,499.31
IN-53	City Gun & Pawn / Rent to Own	DMI	924.88	607.41		-5.00	1,527.29
MS-11	Tam-An Foods Inc	DMI	539.92	579.92	529.93		1,649.77
MS-26	Tunica Pharmacy Inc	DMI	689.91	804.91	559.91		2,054.73
MS-15	Mid South Graphics	DMI	904.87	924.87	231.72		2,061.46
IN-64	Greentree Ck Advance Philadelp	DMI	2,270.68				2,270.68
JR-37	Eupora Electronics	DMI	1,014.88	2,079.77	2,144.70	-2,901.68	2,337.67
IN-78	B & M Trading & Pawn	DMI	2,344.75				2,344.75
IN-62	Greentree Ck Advance Carthage	DMI	2,359.26				2,359.26
MS-14	Hill's Lawn & Garden	DMI	664.93	479.94	1,099.86	946.89	3,191.62
IN-08	Sunflower-Yazoo City	DMI	1,039.89	1,674.79	511.20		3,225.88
MS-16	Mid South Graphics	DMI	769.91			4,445.87	5,215.78
IN-25	Sound Waves Video	DMI	2,304.72	2,374.77	608.28		5,287.77
JR-22	Thurmond's Radio Shack	DMI	4,564.51	4,379.52			8,944.03
IN-02	Canton Discount Drugs	DMI	4,564.43	5,804.24			10,368.67
IN-16	Delta Discount Drugs	DMI	4,174.52	6,999.18		-326.32	10,847.38
IN-96	Check Cashers & More-Batesvill	Don Levingston		119.99	20.00	-346.00	-206.01
IN-03	Jackie's Tax Place	Don Levingston	55.20	1.20			56.40

MS-42	AMT Wholesale	Don Levingston	99.99				99.99
JR-85	Greentree Check Advance	Don Levingston	159.98				159.98
IN-99	The Furniture & Music Box	Don Levingston	69.99	139.98			209.97
IN-83H	HT Long Distance-H-I	Don Levingston	129.98	99.98			229.96
MS-41	Collins Check Cashiers & Title Loan	Don Levingston	79.99		239.97		319.96
JR-04	Robbi's Video-Hazelhurst	Don Levingston	299.96	1,084.88	224.98	-1,201.04	408.78
GM604	Cash Source USA	Don Levingston	139.98	269.96			409.94
IN-06B	New Deal Supermarket #52	Don Levingston	474.94				474.94
IN-99A	Ideal Communications	Don Levingston	509.94	119.99			629.93
IN-06D	New Deal Supermarket #54	Don Levingston	649.93				649.93
IN-95	Check Cashers & More-Richland	Don Levingston	284.96	129.98	259.96	-5.00	669.90
IN-73	Rinconcito Latino Discoteca	Don Levingston	714.91				714.91
MS-01A	Delta Check Cashers -CCM	Don Levingston	424.95	554.94	944.89	-1,189.00	735.78
IN-05	Charlies Pawn Shop	Don Levingston	809.93				809.93
IN-100H	Tienda La Guadalupe	Don Levingston	184.97	649.91			834.88
IN-92	Southern Check Cashing	Don Levingston	1,009.89				1,009.89
IN-97	Check Cashers & More	Don Levingston	274.97	384.96	374.95		1,034.88
MS-39	Check Cashers & More	Don Levingston	110.00	40.00	889.89		1,039.89
IN-74	American Check Exchange	Don Levingston	464.95	699.96			1,164.91
IN-28	Stringer Furniture Co.	Don Levingston	35.00	229.98	309.96	614.91	1,189.85
IN-12	Check Cashers & More-Vicksburg	Don Levingston	239.97		529.92	478.00	1,247.89
IN-79	Sams Trade & Pawn	Don Levingston	629.92	674.92		0.90	1,305.74
MS-37	Check Cashers & More	Don Levingston	179.98	639.94	599.94		1,419.86
JR-05	Robbi's Video Brookhaven	Don Levingston	1,579.84			-113.74	1,466.10
IN-06	New Deal Supermarket #50 Mnumt	Don Levingston	1,629.83				1,629.83
IN-68	Greentree Ck Advance Pearl	Don Levingston	1,679.73			9.81	1,689.54
JR-32	G & S Rentals	Don Levingston	1,700.74				1,700.74
IN-10	Mid South Furniture	Don Levingston	1,050.87	794.28			1,845.15
IN-85H	HT Long Distance-3-Hispanic	Don Levingston	844.88	1,134.83			1,979.71
IN-07	Raymond Hardware	Don Levingston	944.89	1,059.87		24.95	2,029.71
JR-51	CRC Cellular	Don Levingston	2,235.73				2,235.73
IN-06A	New Deal Supermarket #51 Jxn	Don Levingston	2,314.81			-49.99	2,264.82
JR-01	Roger's Rental / Net Comm.	Don Levingston	2,715.63			-47.02	2,668.61
IN-71	Biloxi Rent-All	Don Levingston	204.98	649.91	584.91	2,170.60	3,610.40
JR-81	Video Visions	Don Levingston	1,524.78	2,112.72			3,637.50
IN-06C	New Deal Supermarket #53	Don Levingston	4,184.56				4,184.56
IN-94	Check Cashers & More-Monticell	Don Levingston	1,549.81	1,769.78	1,509.81	-475.00	4,354.40
JR-51-note	CRC Cellular note	Don Levingston				5,598.69	5,598.69
GA-11	SafeHouse Security System	Donna Ardolino	54.00			-10.00	44.00

GA-14	Nuestra Tarjeta de Servicios Inc.	Donna Ardolino	359.94				359.94
VP	Telecell	Donna Ardolino	419.92			-38.06	381.86
MS-38	Check NOW	Kevin McGuffee	119.60	0.03		-165.70	-46.07
MS-30	A-1 Check Cashing	Kevin McGuffee		99.99	-104.99		-5.00
MS-28	Check 4 Cash	Kevin McGuffee				-0.02	-0.02
MS-36	A-1 Check Cashing	Kevin McGuffee	159.98				159.98
JD-01	JD Byrider Sales	Kevin McGuffee	129.98	249.97	319.96		699.91
MS-31	A-1 Check Cashing	Kevin McGuffee	179.99	229.98	59.99	324.94	794.90
MS-34	A-1 Check Cashing	Kevin McGuffee	249.96	494.92		454.92	1,199.80
LA-78	A-1 Check Cashing	Kevin McGuffee	119.98	359.95	344.96	489.94	1,314.83
MS-32	A-1 Check Cashing	Kevin McGuffee	859.80	519.87			1,379.67
MS-25	Check 4 Cash	Kevin McGuffee	499.93	614.93	454.93	1.80	1,571.59
MS-35	A-1 Check Cashing	Kevin McGuffee	795.03	836.90		-45.00	1,586.93
LA-77	A-1 Check Cashing	Kevin McGuffee	579.93	1,030.84	1,133.88		2,744.65
BB-MF	Baber's Leasing & Rental	Kevin McGuffee	42,163.22				42,163.22
MS-23	Mississippi Discount Drugs	Kevin McGuffee	684.91			-79.99	604.92
CE-MF	Check Exchange of Brookhaven	PSC	-11,395.34	-22,398.80			-33,794.14
FL-02	Florida Cash Express	PSC		49.99	-94.99		-45.00
FT-33	Money Movers	PSC	49.99			-9.41	40.58
FT-15	American Furniture & Appliance	PSC			69.98	-7.95	62.03
GA-08	The Cash Store - Cartersville	PSC	25.00			129.94	154.94
GA-21	Miller Petro	PSC	154.94				154.94
GA-10	The Rental Superstore	PSC	239.96			-79.99	159.97
FT-35	Superior Rentals-Cartersville	PSC				185.16	185.16
FT-25	Jakes Pawn Shop	PSC	384.94				384.94
FT-06A	The Cash Store-Broad St	PSC	1,109.82		0.99	-501.04	609.77
TN-01	Wild Wayne's	PSC	314.96	359.94		2.57	677.47
KY-CR	Colorama-Raintree	PSC	4,130.38	5,516.20		-8,845.55	801.03
FT-55	Fashions Plus Communications	PSC	229.97	664.89		0.32	895.18
NDM-29	O/O ENTERPRISES	PSC	312.77	423.14	249.14		985.05
FT-17	The Cash Store-Shorter Ave	PSC	229.96		45.00	934.95	1,209.91
FT-32	Steve's Place	PSC	472.43	620.89	629.90	980.86	2,704.08
DG-MF	Direct General	PSC	6,137.23	8,195.96	4,736.38	44,724.31	63,793.88
101	PRE Solutions Distribution Center	Retail			-1,139.24		-1,139.24
LA-65	Pioneer Credit Company	Todd Groves	54.99			-64.00	-9.01
LA-69	Cajun Credit #69	Todd Groves	15.00				15.00
AR-05	Money Tree	Todd Groves			54.00	133.00	187.00
LA-63	Kitishian's	Todd Groves	160.00	300.00	90.00	-118.00	432.00
LA-24	Fast Cash Inc #3	Todd Groves				616.97	616.97

LA-79	S & B Drugs, Inc.	Todd Groves	629.94				629.94
LA-32	Triumph Supervalu Food Store	Todd Groves	484.93	389.95		-30.00	844.88
LA-11	Fast Cash Inc #1	Todd Groves	30.00	359.95	264.97	391.98	1,046.90
JR-80	One Stop Package	Todd Groves	284.95	1,239.82	589.93	-244.52	1,870.18
JR-84	Yount's Appliance	Todd Groves	1,134.87	764.90			1,899.77
LA-21	Credit Merchandise Of Abbeville	Todd Groves	694.91	899.88	464.95		2,059.74
LA-23	Fast Cash Inc #2	Todd Groves	79.99	199.98	89.99	2,095.45	2,465.41
LA-06	American Check Cashers	Todd Groves	845.91	1,349.82	729.94		2,925.67
			120,800.49	44,424.03	21,820.78	49,601.50	236,646.80

JR-48	Video Shack	Inactive				-75.00	-75.00
JR-71	Yazoo Furniture & Appliance	Inactive				2.00	2.00
GF405	AOK Pawn & Gold	Inactive				10.00	10.00
GF115	Marianna Financial Services	INACTIVE				14.19	14.19
IN-77A	J-Tel Group - Hazelhurst	INACTIVE				20.00	20.00
GF125	Fast Cash- Niceville	Inactive				30.00	30.00
FT-52	Aarons-Warner Robins	Inactive				33.00	33.00
IN-04H	Libertad-Freedom	INACTIVE				37.00	37.00
FT-37	Radio Shack	Inactive				40.00	40.00
GF419	By George	Inactive				44.00	44.00
GM602	Handy Payroll	INACTIVE				44.52	44.52
GF410	YMI Food Mart	INACTIVE				45.30	45.30
FT-44	Cross Country	INACTIVE				49.00	49.00
GA602	Cash Express- Boilweevil Cr	INACTIVE				49.00	49.00
IN-93H	ABC Satellite System	Inactive				49.00	49.00
SW-31	Schwegmann	Inactive				49.00	49.00
GF320	A & J Beauty Supply	Inactive				53.30	53.30
GA-01	Nations Quick Cash	Inactive				54.00	54.00
GF408	BP	Inactive				54.90	54.90
GF133	Pacific Food Store	INACTIVE				60.00	60.00
GF315	Super 9 Travel Mart	INACTIVE				60.17	60.17
GA402-1	Advantage Paging	Inactive				60.25	60.25
FT-61	River City Wireless	Inactive				68.00	68.00

LA-71	As Good As New	Inactive	69.00	69.00
IN-89	Quick Cash #6078	Inactive	73.78	73.78
LA-76	Cash Money Check Cashing	Inactive	82.00	82.00
JR-72	Village Pharmacy	Inactive	86.76	86.76
GA404	N-Touch - Prattville	INACTIVE	89.00	89.00
KY-01	Oak Grove Call Center	Inactive	89.00	89.00
LA-52	Maggios	Inactive	91.32	91.32
GF404	Tip Top Foods	INACTIVE	91.98	91.98
GF414	La Gloria Market #1	INACTIVE	94.00	94.00
GF141	Matt Howard Cellphones	INACTIVE	95.17	95.17
GF416	Global Radio #1	INACTIVE	96.16	96.16
MO-01	Check It Out	Inactive	111.28	111.28
AR-02	GQ Fashions	Inactive	118.00	118.00
FT-02	Aarons Rental Purchase	Inactive	118.00	118.00
LA-36	Cell Page Inc	INACTIVE	132.00	132.00
GA415	Best Beauty Supply	Inactive	144.68	144.68
IN-76	Humpback Production	Inactive	148.00	148.00
FT-05	Cockrum & Cockrum	INACTIVE	175.32	175.32
MS-04	Superior Rent To Own #05	INACTIVE	177.00	177.00
LA-45	Mel's Finance - Sulphur	Inactive	181.00	181.00
GF417	Hopson's Grocery	INACTIVE	193.60	193.60
GF402	Affordable Paging	Inactive	200.00	200.00
MS-03-TL	Everything Wireless	Inactive	213.68	213.68
GF409	Discount Wireless	INACTIVE	220.31	220.31
GF326	INS. World of Deland-S.Spring	INACTIVE	221.00	221.00
GF106-CC	Cash Cow (F6)	INACTIVE	223.91	223.91
GF420	Jessie's Fashions	INACTIVE	228.19	228.19
LA-59	PROCheckONE, Check Cashing	INACTIVE	228.36	228.36
IN-80	RAM Communications	Inactive	246.00	246.00
GF302	CMC Paging & Cellular	INACTIVE	249.00	249.00
IN-82	InTouch Communications	INACTIVE	250.86	250.86
LA-75	InTouch Communications	INACTIVE	252.00	252.00
IN-27-LD	Castlemans	Inactive	255.50	255.50
FT-50	Aarons-Chattanooga	Inactive	257.00	257.00
GA521	CST Communications	INACTIVE	262.00	262.00
FT-47	Aarons-Savannah #1	Inactive	295.50	295.50
GF418	Global Radio #2	INACTIVE	301.70	301.70
AL-105	The Furniture Place	Inactive	321.00	321.00
GSV-MF	Gordin's Super-valu	INACTIVE	329.00	329.00

GF421	American Girl Doll & Diamond	Inactive	331.17	331.17
GF301	Intersate Communications	INACTIVE	343.80	343.80
GF423	Williston Insurance Agency	INACTIVE	346.85	346.85
GF324	Diligentful Gifts & Wireless	INACTIVE	366.80	366.80
SB-1	The Direct Telephone	INACTIVE	368.93	368.93
TN-040	One Touch Services	INACTIVE	385.00	385.00
GF317	Cash Cow (F17)	INACTIVE	386.35	386.35
FP	Fulton Pawn	Inactive	435.93	435.93
GF311	Insurance World- Starke	INACTIVE	437.40	437.40
FT-40	The Wireless Connection	INACTIVE	458.36	458.36
STRAT	Stratus Communications	INACTIVE	514.99	514.99
GA515	Urban Connection- N. Broad	INACTIVE	527.02	527.02
ZTN-034	ABC Rentals	Inactive	529.42	529.42
GA402	Modem Optics Communications	INACTIVE	543.00	543.00
GA414	Best Beauty Supply	Inactive	611.67	611.67
IN-77-note	Wireless, Inc.	INACTIVE	614.17	614.17
TN-03	Gordin's SuperValu Grocery	INACTIVE	649.00	649.00
SC-19	Technical Service Solutions	INACTIVE	679.40	679.40
MS-17	New Life Church Supply	INACTIVE	690.00	690.00
AL-094	American Mobil Wireless Comm.	Inactive	693.00	693.00
GF105	Your Vac Store	INACTIVE	767.20	767.20
GM603	Friendly Pawn	INACTIVE	842.00	842.00
LA-39A	Affordable Loans	Inactive	907.00	907.00
LA-43	Mel's Finance - Leesville	Inactive	916.29	916.29
LA-62	Smart Move	Inactive	951.00	951.00
FT-48	Aarons- Griffin	Inactive	963.09	963.09
IN-58A-LD	J & M Paging	Inactive	982.25	982.25
GF316	Northgate Jiffy Food	INACTIVE	983.00	983.00
GF102	Koby's Hallmark	INACTIVE	994.38	994.38
LA-44	Mel's Finance - Lafayette	Inactive	1,000.00	1,000.00
MS-10	Rick's Cellular South	INACTIVE	1,011.00	1,011.00
GA520	Shear Perfection	INACTIVE	1,025.76	1,025.76
Phone America	Phone America	INACTIVE	1,027.00	1,027.00
GA-03	Mr. Pawn	INACTIVE	1,062.00	1,062.00
GF120	Fields Comm. -Airport Blvd	INACTIVE	1,168.16	1,168.16
GF117	National Ck Cashing- N. Pace	INACTIVE	1,177.09	1,177.09
GA522	Settle Tax & Financial Center	INACTIVE	1,217.72	1,217.72
SC-18	Voice Magic	INACTIVE	1,281.85	1,281.85
LA-58	M & M Wireless	INACTIVE	1,313.10	1,313.10

GF401	Bucks Wireless	INACTIVE	1,342.20	1,342.20
GF139	The Pensacola House	INACTIVE	1,351.31	1,351.31
GA603	Deyampert Fashion	INACTIVE	1,386.60	1,386.60
GA607	Robert's Paging	INACTIVE	1,386.72	1,386.72
GF128	Cash Express- Ft. Walton Beach	INACTIVE	1,441.00	1,441.00
GA516	M & J Convenience	INACTIVE	1,469.46	1,469.46
SSC-01	Smoke Signal Communications	INACTIVE	1,488.01	1,488.01
GF134	Lil Mac General Store	INACTIVE	1,562.14	1,562.14
AL-056	Picture Shows Video	Inactive	1,584.29	1,584.29
TN-02	ProPage #151	Inactive	1,649.00	1,649.00
GF106	Gulf Coast Comm (106)	INACTIVE	1,706.50	1,706.50
FT-54	Aarons-Savannah #2	Inactive	1,782.36	1,782.36
GF104	GulfCoast Comm	INACTIVE	1,830.35	1,830.35
GF412	Affordable Paging & Cell	Inactive	1,855.08	1,855.08
LA-61	Sound Visions	Inactive	1,892.00	1,892.00
FT-59	Elite Paging	INACTIVE	1,921.99	1,921.99
GF131	National Ck Cashing-Mobile Hwy	INACTIVE	1,949.86	1,949.86
SC-02	Ideal Rentals	INACTIVE	2,046.61	2,046.61
AL-110	Selectronics By Strong	Inactive	2,050.00	2,050.00
GA513	K-InTouch Communications	INACTIVE	2,052.41	2,052.41
LA-56	Mel's Finance - W. Monroe	Inactive	2,055.68	2,055.68
LA-60	Electronics Unlimited	Inactive	2,073.98	2,073.98
GF130	Planet Beep I	INACTIVE	2,127.07	2,127.07
GF108	Southern Cash Advance	INACTIVE	2,169.00	2,169.00
JDS-00	JD Services, Inc.	Inactive	2,217.72	2,217.72
SC-14	Access Paging	INACTIVE	2,220.80	2,220.80
TN-201	SuperValu Grocery	INACTIVE	2,288.98	2,288.98
FT-22	Direct Konnection	INACTIVE	2,383.00	2,383.00
TN-039	Royal King	Inactive	2,437.00	2,437.00
IN-85	Quick Cash #6021	Inactive	2,593.04	2,593.04
LA-26	P.S. Communications	INACTIVE	2,684.39	2,684.39
TN-6609	Gordin's Supervalu	INACTIVE	2,784.67	2,784.67
SC-13	General Hispanic Services	INACTIVE	2,797.09	2,797.09
IN-70	Mailboxes Plus	Inactive	2,978.00	2,978.00
NDM-01	1st American Rental	INACTIVE	3,192.40	3,192.40
MS-19	The MailBox & More	INACTIVE	3,208.70	3,208.70
GA517	Bargain Center & Pawn	Inactive	3,275.98	3,275.98
FT-08	Elite Paging- Sam Rittenburg	INACTIVE	3,531.29	3,531.29
GF138	Planet Beep II	INACTIVE	3,767.79	3,767.79

GF312	Sta-Com-Cell	INACTIVE				3,815.10	3,815.10
JR-48-note	Video Shack	Inactive				3,975.00	3,975.00
SC-01	Beaufort Reconnect	Inactive				4,278.00	4,278.00
IN-58A	J & M Paging Inc	Inactive				4,732.00	4,732.00
GF129	TNT Movies & Games	INACTIVE				4,903.80	4,903.80
GF203	Madison Title	INACTIVE				5,233.45	5,233.45
GF123	Jam Communications	INACTIVE				5,747.33	5,747.33
SAC-MF	Save-A-Center	INACTIVE				5,872.02	5,872.02
LA-55	Mel's Finance - Many	Inactive				6,295.71	6,295.71
JR-46	Stop-N-Shop #2	INACTIVE				7,073.91	7,073.91
TN-207	Gordin's Supervalu	INACTIVE				7,690.38	7,690.38
GF100	Gulf Coast Communications	INACTIVE				8,003.43	8,003.43
GF107	Gulf Coast Communications	INACTIVE				9,431.91	9,431.91
GA509	Dependable Paging-S. Wilson	Inactive				10,467.10	10,467.10
JR-82	Western Auto Store	Inactive				11,801.00	11,801.00
GF109	Gulfcoast Comm (109)	INACTIVE				11,995.05	11,995.05
GA510	Net 1 Zebra	INACTIVE				12,720.95	12,720.95
LA-57	Quick Cash	Inactive				15,706.00	15,706.00
LA-39	Alpha Loans (Affordable Loans)	Inactive				15,853.00	15,853.00
LA-53	Mel's Finance - New Iberia	Inactive				29,494.56	29,494.56
FT-01	First Tel	Inactive				29,726.49	29,726.49
JR-82-note	Western Auto Store	Inactive				32,077.57	32,077.57
IN-27	Castleman's	Inactive				52,829.28	52,829.28

0.00 0.00 0.00 421,623.35 421,378.34

Total Agent Receivable 120,800.49 44,424.03 21,820.78 471,224.85 658,025.14

Schedule G

Excluded Contracts/Assets

Schedule H

MANAGEMENT AGREEMENT

This Management Agreement (this "Management Agreement") is made and entered into as of _____, 2003 by and among NOW Communications, Inc., a Mississippi corporation ("NOW Communications"), NOW Communications of Mississippi, Inc., a Mississippi corporation ("Mississippi"), NOW Communications of Virginia, Inc., a Virginia corporation ("Virginia"), NOW Communications of South Dakota, Inc., a Mississippi corporation ("South Dakota"), and Telstar International, Inc., a Georgia corporation ("Telstar") and together with NOW Communications, Mississippi, Virginia, South Dakota, and Telstar ("NOW"), and Tel-Link, Inc., a Mississippi corporation ("Tel-Link"), and NOW Acquisition Corp., a Delaware corporation ("Manager").

WHEREAS, NOW Communications commenced the Chapter 11 Case No. 03-01336 by filing voluntary petition for reorganization under Chapter 11 of Title 11 of the United States Code, 11 U.S.C. §§ 101 et seq. (as the same may be amended from time to time, the "Bankruptcy Code"), with the United States Bankruptcy Court for the Southern District of Mississippi, Jackson Division (the "Bankruptcy Court"). NOW Communications continues to operate its business and manage its properties as debtor and debtor in possession pursuant to Sections 1107(a) and 1108 of the Bankruptcy Code; and

WHEREAS, NOW and MCG Capital Corporation ("MCG") have entered into an Asset Purchase Agreement dated as of _____, 2003 (as it may be from time to time amended or supplemented, the "Asset Purchase Agreement"), whereby MCG or its assignee ("Buyer") has agreed to purchase the Assets from NOW; and

WHEREAS, it is anticipated that Manager will also be Buyer; and

WHEREAS, NOW has been granted federal, state and other Permits that authorize operation of the regulated aspects of NOW's business; and

WHEREAS, applicable federal and/or state regulatory requirements require Buyer, prior to closing on the purchase of certain Assets, to obtain certification as a local and long distance service provider in certain states in which Selling Entities have end user customers (each such certification requirement, a "Certification Requirement"); and

WHEREAS, applicable federal and/or state regulatory requirements require prior governmental authorization or notice for a transfer of certain of the Assets of NOW (together with those Assets the purchase of which under the Asset Purchase Agreement is subject to a Certification Requirement, the "Regulated Assets"); and

WHEREAS, Buyer and NOW desire to establish a Regulatory Compliance Period (as such term is defined herein) during which the parties shall seek to comply with applicable federal and state regulations and enter into contractual or other legal arrangements necessary for the consummation of the transactions contemplated by the Asset Purchase Agreement; and

WHEREAS, NOW desires, in conformity with the rules and policies of state and federal regulatory authorities, and the terms and conditions of this Management Agreement, to enable and permit Manager to manage and operate the Regulated Assets, including the provision of telecommunications services to existing customers of NOW during the Regulatory Compliance Period; and

WHEREAS, the parties desire to enter into this Management Agreement to ensure the continued operation and maintenance of NOW's network, and the associated billing, collection, and administrative functions, as required to provide telecommunications services to existing customers of NOW during the Regulatory Compliance Period.

NOW, THEREFORE, in consideration of the above recitals, which are hereby incorporated herein, and mutual promises and other good and adequate consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, agree as follows:

1. Definitions. Any capitalized term used herein and not otherwise defined shall have the meaning assigned to it in the Asset Purchase Agreement.

2. Appointment. NOW hereby grants to Manager, on the terms and conditions set forth herein and during the Term (as such term is defined herein) hereof, the right to manage the Regulated Assets and related business, including, without limitation, the right to have access to and use of the Regulated Assets, and to direct NOW Employees (as such term is defined herein) as required to provide telecommunications services to the customers of NOW to be transferred to Buyer pursuant to the Asset Purchase Agreement.

3. Term. This Management Agreement shall become effective upon the later of approval of the Asset Purchase Agreement by the Bankruptcy Court and shall expire (such period, the "Regulatory Compliance Period" or the "Term") and the date that such Court is notified of and approves of the sale of Assets at auction on the earliest to occur of:

(a) at such time as Buyer has obtained all necessary consents, waivers, authorizations and approvals of any Governmental Body as are necessary in connection with the transactions contemplated by the Asset Purchase Agreement; or

(b) the date on which Buyer notifies NOW that it shall no longer seek further federal and state regulatory approvals necessary for Buyer (i) to acquire and operate the Regulated Assets, (ii) to enter into contractual and other legal arrangements necessary for the consummation of the transactions contemplated by the Asset Purchase Agreement, and (iii) to the extent applicable, to transfer the customers to Buyer's service arrangements; or

(c) 30 days following the giving of notice of termination by Manager;

provided, however, that if upon the receipt of all necessary Governmental Consents applicable to the Regulated Assets in any state, the Regulated Assets in such state shall, upon the request of Buyer, be transferred by NOW to Buyer under the Asset Purchase Agreement, at which time such Regulated Assets shall no longer be subject to this Management Agreement;

provided further that Manager may terminate this Management Agreement at any time prior to the commencement of the Term by giving notice to NOW.

4. Ongoing Operations.

(a) Manager shall establish a bank account (the "Bank Account") on the date hereof and NOW shall deposit therein during the Term all cash, cash equivalents and proceeds from Accounts Receivable from the operations of the Regulated Assets and related Business. Manager may withdraw funds from the Bank Account in its discretion for the continued operations of the Regulated Assets and related Business as described above. NOW shall not attempt sell, factor or pledge any such Accounts Receivable other than pursuant to the Asset Purchase Agreement.

(b) During the Term hereof, all cash generated from the operations of the Business, including the operation of the Regulated Assets pursuant to this Management Agreement (collectively, the "Revenues"), shall be applied by Manager to the continued operations of the Regulated Assets and related Business, including, without limitation, to (i) the costs associated with operating the business including, without limitation, salaries, wages and benefits, (ii) amounts owing in connection with the Assumed Contracts and other executory contracts, and (iii) customer billing functions and operating and maintaining the Regulated Assets, except that Manager is authorized to pay Manager \$175,000.00 per month during the Term as a service fee in addition to other amounts paid or disbursed hereunder.

(c) During the Term hereof, Manager agrees to pay out of the Revenues (i) when payable in the ordinary course of business, all newly accruing actual costs and expenses of the ongoing operations of the Regulated Assets and the related Business, including, without limitation, to (A) the costs associated with salaries, wages and benefits, (B) amounts owing in connection with Assumed Contracts and other executory contracts, (C) customer billing functions and maintaining the Regulated Assets and related Business; and (D) such other costs as set forth in the Asset Purchase Agreement.

(d) (i) Manager shall designate certain current employees of the NOW that are reasonably required by Manager to provide the management services (the "NOW Employees") set forth in Section 5 hereof, and NOW shall use its best efforts to continue to employ such NOW Employees during the Term hereof, provided, however, that Manager and NOW acknowledge that the NOW Employees shall be under the ultimate supervision and control of NOW.

(ii) Manager may designate NOW Employees to whom Manager would like to offer employment.

(iii) NOW shall not directly or indirectly take any actions that would encourage NOW Employees to leave the employ of NOW or discourage any NOW Employee from obtaining employment with Manager if offered; provided that nothing herein shall require the payment by Manager of any severance or retention payments to any NOW Employees.

5. Management of the Regulated Assets.

(a) Management Services.

(i) Management of Operations. During the Term hereof, and subject to NOW's oversight, review and ultimate control, Manager shall have the right to manage the facilities and operations authorized under the Permits as is reasonably necessary in the operation of the Regulated Assets and related Business consistent with this Management Agreement, and may rely upon NOW Employees as well as any of Manager's employees that Manager deems necessary or desirable to rely upon for performance of its obligations pursuant to this Management Agreement. Manager shall report to the NOW's senior officer or other designee of the NOW regarding the status of the operations of the Regulated Assets and related Business.

(ii) Advisory Services. Manager shall advise NOW, and NOW will consult with Manager, with respect to business and marketing strategy, business expansion, changes in product or service offerings, and capital expenditures and other budgetary matters.

(iii) Bankruptcy Matters. Manager shall make such reports to the Bankruptcy Court as may be required.

(b) Service to Customers. During the Term hereof, Manager, with the assistance of NOW Employees, shall be responsible for providing reasonable level of care to the customers, and shall provide services in compliance with NOW's existing tariffs and contractual obligations, and all applicable laws, including, without limitation, applicable tariffs in effect from time to time. To maintain the integrity of the Regulated Assets and related Business and its reputation in the marketplace, Manager shall manage the Regulated Assets in a professional manner and in accordance with applicable professional or industry standards. To the extent applicable, Manager and NOW shall use their reasonable best efforts to cause an orderly and uninterrupted migration of customers off NOW's network to the network(s) of Buyer during the Term hereof in compliance with all applicable state and federal laws, rules and regulations governing such transitions, including, without limitation, NOW's compliance with the discontinuance of service notice requirements pursuant to Section 214 of the Communications Act of 1934, as amended (the "Federal Act"), 47 U.S.C. § 151, *et seq.*, and applicable state regulatory requirements, and Manager's compliance, to the extent applicable, with the "slamming" and other customer notice and transfer notices and approval requirements pursuant to FCC and applicable state regulatory requirements.

(c) Discontinuance Notices. In compliance with all applicable federal and state laws regarding the necessary form, content, and applicable notice periods for discontinuance of service, Manager shall determine if and when any notices to customers advising them of the discontinuance of service (the "Discontinuance Notices") shall be delivered and when applications or other filings with governmental authorities in connection with the discontinuance of service (the "Discontinuance Filings") shall be filed; *provided that* NOW shall determine, in its sole discretion, when any Discontinuance Notices shall be delivered to customers who are not being transferred to Buyer and when Discontinuance Filings relating to such customers shall be filed; *and provided further*, that the costs of such Discontinuance Notices and Discontinuance Filings and of continuing to provide services to such customers during any applicable required regulatory notice periods shall be considered to be expenses of the ongoing operations of the Regulated Assets and related Business pursuant to this Management Agreement. Within three (3) business days of the delivery of written notification by Manager directing it to issue Discontinuance Notices and Filings, NOW shall cause such Discontinuance Notices to be mailed

or shall cause such Discontinuance Filings to be filed, as applicable. In the event NOW fails to do so, Manager, in its role as manager shall cause the Discontinuance Notices to be delivered and the Discontinuance Filings to be made.

(d) Legal Compliance. NOW and the Manager desire and agree that this Management Agreement and the obligations performed hereunder shall be in full compliance with (i) the terms and conditions of the NOW's Permits; (ii) all applicable rules, regulations and policies of the FCC; (iii) the Federal Act, and (iv) any other applicable federal, state and local law or regulation. If the FCC or any state body of competent jurisdiction determines that any provision of this Management Agreement violates any applicable rules, regulations, or policies, the parties shall make reasonable efforts immediately to bring this Management Agreement into compliance, consistent with the terms of this Management Agreement. It is expressly understood by NOW and Manager that nothing in this Management Agreement is intended to give Manager any right which would be deemed to constitute a transfer of control (as "control" is defined in the Federal Act and/or any applicable FCC or state regulations, rules or case law) by NOW of its operations or of one or more of the Communications Licenses from NOW to Manager.

(e) No Interference. Manager acknowledges and agrees that NOW has certain rights and obligations pursuant to its Governmental Authorizations with respect to the use of the various operations authorized thereunder, which includes compliance with the Federal Act, and the rules and regulations of the FCC and state regulatory commissions. As a result, Manager's management of the Regulated Assets and the related Business is not intended to diminish or restrict NOW's compliance with its obligations before the FCC and state regulatory commissions, and this Management Agreement shall not be construed to interfere with the NOW's ability to comply with the rules, regulations or directives of any governmental or jurisdictional authority with respect to its Communications Licenses or the operations authorized thereby.

(f) Audits. At its discretion and at its expense, NOW may conduct periodic audits during normal business hours, upon reasonable notice, and in a manner so as not to interfere unreasonably with the management of the Regulated Assets and related Business in order to ensure compliance in all material respects with this Management Agreement, the Asset Purchase Agreement and all applicable government rules and regulations. In addition, NOW and Manager both shall have reasonable access and authority to inspect the equipment and related hardware owned or operated by the other that is required to transmit and/or receive telecommunications, including, but not limited to, network facilities, switching equipment, customer premises equipment ("CPE"), and testing equipment. Such audits and access shall be for the purpose of ensuring that the Regulated Assets and related Business are being operated in a manner that does not violate the terms of this Management Agreement, the terms of the Asset Purchase Agreement, applicable law, or otherwise in a harmful or unlawful manner.

(g) Brand Name. The parties shall use NOW's brand name and other NOW trademarks in the operation of the Regulated Assets and related Business.

(h) Restrictions on the Manager's Obligations. Notwithstanding anything to the contrary set forth in this Section, Manager shall not be required to do, or cause to be done, anything for the account of NOW (i) which may make Manager liable to third parties, (ii) which

may not be commenced, undertaken or completed because of insufficient funds available from the Revenues, or (iii) which may not be commenced, undertaken or completed because of acts of God, strikes, governmental regulations or laws, acts of war or other types of events beyond Manager's control whether similar or dissimilar to the foregoing.

6. Compliance with Applicable Laws.

(a) NOW shall use the Permits in the operation of the Regulated Assets and related Business during the Term hereof in compliance with all applicable laws, ordinances, rules, regulations, and restrictions, including, but not limited to, the Federal Act, the FCC's rules, regulations, and policies, local ordinances, and state regulations. Manager recognizes that NOW remains ultimately responsible for ensuring that the use of the Permits and the operations authorized thereunder are in compliance with the applicable rules, regulations, and policies of applicable federal and local, state or other government authorities, and shall cooperate fully with NOW, including the provision of information regarding the Regulated Assets and related Business and, consistent with this Management Agreement, shall pay NOW's administrative costs incurred in complying with such obligations.

(b) During the Term of this Management Agreement, NOW shall be responsible for the filing of all applications, reports, correspondence and other documentation with all federal and state regulatory commissions relating to the acquisition, use, maintenance, or renewal of the Communications Licenses; provided that Manager shall cooperate with such filings and provide upon NOW's reasonable request, any information that will enable it to prepare any applications, records and reports required by the FCC and local, state or other federal governmental authorities; provided further that NOW shall consult with Manager and mutually agree as to the most effective and efficient means of preparing such filings and in the selection of any outside professionals or consultants retained by Manager to assist in such filings, and Manager shall reimburse the NOW for all reasonable out-of-pocket legal fees and expenses in connection with such applications, correspondence and other related matter regarding the Permits pursuant to such mutual agreement.

7. Warranty Disclaimer; Limitations of Liability.

(a) Except as set forth in Section 5 above, NO WARRANTIES OF ANY KIND, WHETHER STATUTORY, WRITTEN, ORAL OR IMPLIED (INCLUDING WARRANTIES OF FITNESS FOR A PARTICULAR PURPOSE OR MERCHANTABILITY), WILL APPLY. Without limiting the generality of the foregoing, Manager will have no responsibility for the adequacy or performance of (i) any hardware or (ii) any services provided by any third party.

(b) Manager's aggregate liability on all claims of any kind, whether based on contract, indemnity, warranty, tort (including negligence), strict liability, or otherwise, for all losses or damages arising out of or relating to this Management Agreement will in no case exceed the amounts actually paid to Manager hereunder.

(c) In no event, whether based on contract, indemnity, warranty, tort (including negligence), strict liability, or otherwise, will Manager, its Affiliates (as defined below), or subcontractors, or any of their respective directors, officers, employees or agents, be liable for (i)

special, incidental, exemplary, punitive, consequential, or indirect damages, including without limitation lost sales, profits, or revenue, or claims of customers of NOW for such damages, (ii) any losses or damages connected with, or resulting from any software, hardware, or services provided by NOW or any third party, or (iii) any statement or representation made by a Manager employee regarding a third party vendor. The foregoing limitations and disclaimers will apply irrespective of whether the possibility of such damages has been disclosed to Manager in advance or could have reasonably been foreseen by Manager. For purposes of this Agreement, the term "Affiliate" includes any person or entity which, directly or indirectly, (x) is owned or controlled by the party in question, (y) owns or controls such party, or (z) is owned or controlled by any person or entity described in clause (y) of this sentence.

8. Indemnification. NOW hereby agrees to indemnify and hold Manager, its Affiliates, all officers, directors and employees of Manager, and their Affiliates harmless from any and all costs, expenses, attorney's fees, suits, liabilities, judgments, damages and claims in connection with this Management Agreement and the services provided hereunder arising from any cause except for the willful misconduct of Manager.

9. Obligation to Renegotiate. In the event of any order or decree of an administrative agency or court of competent jurisdiction, including, without limitation, any material change or clarification in FCC rules, policies, or precedent, that would cause this Management Agreement to be invalid or violate any applicable law, and such order or decree has become effective and has not yet been stayed, the parties will use their respective best efforts and negotiate in good faith to modify this Management Agreement to the minimum extent necessary so as to comply with such order or decree without material economic detriment to either party, and this Management Agreement, as so modified, shall then continue in full force and effect.

10. Amendment and Modification. This Management Agreement may be amended, modified or supplemented with respect to a particular party only by written agreement of each such particular party.

11. Waiver of Compliance; Consents. Except as otherwise provided in this Management Agreement, any failure of any party to comply with any obligation, covenant or condition herein may be waived by the party entitled to the benefits thereof only by a written instrument signed by the party granting such waiver, but such waiver or failure to insist upon strict compliance with such obligation, covenant, or condition shall not operate as a waiver of or estoppel with respect to any subsequent or other failure.

12. Notices. All notices and other communications hereunder shall be in writing and shall be deemed given (i) when personally sent/delivered, by facsimile transmission (with hard copy to follow) or sent by reputable express courier (charges prepaid) or (ii) five (5) days following mailing by registered or certified mail postage prepaid and return receipt requested. Unless another address is specified in writing, notices, demands and communications to any NOW and Manager shall be sent to the addresses indicated below:

(a) If to any of the NOW entities, to:

NOW Communications, Inc.
1695 High Street, Suite B
Jackson, MS 39202
Attention: Larry W. Seab, CEO
Telephone: (601) 714-7231
Facsimile: _____

with a copy to the following listed counsel or such other counsel as may be designated by Selling Entities from time to time (which shall not constitute notice):

Aileen Shaeffer, Attorney at Law
P.O. Bos 1177
Jackson, MS 39215-1177
Telephone: (601) 969-3006
Facsimile: (601) 969-4002

(b) If to Manager, to:

Jim Doherty, COO
1375 South Sermoran Boulevard
Building 5, Suite 1348
Winter Park, Florida 32792
Telephone: (407) 681-5260
Facsimile: (407) 671-2857

with a copy to the following listed counsel or such other counsel as may be designated by Manager from time to time (which shall not constitute notice)

Telephone: _____
Facsimile: _____

13. Assignment. This Management Agreement and all of the provisions hereof shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns, but neither this Management Agreement nor any of the rights, interests or obligations hereunder shall be assigned by any party hereto, including by operation of law, without the prior written consent of the other party; provided that Manager may assign this Management Agreement and any of the rights, interests and obligations hereunder to any Affiliate upon written notice to NOW. Subject to the foregoing, this Management Agreement

shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, and except as otherwise expressly provided herein, no other person shall have any right, benefit or obligation hereunder. Any other assignment of this Management Agreement or any of the rights, interests or obligations hereunder in contravention of this Section shall be null and void and shall not bind or be recognized by any of NOW or Manager.

14. Third Party Beneficiaries; Limitation of Liability. Nothing in this Management Agreement shall be construed as giving any person other than the parties hereto any legal or equitable right, remedy or claim under or with respect to this Management Agreement.

15. Severability. If any provision of this Management Agreement is invalid, illegal or incapable of being enforced by any rule of law or public policy, all other terms, conditions and provisions of this Management Agreement shall nevertheless remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party.

16. Governing Law. This Management Agreement shall be governed by and construed in accordance with the laws of the state of Delaware (without giving effect to the principles of conflicts of law thereof) as to all matters, including, but not limited to, matters of validity, construction, effect, performance and remedies.

17. Submission to Jurisdiction. NOW and the Manager irrevocably submit to the exclusive jurisdiction of the Bankruptcy Court (or any court exercising appellate jurisdiction over the Bankruptcy Court) over any dispute arising out of or relating to this Management Agreement or any other agreement or instrument contemplated hereby or entered into in connection herewith or any of the transactions contemplated hereby or thereby; and hereby irrevocably agree that all claims in respect of such dispute or proceedings may be heard and determined in such court. They do further hereby irrevocably waive, to the fullest extent permitted by applicable law, any objection which they may now or hereafter have to the laying of venue of any such dispute brought in such court or any defense of inconvenient forum in connection therewith.

18. Counterparts. This Management Agreement may be executed and delivered (including by facsimile transmission) in one or more counterparts, and by the different parties hereto in separate counterparts, each of which, when executed and delivered, shall be deemed to be an original but all of which taken together shall constitute one and the same agreement.

19. Entire Agreement. This Management Agreement constitutes the entire agreement among the parties with respect to the subject matter hereof and supersedes all prior agreements and understandings, whether written or oral, among the parties with respect thereto.

20. Headings. The descriptive headings contained in this Management Agreement are included for convenience of reference only and shall not affect in any way the meaning or interpretation of this Management Agreement.

21. Remedies. NOW and Manager hereby acknowledge and agree that money damages may not be an adequate remedy for any breach or threatened breach of any of the provisions of this Management Agreement and that, in such event, the NOW or their successors

or assigns, or the Manager or its successors or assigns, as the case may be, may, in addition to any other rights and remedies existing in their favor, for specific performance, injunctive and/or other relief in order to enforce or prevent any violations of this Management Agreement.

22. No Partnership or Joint Venture Created. Each party to this Management Agreement is an independent contractor. Nothing in this Management Agreement shall be construed or interpreted to make Manager and NOW partners or joint venturers, or to make one an agent or representative of the other, or to afford any rights to any third party other than as expressly provided herein. Neither Manager nor NOW is authorized to bind the other to any contract, agreement or understanding. No employee or representative of either party will at any time be deemed to be under the control or authority of the other party, or under the joint control of both parties. Each party is liable for all workers' compensation premiums and liability, federal, state, and local withholding taxes or charges with respect to its respective employees and will indemnify the other from any claims brought against the other in respect thereto.

IN WITNESS WHEREOF, the parties hereto have executed this Management Agreement on the day and year first written above.

NOW ACQUISITION CORP.

By: _____
Name:
Title:

NOW COMMUNICATIONS, INC.

By: _____
Name:
Title:

NOW COMMUNICATIONS OF MISSISSIPPI,
INC.

By: _____
Name:
Title:

NOW COMMUNICATIONS OF VIRGINIA, INC.

By: _____
Name:
Title:

NOW COMMUNICATIONS OF SOUTH
DAKOTA, INC.

By: _____
Name:
Title:

TELSTAR INTERNATIONAL, INC

By: _____
Name:
Title:

TEL-LINK, INC.

By: _____
Name:
Title:

Schedule 2.2
Third Party Approvals

[Governmental bodies, third parties...]

Schedule 5.2(f)

<u>Name</u>	<u>Position</u>	<u>Base Compensation</u>	<u>Employment Bonus</u>
Larry Seab	Executive Vice President, Pre-Paid Services	\$175,000 per annum	\$88,500 upon regulatory approval and closing.
Charles McGuffee	Executive Vice President, Pre-Paid Services Distribution	\$150,000 per annum	\$75,000 upon regulatory approval and closing.
Steve Jennings	Executive Vice President, Pre-Paid Services	\$110,000 per annum	\$75,000 upon regulatory approval and closing; \$35,000 after 6 months for successful integration of systems and technologies.
Scott Seab	Counsel	\$120,000 per annum	N/A
Mark McGuffee	Human Resources Manager	\$50,000 per annum	N/A

EXHIBIT C

Draft Customer Notification

Dear Valued NOW Customer,

As you may be aware, NOW Communications, Inc. and its subsidiaries ("NOW") filed recently for Chapter 11 bankruptcy protection, and entered into an asset purchase agreement to sell their assets to Essex Acquisition Corporation ("EAC"), a wholly-owned subsidiary of BiznessOnline.com, Inc. ("BOI"). That agreement was recently approved by the U.S. Bankruptcy Court. As a result of that agreement, and upon securing the necessary approvals, which we expect to receive by _____, the services that have been provided to you by NOW will be billed and serviced by EAC.

As we move through this process, there are several assurances we want to make to you. First, the transition of your service from NOW to EAC will be seamless and will not cause any impact upon the rates and terms of your services. Second, especially in today's marketplace, we want to assure you that we are committed to the tenet that we will operate at the highest ethical standards. Third, we can assure you that we, along with the hundreds of fine employees at BOI, are committed to providing you with the best in telecommunications quality and services. In fact, the senior executive team at BOI consists of several well-known and well-respected telecommunications veterans (including senior personnel from Access One Communications, one of the first competitive local carriers in the southeastern United States), and we are therefore very familiar with what it takes to be successful in the marketplace. Access One was successfully acquired by Talk America in August 2000 for over \$200 million.

BOI is one of the Northeast's leading integrated communications providers, offering its customers a complete range of communications services, including Web Site design and hosting services, high-speed Internet access and local/long distance telecom services through its operating subsidiaries. Perhaps most importantly, BOI has the experience and resources to ensure that EAC meets your telecommunications needs. The majority investor in BOI is a financial services company that provides financing and advisory services to companies in the communications, information services, media and technology industry sectors. Since its inception, that company has originated an aggregate of over \$2 billion in investments in over 200 transactions and is an AAA-rated financial services company.

In short, BOI will continue to focus on building our existing infrastructure, while capitalizing on the strengths and resources of our newly acquired partners. What this means to you is that you can expect superior quality, service and support now and in the future.

Please be assured that your service will not be interrupted during this time of transition. In fact, BOI's senior executive team recently began managing the servicing of NOW customers on an interim basis until the transition occurs. NOW will remain responsible for addressing any complaints you have concerning your services in the interim. You have the right to switch your services to another carrier prior to _____. Thereafter, your service will be switched from NOW to EAC. Please note, you do not need to take any action to have your service switched to EAC, nor will you incur any carrier change charges as a result of the conversion of your service from NOW to EAC. Further, if you have a preferred carrier freeze in place, it will be lifted as part of the conversion. If you want a preferred carrier freeze on your line thereafter, you will have to request the establishment of a new freeze after the transition occurs.

EAC/BOI is a great and proud company of motivated, creative, highly-skilled people. We take pride in our customer service and challenge you to find anyone better. We look forward to servicing your telecommunications needs of the future. If you have any questions regarding this information, please contact EAC/BOI at 888/389-1400.

State of ILLINOIS :

: ss.

COUNTY OF COOK :

VERIFICATION

I, R. Scott Seab, state that I am VP – Regulatory Affairs of NOW Communications, Inc., Applicant in the foregoing Application; that I am authorized to make this Verification on behalf of NOW Communications, Inc.; that the foregoing Application was prepared under my direction and supervision; and that the statements in the foregoing document with respect to NOW Communications, Inc. is true and correct to the best of my knowledge, information, and belief.

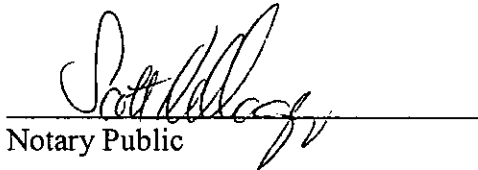
I declare under penalty of perjury that the foregoing is true and correct.

Executed on June 16th, 2003, at CHICAGO, ILLINOIS.

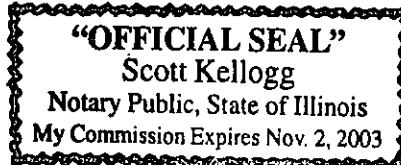


R. Scott Seab
VP – Regulatory Affairs
NOW Communications, Inc.

Sworn and subscribed before me this 16th day of June, 2003.


Notary Public

My commission expires:



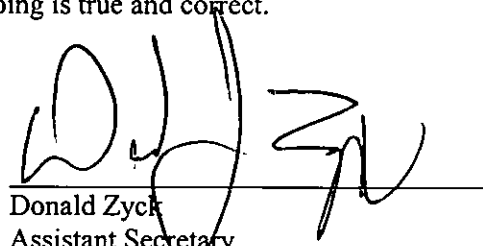
VERIFICATION

State of ILLINOIS)
County of COOK)

I, Donald Zyck, hereby declare that I am Assistant Secretary of Essex Acquisition Corporation ("EAC"), Applicant in the foregoing Application; that I am authorized to make this Verification on behalf of EAC; that the foregoing Application was prepared under my direction and supervision; and that the statements in the foregoing Application with respect to EAC are true and correct to the best of my knowledge, information and belief.

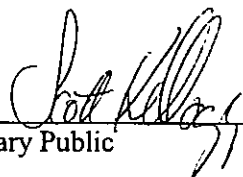
I declare under penalty of perjury that the foregoing is true and correct.

Executed on June 16th, 2003, at Chicago, Illinois.



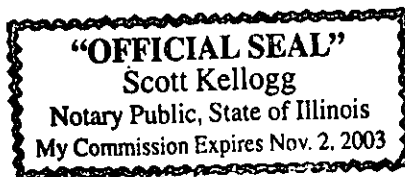
Donald Zyck
Assistant Secretary
Essex Acquisition Corporation

Subscribed and sworn to before me this 16th day of June 2003.



Notary Public

My Commission Expires:



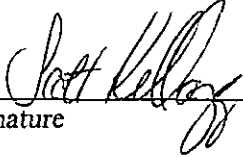
CERTIFICATE OF SERVICE

I hereby certify that I have on this day, the 16th day of JUNE, 2003, served a true copy of the foregoing document(s) upon the participants, listed below, in accordance with the requirements of §1.54 (relating to service by a participant):

Office of Consumer Advocate
555 Walnut Street
5th Floor, Forum Place
Harrisburg, PA 17101-1923

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

Dated this 16th day of JUNE, 2003.



Signature

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

July 2, 2003

A-310806 F0004
A-311222 F0005

SCOTT KELLOGG
ESSEX ACQUISITION CORPORATION
180 NORTH WACKER DRIVE SUITE 3
CHICAGO IL 60606

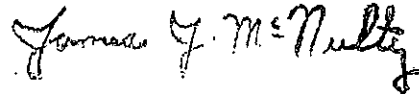
DOCUMENT
FOLDER

Dear Mr. Kellogg:

Receipt is acknowledged of the Joint Application of NOW Communications, Inc., and Essex Acquisition Corporation for approval of the transfer of assets from NOW to Essex, which has been captioned and docketed to the above numbers.

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

cc: R. Scott Seab

DOCKETED

JUL 01 2003

DATE: July 2, 2003

SUBJECT: A-310806 F0004
A-311222 F0005

TO: Bureau of Fixed Utility Services

FROM: James J. McNulty, Secretary *mt*

DOCUMENT
FOLDER

**JOINT APPLICATION OF NOW COMMUNICATIONS, INC.,
AND ESSEX ACQUISITION CORPORATION**

We attach hereto a copy of the Joint Application of NOW Communications, Inc., and Essex Acquisition Corporation for approval of the transfer of assets from NOW to Essex, which has been captioned and docketed to the above numbers.

Applicant has served a copy of the application upon the Office of Consumer Advocate and the Office of Small Business Advocate, and has filed proof of such service with this Commission.

May we have a report prepared by your Bureau for Public Meeting.

Attachment:

cc: Law Bureau

ddt

DOCKETED

JUL 01 2003

PENNSYLVANIA PUBLIC UTILITY COMMISSION

RECEIPT

The addressee named here has paid the PA P.U.C. for the following bill:

BIZNESSONLINE.COM, INC.
P.O. BOX 80
JOHNSTOWN NY 12095

DATE 7/3/2003
RECEIPT # 201041

IN RE: Application fees for BIZNESSONLINE.COM, INC.

Docket Numbers A-310806F0004 and A-311222F0005..... \$350.00

REVENUE ACCOUNT: 001780-017601-102

CHECK NUMBER: 20289
CHECK AMOUNT: \$350.00

DOCUMENT
FOLDER

C. Joseph Meisinger
(for Department of Revenue)

DOCKETED
JUL 08 2003

KJR