UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re	)	Chapter 11
XO COMMUNICATIONS, INC.,	)	Case No. 02-12947 (AJG)
Debtor.	)	

ORDER AUTHORIZING DEBTOR TO MAIL INITIAL NOTICES AND TO FILE A LIST OF CREDITORS (WITHOUT CLAIM AMOUNTS) IN LIEU OF A MATRIX

Upon the motion, dated June 17, 2002 (the "Motion"), of the above-captioned debtor and debtor in possession (the "Debtor"), seeking entry of an order, pursuant to section 105 of title 11 of the United States Code (the "Bankruptcy Code"), Rules 1007 and 2002(a) of the Federal Rules of Bankruptcy Procedure, and General Order No. 8 of the Local Rules of this Court ("General Order No. 8"), authorizing the Debtor (or its authorized agent) (i) to send initial and other notices to the creditors and parties in interest and (ii) to file a creditor list (without claim amounts) in lieu of a matrix; and it appearing that the relief requested in the Motion is in the best interest of the Debtor, its estate and creditors; and notice of the Motion having been provided as set forth in the Motion; and it appearing that no other or further notice need be given; and upon consideration of the Affidavit of Wayne M. Rehberger Pursuant to Local Bankruptcy Rule 1007-2 and in Support of First-Day Motions; and after due deliberation and sufficient cause appearing therefor, it is

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ORDERED, that the Motion is granted; and it is further

ORDERED, that the Debtor is permitted to file with its chapter 11 petition a creditor list (omitting claim amounts) in electronic form, rather than filing the matrix required by General Order No. 8; and it is further

ORDERED, that the lists of creditors and parties in interests submitted to the Clerk under separate cover on diskette shall constitute the Debtor's unformatted consolidated List of Creditors; and it is further

ORDERED, that the Debtor (and/or its authorized agent) is authorized to mail general notices required to be transmitted in this chapter 11 case, including, without limitation, the notice of commencement of case and the section 341 meeting, to those entities entitled to receive such notices; and it is further

ORDERED, that the Debtor is authorized, in its discretion, to delegate such notices and service functions, at the expense of the estate, to an outside claims agent.

Dated: New York, New York
June 18, 2002

s/Arthur J. Gonzalez
UNITED STATES BANKRUPTCY JUDGE

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re	)	Chapter 11
XO COMMUNICATIONS, INC.,	)	Case No. 02-12947 (AJG)
Debtor.	)	

ORDER TO SHOW CAUSE SCHEDULING HEARING TO CONSIDER APPROVAL OF DISCLOSURE STATEMENT FOR DEBTOR'S PLAN OF REORGANIZATION AND APPROVING FORM AND MANNER OF NOTICE THEREOF AND RELATED PROCEDURES

Upon the motion (the "Motion"), dated June 17, 2002, of the above-captioned debtor and debtor in possession (the "Debtor"), for an order, pursuant to section 1125 of title 11 of the United States Code (the "Bankruptcy Code"), as supplemented by Rules 2002 and 3017 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), scheduling a hearing (the "Disclosure Statement Hearing") to consider approval of the disclosure statement (as may be amended from time to time, the "Disclosure Statement") for the plan of reorganization (as may be amended from time to time, the "Plan") filed by the Debtor on June 17, 2002, and approving the form and manner of notice thereof and related procedures; and upon the affidavit of Tonny K. Ho, Esq., which is prefixed to the Motion in accordance with Local Bankruptcy Rule 9077-1(a); and it appearing that an order to show cause scheduling the Disclosure Statement Hearing, setting forth procedures by which the Debtor is to provide notice of such Hearing and setting forth procedures, for submitting objections, if any, to the relief requested in the Motion being necessary and beneficial to the Debtor, its estate and creditors; and the Debtor having given notice of the Motion and this Order to Show Cause by facsimile transmission to: (i) the United States Trustee for the Southern District of New York; (ii) counsel to the Investors; (iii) counsel to

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the lenders under the Senior Credit Facility; (iv) each of the Indenture Trustees under XO's indenture agreements; (v) counsel to the two unofficial bondholder committees; and (vi) the Debtor's top thirty (30) largest unsecured creditors; and it appearing that, no other or further notice of the Motion as it relates to this order to show cause need be given; and after due deliberation and sufficient cause appearing therefor,

IT IS HEREBY ORDERED, ADJUDGED AND DECREED THAT:

I. Setting of Disclosure Statement Hearing

1. Pursuant to section 1125 of the Bankruptcy Code and Bankruptcy Rules 2002 and 3017, the Disclosure Statement Hearing shall be held before the Honorable Arthur J. Gonzalez, United States Bankruptcy Judge, at the United States Bankruptcy Court, Alexander Hamilton Custom House, One Bowling Green, New York, New York 10004-1408 in Room 523, on July 19, 2002, at 10:00 a.m., or as soon thereafter as counsel may be heard, to consider the entry of an order (the "Disclosure Statement Order"), among other things:

a) finding that the information contained in the Disclosure Statement is "adequate information" as such term is defined in section 1125 of the Bankruptcy Code;

b) approving the Disclosure Statement;

c) authorizing the Debtor, pursuant to section 1125(b) of the Bankruptcy Code, to transmit copies of the Disclosure Statement, the Plan and related documents to all known holders of claims against or interests in the Debtor, other than to holders of Claims that are to be reinstated and/or unimpaired under the Plan or Claims or Interests for which no distribution is provided and are deemed to have rejected the Plan, and to solicit acceptances of the Plan from the holders of claims against or interests in the Debtor that are being impaired and are not deemed to have rejected the Plan, as more fully provided for in the Debtor's Motion for Order Establishing Voting Procedures and Approving Forms of Ballots filed contemporaneously herewith (the "Voting Procedures Motion");

d) establishing which classes under the Plan are impaired pursuant to section 1124 of the Bankruptcy Code and will be entitled to vote on the Plan;

e) except to the extent otherwise ordered by the Court in connection with the Voting Procedures Motion or otherwise, establishing a date and other directions for service and return of completed ballots;

f) scheduling a hearing to consider confirmation of the Plan (the "Confirmation Hearing");

g) establishing a procedure for providing notice of the Confirmation Hearing;

h) fixing a date and specifying the procedure by which objections, if any, to confirmation of the Plan shall be filed with the Court;

i) fixing a record date for determining the identity of holders of claims and interests to be compromised or that are otherwise impaired under the Plan for purposes of providing notice to such holders of the Confirmation Hearing;

j) establishing such other deadlines and procedures as may be appropriate and/or contemplated by the Plan; and

k) granting such other and further relief as the Court may deem just and proper.

2. On or before the fourth business day following the entry of this order to show cause, the Debtor shall serve a conformed copy of this order to show cause, the Motion, the Disclosure Statement and the Plan (as they may be amended, modified, or supplemented), and the Disclosure Statement Hearing Notice (as defined in the following decretal paragraph) by first-class mail upon: (i) the Office of the United States Trustee for the Southern District of New York; (ii) counsel to the Investors; (iii) counsel to the lenders under the Senior Credit Facility; (iv) each of the Indenture Trustees under XO's indenture agreements; (v) counsel to the two unofficial bondholder committees, and any official committee appointed in this case; (vi) each of the Debtor's top thirty (30) largest unsecured creditors; (vii) the Internal Revenue Service; (viii) the Attorney General of each state in which the Debtor do business; and (ix) the Securities and Exchange Commission.

3. The notice of the Disclosure Statement Hearing, substantially in the form annexed to the Motion as Exhibit A (the "Disclosure Statement Hearing Notice"), is hereby approved for the purpose of providing notice of the Motion and the Hearing.

4. The Disclosure Statement Hearing Notice shall be served on or before the fourth business day following the date of entry of this order to show cause, by first-class mail upon: (i) holders of known claims against and interests in the Debtor as listed on the Debtor's creditor lists (filed in lieu of a matrix) that were filed by the Debtor with its chapter 11 petition; and (ii) all persons that have filed requests for notices in this case pursuant to Bankruptcy Rule 2002 as of the day prior to the date for service of the Disclosure Statement Hearing Notice.

5. The Debtor shall publish the Disclosure Statement Hearing Notice at least once in the national edition of The Wall Street Journal, not later than July 3, 2002.

6. Such notice as set forth herein shall constitute good and sufficient notice of the Motion, the Hearing and this Order to Show Cause, and no other or further notice is necessary or required.

II. Deadline and Procedures for Filing Objections to the Disclosure Statement

7. Responses and objections, if any, to the relief sought in connection with the approval of the Disclosure Statement shall: (a) be in writing and state with particularity the grounds therefor; (b) include suggested language to amend the Disclosure Statement in a manner that would resolve the objections; (c) comply with the Federal Rules of Bankruptcy Procedure and the Local Bankruptcy Rules; and (d) be filed with this Court (with a copy to chambers) and served in a manner so as to be received no later than July 15, 2002 at 4:00 p.m. (prevailing Eastern Time), by: (i) counsel to the Debtor, Willkie Farr and Gallagher, 787 Seventh Avenue, New York, New York 10019, Attn: Tonny K. Ho, Esq.; (ii) XO Communications, Inc., 11111

Sunset Hills Road, Reston, Virginia 20190, Attn: Gary D. Begeman, Esq.; (iii) counsel to the Investors, Fried Frank Harris Shriver and Jacobson, One New York Plaza, New York, New York 10004, Attn: George B. South III, Esq., and Latham & Watkins, 885 Third Avenue, Suite 1100, New York, New York 10022-4802, Attn: Ms. Shari Siegel, Esq.; (iv) counsel to the lenders under the Senior Credit Facility, Skadden, Arps, Slate, Meagher & Flom, LLP, Four Times Square, New York, New York 10036, Attn: Jay M. Goffman, Esq.; (v) counsel to any official committee of unsecured creditors appointed in this case; and (vi) the Office of the United States Trustee, 33 Whitehall Street, Twenty-First Floor, New York, New York 10004, Attn: Paul Schwartzberg, Esq.

8. IF AN OBJECTION TO THE DISCLOSURE STATEMENT IS NOT FILED AND SERVED STRICTLY AS PRESCRIBED HEREIN, THE OBJECTING PARTY MAY BE BARRED FROM OBJECTING TO THE ADEQUACY OF THE DISCLOSURE STATEMENT AND MAY NOT BE HEARD AT THE HEARING.

9. The record date for determining the identity of each holder of a claim against or an interest in the Debtor that shall receive a copy of the Disclosure Statement Hearing Notice is hereby established as July 12, 2002, at 5:00 p.m. (prevailing Eastern Time).

10. The Disclosure Statement Hearing may be adjourned by the Debtor from time to time without further notice to creditors or parties in interest other than an announcement in the Bankruptcy Court of such adjournment on the date scheduled for the Disclosure Statement Hearing.

11. The Disclosure Statement shall be on file with the Clerk of the Bankruptcy Court (the "Clerk") and (a) may be examined by interested parties at (i) the office of the Clerk at the United States Bankruptcy Court, Alexander Hamilton United States Custom House, One

Bowling Green, New York, New York 10004-1408 during regular business hours, or (ii) by visiting www.nysb.uscourts.gov, the Internet website of the Bankruptcy Court for the Southern District of New York, or (b) copies may be obtained upon request, by tendering the cost of copying the Disclosure Statement and Plan plus postage and handling, to Bankruptcy Services LLC, Heron Tower, 70 East 55th Street, 6th Floor, New York, New York 10022, Attn.: Mariah Martin, Telephone (212) 376-8494.

12. The Debtor is authorized and empowered to take such steps, incur and pay such costs and expenses, and to do such things as may be reasonably necessary to fulfill the notice requirements established by this Order.

Dated: New York, New York
June 18, 2002

s/Arthur J. Gonzalez
UNITED STATES BANKRUPTCY JUDGE

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re	)	Chapter 11 Case
XO COMMUNICATIONS, INC.,	)	Case No. 02-12947 (AJG)
Debtor.	)	

ORDER PURSUANT TO SECTIONS 363(b) AND 105(a) OF THE BANKRUPTCY CODE AUTHORIZING DEBTOR'S PAYMENT OF PREPETITION CRITICAL TRADE CLAIMS OF CRITICAL TRADE CREDITORS

Upon the motion (the "Motion"), dated June 17, 2002, of the above-captioned debtor and debtor in possession (the "Debtor"), for an order, pursuant to sections 105(a), 361, 363, 503(b) and 507(a)(8) of title 11 of the United States Code (the "Bankruptcy Code"), authorizing the Debtor, in its discretion, to pay certain prepetition Critical Trade Claims to certain Critical Trade Creditors (each as defined in the Motion), all as more fully set forth in the Motion; and upon the record of the proceedings established at the hearing hereon; and notice of the Motion having been given as set forth in the Motion; and it appearing that no other or further notice is required; and upon consideration of the Affidavit of Wayne M. Rehberger Pursuant to Local Bankruptcy Rule 1007-2 and in Support of First-Day Motions; and after due deliberation and sufficient cause appearing therefor, it is hereby

ORDERED, that the Motion is granted; and it is further

ORDERED, that all capitalized terms not otherwise defined herein shall have the meaning ascribed to such terms in the Motion; and it is further

ORDERED, that the Debtor is authorized, but not directed, in the reasonable exercise of its sound business judgment, to pay the Critical Trade Creditors upon the terms and conditions provided by this Order up to a maximum amount of $8 million; and it is further

ORDERED, that the Debtor also may condition such payments, in appropriate circumstances, as follows: (i) the Critical Trade Creditor agreeing that postpetition goods or services will be provided with (a) the trade terms and practices (including allowances) in effect between such Critical Trade Creditor and the Debtor prior to the Petition Date or (b) such other trade terms as agreed by the Debtor and such Critical Trade Creditor ("Customary Trade Terms"); and (ii) such payment being made with the following information being communicated to the Critical Trade Creditor, and/or requiring the Critical Trade Creditor to affirmatively acknowledge same:

> By accepting this payment, the payee agrees to the terms of the Order of the U.S. Bankruptcy Court for the Southern District of New York, dated _____ __, 2002, in the maker's chapter 11 case, entitled "Order Authorizing Debtor's Payment of Prepetition Critical Trade Claims of Critical Trade Creditors," and shall continue to provide the payor with credit terms as provided in such order, and submits to the jurisdiction of the Court for enforcement thereof.

; and it is further

ORDERED, that if any Critical Trade Creditor that receives conditional payment of its prepetition Critical Trade Claims pursuant to the previous paragraph ceases to provide the Debtor with Customary Trade Terms during this chapter 11 case for any reason other than due to the Debtor's postpetition breach of the agreement with such Critical Trade Creditor, such payments shall be fully recoverable by the Debtor's estate as unauthorized postpetition transfers; provided, however, that nothing contained herein shall permit any other party in interest at any time in the future to seek any avoidance action or otherwise challenge such payments. In such

event, any such payment shall be deemed to have been in payment of then outstanding postpetition Critical Trade Claims without further order of the Court or action by any person or entity. In such event, the Critical Trade Creditor shall immediately repay to the Debtor any payments made to it on account of its prepetition Critical Trade Claims to the extent that prepetition Critical Trade Claim payments exceed the postpetition Critical Trade Claims then outstanding without the right of any setoffs, claims, provision for payment of reclamation or trust fund claims, or otherwise, it being the express intention of this Court to return such Critical Trade Creditor to the status quo in effect as of the date of entry of this Order with respect to all prepetition payments if such Critical Trade Creditor breaches the terms of any conditional payment made pursuant to the previous paragraph of this Order; and it is further

ORDERED, that the Debtor may omit from its schedules filed pursuant to Federal Rule of Bankruptcy Procedure 1007(a) any claim of a Critical Trade Creditor that is paid in accordance with terms of this Order; and it is further

ORDERED, that the relief granted herein is not and shall not be deemed an approval or assumption of any agreement, contract or lease; and it is further

ORDERED, that the authorization granted hereby to pay certain Critical Trade Claims shall not create any obligation on the part of the Debtor or its officers, directors, attorneys or agents to pay the Critical Trade Claims, none of the foregoing persons shall have any liability on account of any decision by the Debtor not to pay a Critical Trade Claims and nothing in this order shall be deemed to increase, reclassify, elevate to an administrative expense status or otherwise affect the Critical Trade Claims to the extent they are not paid; and it is further

ORDERED, that the Court shall retain jurisdiction over all issues relating to or arising from the implementation of this Order.

Dated: New York, New York
June 18, 2002

s/Arthur J. Gonzalez
UNITED STATES BANKRUPTCY JUDGE

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re	)	Chapter 11
XO COMMUNICATIONS, INC.,	)	Case No. 02-12947 (AJG)
Debtor.	)	

ORDER PURSUANT TO SECTIONS 363(b) AND 105(a) OF THE BANKRUPTCY CODE AUTHORIZING PAYMENT OF PREPETITION (i) EMPLOYEE WAGES, SALARIES AND OTHER COMPENSATION, (ii) EMPLOYEE MEDICAL, DENTAL AND SIMILAR BENEFITS, AND (iii) REIMBURSABLE EMPLOYEE EXPENSES

Upon the motion (the "Motion"), dated June 17, 2002, of the above-captioned debtor and debtor in possession (the "Debtor"), for entry of an order, pursuant to sections 363(b) and 105(a) of title 11 of the United States Code (the "Bankruptcy Code"), authorizing the Debtor to pay Prepetition Employee Obligations (as defined in the Motion) and authorizing and directing the banks in which the Company maintains its compensation, expense reimbursement, and employee benefit accounts, to honor all compensation, expense reimbursement, and employee benefit checks and fund transfer requests in respect of the Prepetition Employee Obligations, all as more fully set forth in the Motion; and the Court having determined that the relief requested in the Motion is needed on an emergency basis and is in the best interests of the Debtor, its estate, creditors and other parties in interest; and it appearing that the relief requested is essential to the continued operation of the Debtor's business and the preservation of the value of its assets; and notice of the Motion having been given as set forth in the Motion; and it appearing that under the circumstances no other or further notice need be given; and upon

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consideration of the Affidavit of Wayne M. Rehberger Pursuant to Local Bankruptcy Rule 1007-2 and in Support of First-Day Motions; and upon due deliberation and sufficient cause appearing therefor, it is

ORDERED, that the Motion is granted; and it is further

ORDERED, that capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms as set forth in the Motion; and it is further

ORDERED, that with respect to all Contract Employees, the Debtor is authorized to pay Employee Compensation, Reimbursable Expenses, and Employee Benefits costs, including, without limitation, payments relating to the prepetition period, and to remit all Employee Deductions to the appropriate third parties; provided, however, that the Debtor shall not pay any prepetition wages to any Contract Employee in excess of $4,650 without providing at least five business days prior written notice to any official creditors' committee formed in this case and in the event such creditors' committee asserts a written objection to such payment and such objection is not consensually resolved then no such payment shall be made without further order of this Court; and it is further

ORDERED, that with respect to all XO Services Employees, the Debtor is authorized to pay Employee Benefits costs, including, without limitation, payments relating to the prepetition period, and to remit all Employee Deductions to the appropriate third parties; and it is further

ORDERED, that the bank at which the Company maintains its Payroll Account (Bank of America, Partial Account Number 0289) is authorized and directed to honor checks issued and presented for payment to the extent that sufficient funds are on deposit in such

account, and to continue to maintain and process such account in the ordinary course of business, consistent with its prepetition practices; and it is further

ORDERED, that the Plan Administrators are authorized to continue to administer the Debtor's plans in the ordinary course, consistent with its prepetition practices; and it is further

ORDERED, that this Court shall retain jurisdiction over any and all matters arising from or related to the implementation or interpretation of this Order.

Dated: New York, New York
June 18, 2002

s/Arthur J. Gonzalez
UNITED STATES BANKRUPTCY JUDGE

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re	)	Chapter
XO COMMUNICATIONS, INC.,	)	Case No. 02-12947 (AJG)
Debtor.	)	

ORDER UNDER FED. R. BANKR. P. 3003 (c)(3) FIXING DEADLINE FOR FILING PROOFS OF CLAIM AND APPROVING FORM AND MANNER OF NOTICE THEREOF

Upon the motion, dated June 17, 2002 (the "Motion"),[1] of the above-captioned debtor and debtor in possession (the "Debtor"), for an order establishing a deadline for the filing of proofs of claims in this case and approving the form and manner of notice thereof; and the Court having reviewed the Motion and the Affidavit of Wayne M. Rehberger in Support of Chapter 11 Petition and First Days Orders, sworn to on June 17, 2002; and the Court having determined that the relief requested in the Motion is in the best interests of the Debtor, its estate, creditors, and other parties-in-interest; and it appearing that proper and adequate notice of the Motion has been given and that no other or further notice is necessary; and after due deliberation thereon; and good and sufficient cause appearing therefore, it is hereby

ORDERED, ADJUDGED AND DECREED THAT

1. The Motion is GRANTED.

2. The deadline for filing proofs of claims in this case is July 22, 2002 (the "Bar Date").

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[1] Unless otherwise defined herein, capitalized terms used herein shall have the meanings ascribed to them in the Motion.

3. The notice of the Bar Date, substantially in the form attached hereto as Exhibit A (the "Bar Date Notice"), and the manner of providing notice of the Bar Date, as set forth in the Motion and this Order, are approved and are deemed to satisfy the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules and the Local Rules of this Court.

4. The Debtor shall serve all known creditors with the following documents: (i) the Bar Date Notice; (ii) a proof of claim form, substantially in the form of Official Bankruptcy Form No. 10; and (iii) a copy of this Order (without exhibits). Such notice shall be served by first-class mail on or before June 22, 2002.

5. Proofs of claim shall be accompanied by supporting documentation or, if voluminous, a summary thereof, and may be submitted in person or by courier service, hand delivery or mail. Facsimile submissions will not be accepted.

6. The following persons or entities are **not** required to file a proof of claim on or before the Bar Date:

a. any subsidiary of the Debtor;

b. any person or entity that has properly filed, with the Clerk of the United States Bankruptcy Court for the Southern District of New York, a proof of claim against the Debtor utilizing a claim form that substantially conforms to Official Form No. 10;

c. any person or entity (i) whose claim is listed on the Schedules, (ii) whose claim is **not** described as "disputed," "contingent," or "unliquidated," **and** (iii) who does not dispute the amount or nature of the claim for such person or entity as set forth in the Schedules;

d. any person or entity whose claim has been paid or otherwise satisfied by the Debtor; and

e. any person or entity that holds a claim that has been allowed by an order (other than an order allowing such claim for voting purposes) of this Court entered on or before the Bar Date.

7. Any claim respecting the postpetition rejection of an unexpired lease or executory contract of the Debtor (an "Agreement"), must be filed by the later of (a) thirty (30) days after the date of any order authorizing the Debtor to reject such Agreement, and (b) the Bar Date unless the Order authorizing the rejection of such unexpired lease or executory contract provides for an earlier or later date in which case such earlier or later date shall govern in all respects; provided, however, that if an Agreement is not rejected prior to the time such Agreement expires, such claims must be filed by the later of (i) the Bar Date, and (ii) thirty (30) days after such date of expiration.

8. Any claim holder required by this Order to file a proof of claim that fails to file its proof of claim on or before the Bar Date shall be forever barred, estopped, and permanently enjoined from (i) asserting such claim, whether directly or indirectly, against the Debtor, its successors and assigns and its respective property (or filing a proof of claim with respect thereto), (ii) participating in any distribution in this chapter 11 case on account of such claim, and (iii) receiving further notices regarding such claim.

9. The Debtor, or its agent, shall cause notice of the Bar Date to be published on or before July 3, 2002, in the national edition of The Wall Street Journal.

10. Nothing in this Order shall be deemed to prejudice the rights of the Debtor or any other party in interest to dispute, or to assert offsets or defenses to, any claim as to amount, liability, classification or otherwise, or to designate subsequently any claim as disputed, contingent, or unliquidated.

11. The Debtor is authorized to take such actions as may be reasonable to implement and effectuate the terms of this Order, including, but not limited to, incurring and paying all expenses associated with providing the notices described herein.

12. This Court shall retain jurisdiction over any and all matters arising from or related to the implementation or interpretation of this Order.

Dated: New York, New York
June 19, 2002

s/Arthur J. Gonzalez
UNITED STATES BANKRUPTCY JUDGE

EXHIBIT A

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re	)	Chapter 11 Case
XO COMMUNICATIONS, INC.,	)	Case No. 02-12947 (AJG)
Debtor.	)	

NOTICE OF LAST DATE FOR FILING PROOFS OF CLAIM

PLEASE TAKE NOTE OF THE FOLLOWING:

PLEASE TAKE NOTICE that on June 17, 2002, XO Communications, Inc., the above-captioned debtor and debtor in possession (the "Debtor") filed a voluntary petition for relief under chapter 11 of title 11, United States Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the Southern District of New York (the "Court"). Set forth below are the names under which the Debtor has conducted business, and its case number:

Name of Debtor	Case Number	Other Names
XO Communications, Inc.		AnaServe; AnaServe, Inc.; Anawave; Anawave Software, Inc.; Concentric; Concentric Network Corp.; Concentric Network, Inc.; Concentric Research Corp.; Delaware CNC; Delta Internet; Delta Internet Services, Inc.; Deltanet; Internex; Internex Communications, Inc.; Internex Information Services, Inc.; Nextlink; Nextlink Capital, Inc.; Nextlink Communications, Inc.; Nextlink Communications, L.L.C.; XO; XO Capital, Inc.; XO Communications; 9 Net; 9NetAvenue, Inc.; 9 Net Avenue, Inc.

PLEASE TAKE FURTHER NOTICE that on June 20, 2002, the United States Bankruptcy Court for the Southern District of New York (the "Bankruptcy Court") entered an order fixing July 22, **2002** (the "Bar Date") as the deadline for filing proofs of claim and approving the form and manner of notice thereof (the "Bar Date Order").

PLEASE TAKE FURTHER NOTICE that creditors are required to file a proof of claim in this case. If any creditor (other than those identified in the next paragraph) does not file a proof of claim before the Bar Date, then pursuant to the Bar Date Order, the holder of such claim shall be forever barred from filing such claim or asserting any claim or interest against the Debtor or its estate.

PLEASE TAKE FURTHER NOTICE that the following creditors are **not** required to file a proof of claim by the Bar Date: (i) any subsidiary of the Debtor; (ii) any person or entity that has properly filed, with the Clerk of the United States Bankruptcy Court for the Southern District of New York, a proof of claim against the Debtor utilizing a claim form that substantially conforms to Official Form No. 10; (iii) any person or entity (a) whose claim is listed on the Debtor's schedules and statements of financial affairs filed with the Court (together, the "Schedules"), (b) whose claim is **not** described as "disputed," "contingent," or "unliquidated," **and** (c) who does not dispute the amount or nature of the claim for such person or entity as set forth in the Schedules; (iv) any person or entity whose claim has been paid or otherwise satisfied by the Debtor; and (v) any person or entity that holds a claim that has been allowed by an order (other than an order allowing such claim for voting purposes) of this Court entered on or before the Bar Date.

PLEASE TAKE FURTHER NOTICE that any holder of claim against the Debtor arising from the rejection by the Debtor of an executory contract or unexpired lease must file a proof of claim for such claim before the latter of (a) thirty (30) days after the date of entry of any order authorizing the Debtor to assume or reject such lease and (b) the Bar Date UNLESS the Order authorizing the rejection of such executory contract or unexpired lease provides for an earlier or later date in which case such earlier or later date shall govern in all respects.

PLEASE TAKE FURTHER NOTICE that each proof of claim form must specifically set forth the full name and proper chapter 11 case number of the Debtor.

PLEASE TAKE FURTHER NOTICE that the claim must be filed, either by mail, by hand or in person (between 8:30 a.m. and 5:00 p.m. on business days), so that it is received on or before the Bar Date by the Clerk of the Bankruptcy Court at the following address:

(if mailed)

XO Communications Claims Processing
P.O. Box 5083,
Bowling Green Station
New York, New York 10274-5083

(if sent by Overnight courier)

U.S Bankruptcy Court
Southern District of New York
(XO Communications Claims Processing)
One Bowling Green
New York, New York 10004

PLEASE TAKE FURTHER NOTICE THAT IF ANY CREDITOR FAILS TO FILE A PROOF OF CLAIM ON OR BEFORE 5:00 P.M. PREVAILING EASTERN TIME, July 22, 2002 ON ACCOUNT OF ANY CLAIM SUCH CREDITOR HOLDS OR WISHES TO ASSERT AGAINST THE DEBTOR, THEN (a) SUCH CREDITOR SHALL BE FOREVER BARRED, ESTOPPED, AND ENJOINED FROM ASSERTING SUCH CLAIM (OR FILING A PROOF OF CLAIM WITH RESPECT THERETO); (b) THE DEBTOR AND ITS PROPERTY SHALL BE FOREVER DISCHARGED FROM ANY AND ALL INDEBTEDNESS OR LIABILITY WITH RESPECT TO SUCH CLAIM; AND (c) SUCH CREDITOR SHALL NOT BE PERMITTED TO VOTE ON ANY PLAN OR PLANS FOR THE DEBTOR OR PARTICIPATE IN ANY DISTRIBUTION IN THIS CHAPTER 11 CASE ON ACCOUNT OF SUCH CLAIM.

PLEASE TAKE FURTHER NOTICE that the Schedules may be examined and inspected by interested parties at either (i) the offices of Bankruptcy Services, LLC, 70 East 55th Street, New York, New York 10022, during regular business hours; or (ii) Clerk of the Bankruptcy Court, United States Bankruptcy Court, Southern District of New York, Alexander Hamilton Custom House, One Bowling Green, New York, NY 10004-1408, during posted hours. Creditors that wish to rely on the Schedules shall have the responsibility for determining that their Claims are accurately listed therein.

PLEASE TAKE FURTHER NOTICE that if the Debtor amends the Schedules subsequent to the date hereof, the Debtor shall give notice of such amendment to the holders of the Claims affected thereby and such holders shall be afforded thirty (30) days from the date on which such notice is given (or such other time period as may be fixed by the Court) to file proofs of claim, if necessary, or forever be barred from doing so and the affected Claim shall be forever discharged. Additionally, any such holder shall not be permitted to vote on the plan of reorganization of the Debtor or participate in this chapter 11 case on account of such claim.

PLEASE TAKE FURTHER NOTICE that if you require additional information regarding the filing of a proof of claim, you may contact Bankruptcy Services LLC, by telephone at (212) 376-8494 between 9:00 a.m. and 5:00 p.m. (prevailing Eastern Time), or by writing to Bankruptcy Services LLC, 70 East 55th Street, New York, New York 10022 (Attention: XO Communications Balloting Center). The claims registers for the Debtor will be available in Bankruptcy Services' offices and at the Bankruptcy Court.

Dated: New York, New York
June __, 2002

WILLKIE FARR & GALLAGHER
Attorneys for Debtor
and Debtor in Possession
787 Seventh Avenue
New York, New York 10019
(212) 728-8000

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re	)	Chapter 11
XO COMMUNICATIONS, INC.,	)	Case No. 02-12947 (AJG)
Debtor.	)	

ORDER APPROVING DEBTOR'S AGREEMENT WITH BANKRUPTCY SERVICES LLC AND APPOINTING BANKRUPTCY SERVICES LLC AS NOTICE, CLAIMS, AND BALLOTING AGENT FOR THE CLERK OF THE BANKRUPTCY COURT PURSUANT TO 28 U.S.C. § 156(c)

Upon the application, dated June 17, 2002 (the "Application"), of the above-captioned debtor and debtor in possession (the "Debtor"), for an order (a) approving the agreement (the "Agreement") by and between the Debtor and Bankruptcy Services LLC ("BSI") which is annexed to the Application as Exhibit A; and (b) pursuant to sections 156(c) of title 28 of the United States Code, authorizing the Debtor to retain BSI as notice, claims, and balloting agent in the Debtor's chapter 11 case; and upon the Affidavit of Ron Jacobs in support of the Application which is annexed to the Application as Exhibit B; and notice of the Application having been given as set forth in the Application; and it appearing that no further or other notice is necessary; and it appearing that the relief requested in the Application is in the best interest of the Debtor, its estate and creditors; and upon consideration of the Affidavit of Wayne M. Rehberger Pursuant to Local Bankruptcy Rule 1007-2 and in Support of First-Day Motions; and after due deliberation and sufficient cause appearing therefor, it is

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FOUND THAT:

1. BSI and each of its members and associates do not represent or hold any interest adverse to the Debtor's estate such that would disqualify BSI from representation of the Debtor in this chapter 11 case;

2. BSI and each of its members and associates is a "disinterested person" as such term is defined in section 101(14) of the Bankruptcy Code; and

3. The retention of BSI as the Debtor's notice, claims, and balloting agent is in the best interests of the Debtor and its estates, creditors, and interest holders; and it is therefore

ORDERED, ADJUDGED, AND DECREED THAT:

1. The Application is hereby granted.

2. BSI's retention by the Debtor under the terms of the Agreement is hereby approved.

3. BSI, as agent for the Clerk's Office, is appointed the custodian of court records and is designated the authorized repository for all proofs of claim in this case and is authorized and directed to docket each proof of claim received and to maintain the official claims register for the Debtor, and BSI shall submit a duplicate claims register to the Clerk's Office or the Debtor upon request.

4. Pursuant to section 503(b)(1)(A) of the Bankruptcy Code, the fees and expenses of BSI incurred in the performance of the services rendered in this case are to be treated as an administrative expense of the Debtor's chapter 11 estate, and shall be paid by the Debtor in the ordinary course of business after the submission of an invoice in reasonable detail describing the basis for the fees and expenses requested to be paid thereto.

5. If this case converts to a case under Chapter 7 of the Bankruptcy Code, unless otherwise ordered by the Court, BSI will continue to be paid for its services until all claims in this case have been processed, if claims agent representation is necessary in the converted Chapter 7 case; and BSI will continue to be paid in accordance with 28 U.S.C. 156(c) upon the terms of the Agreement and hereof.

6. In the event BSI is unable to provide the services set forth in the Agreement, BSI immediately will notify the Debtor's counsel and cause all original proofs of claim and computer information turned over to another claims agent with the advice and consent of the Clerk, the Debtor and Debtor's counsel.

7. Thirty (30) days prior to the closing of the case, an order dismissing BSI shall be submitted terminating its services upon completion of its duties and responsibilities, and at the close of the case, BSI shall box and transport all original claims in proper format, in accordance to procedures set out by the Clerk's Office, to the Federal Records Center.

Dated: New York, New York
June 19, 2002

s/Arthur J. Gonzalez
UNITED STATES BANKRUPTCY JUDGE

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:	:	Case No.: 02-12947-ajg
XO COMMUNICATIONS, INC.,	:	Chapter 11
Debtor.	:	

MOTION FOR ADMISSION TO PRACTICE, *Pro Hac Vice*

I, Stuart M. Brown, a member in good standing of the bars in the States of Delaware and New Jersey, and the bar in the Commonwealth of Pennsylvania, request admission, ***pro hac vice***, before the Honorable Arthur J. Gonzalez, to represent GE Capital Information Technology Solutions, Inc. and GE Capital Information Technology Solutions - North America, Inc., a creditor in the above-referenced case.

My address is: 1201 North Market Street, Suite 1501, Wilmington, Delaware 19801; e-mail address is: brownsm@bipc.com; telephone number is (302) 428-5500.

I agree to pay the fee of $25 upon entry of an order admitting me to practice pro hac vice.

Dated: June 21, 2002
New York, New York

s/s Stuart M. Brown
Stuart M. Brown

ORDERED,

That Stuart M. Brown, Esq., is admitted to practice, ***pro hac vice*** in the above-referenced case, in the United States Bankruptcy Court, Southern District of New York, subject to payment of the filing fee.

Dated: June 24, 2002
New York, New York

s/Arthur J. Gonzalez
UNITED STATES BANKRUPTCY JUDGE

84321-1:NYC1

Bruce J. Borrus (BJB-3251)
RIDDELL WILLIAMS P.S.
1001 Fourth Avenue Suite 4500
Seattle WA 98154-1065
(206) 624-3600 Telephone
(206) 389-1708 Facsimile
Attorneys for Microsoft Corporation

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK
AT MANHATTAN

In re XO Communications, Inc. Debtor.	Case No. 02–12947 (AJG) Chapter 11

MOTION FOR ADMISSION TO PRACTICE, *PRO HAC VICE*

I, Bruce J. Borrus, a member in good standing of the bar in the State of Washington, and of the bar in the U.S. District Court for the Western District of Washington, request admission, ***pro hac vice***, before the Honorable Arthur J. Gonzalez, to represent Microsoft Corporation, an interested party in the above-referenced case. My office and email addresses, and my telephone and fax numbers are:

Bruce J. Borrus
Riddell Williams P.S.
1001 Fourth Ave Ste 4500
Seattle WA 98154-1065
(206) 624-3600 Telephone
(206) 389-1708 Facsimile
bborrus@riddellwilliams.com

I agree to pay the fee of $25 upon entry of an order admitting me to practice ***pro hac vice***.

Dated: June 19, 2002
Seattle, Washington

/s/ Bruce J. Borrus
Bruce J. Borrus (BJB-3251)

ORDERED,

That Bruce J. Borrus, Esq., is admitted to practice ***pro hac vice*** in the above-referenced case, in the United States Bankruptcy Court of New York, subject to payment of the filing fee.

Dated: June 28, 2002
New York, New York

s/Arthur J. Gonzalez
UNITED STATES BANKRUPTCY JUDGE

Joseph E. Shickich, Jr. (JES-5229)
RIDDELL WILLIAMS P.S.
1001 Fourth Avenue Suite 4500
Seattle WA 98154-1065
(206) 624-3600 Telephone
(206) 389-1708 Facsimile
Attorneys for Microsoft Corporation

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK
AT MANHATTAN

In re XO Communications, Inc. Debtor.	Case No. 02–12947 (AJG) Chapter 11

MOTION FOR ADMISSION TO PRACTICE, *PRO HAC VICE*

I, Joseph E. Shickich, Jr., a member in good standing of the bar in the State of Washington, and of the bar in the U.S. District Court for the Western District of Washington, request admission, ***pro hac vice***, before the Honorable Arthur J. Gonzalez, to represent Microsoft Corporation, an interested party in the above-referenced case. My office and email addresses, and my telephone and fax numbers are:

Joseph E. Shickich, Jr.
Riddell Williams P.S.
1001 Fourth Ave Ste 4500
Seattle WA 98154-1065
(206) 624-3600 Telephone
(206) 389-1708 Facsimile
jshickich@riddellwilliams.com

I agree to pay the fee of $25 upon entry of an order admitting me to practice ***pro hac vice***.

Dated: June 18, 2002
Seattle, Washington

/s/ Joseph E. Shickich, Jr.
Joseph E. Shickich, Jr. (JES-5229)

ORDERED,

That Joseph E. Shickich, Jr., Esq., is admitted to practice ***pro hac vice*** in the above-referenced case, in the United States Bankruptcy Court of New York, subject to payment of the filing fee.

Dated: June 28, 2002
New York, New York

s/Arthur J. Gonzalez
UNITED STATES BANKRUPTCY JUDGE

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re	)	Chapter 11
XO COMMUNICATIONS, INC.,	)	Case No. 02-12947 (AJG)
Debtor.	)	

ORDER DEEMING UTILITY COMPANIES ADEQUATELY ASSURED OF FUTURE PERFORMANCE PURSUANT TO SECTION 366 OF THE BANKRUPTCY CODE

Upon the amended motion (the "Motion"), dated June 17, 2002, of the above-captioned debtor and debtor in possession (the "Debtor"), for entry of an order, pursuant to section 366 of title 11 of the United States Code (the "Bankruptcy Code"): (a) deeming utility companies adequately assured of future performance; (b) establishing procedures for determining requests for additional adequate assurance pursuant to section 366 of the Bankruptcy Code; and (c) granting other related relief; and notice of the Motion having been provided as set forth in the Motion; and upon the procedures set forth in this Order; and it appearing that no other or further notice is necessary; and an objection to the Motion (collectively, the "Objections") having been filed by each (i) WorldCom, Inc. and related entities ("WorldCom"), (ii) Qwest Communications Corporation ("Qwest"), and (iii) Southwestern Bell Telephone Company and related entities ("SBC," and collectively with WorldCom and Qwest, the "Objecting Utilities"); and the Objections having been consensually resolved or adjourned as set forth in and by agreement upon this order; and it appearing that no further objections or responses having been filed in respect of the Motion; and upon the hearing on the Motion and the full record of this case; and

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this Court having determined that granting the relief requested in the Motion is in the best interest of the Debtor, its estate, creditors and other parties in interest; and after due deliberation and sufficient cause appearing therefor, it is

ORDERED, that the Motion is hereby granted as set forth herein; and it is further

ORDERED, that the hearing with respect to the Objections filed by WorldCom, SBC and Qwest shall be adjourned as set forth in the next three decretal paragraphs, respectively; and it is further

ORDERED, that the Debtor and WorldCom shall continue negotiations in an effort to reach a mutually acceptable adequate assurance arrangement; provided that in the event the parties can not reach such mutual agreement, a hearing will be held before the Court on July 24, 2002 at 10 00 a.m., or on such later date as acceptable to the Court and the parties; provided further, however, that WorldCom shall not be authorized to discontinue the Utility Services (as defined in the Motion) to the Debtor until a further order of the Court is entered resolving the dispute; and it is further

ORDERED, that the Debtor and SBC shall enter into negotiations in an effort to reach a mutually acceptable adequate assurance arrangement; provided that in the event the parties can not reach such mutual agreement, a hearing will be held before the Court on July 24, 2002 at 10 00 a.m., or on such later date as acceptable to the Court and the parties; provided further, however, that SBC shall not be authorized to discontinue the Utility Services (as defined in the Motion) to the Debtor until a further order of the Court is entered resolving the dispute; and it is further

ORDERED, that the Debtor and Qwest shall continue negotiations in an effort to reach a mutually acceptable adequate assurance arrangement; provided that in the event the

parties can not reach such mutual agreement, a hearing will be held before the Court on July 9, 2002 at 10:00 a.m., or on such later date as acceptable to the Court and the parties; provided further, however, that Qwest shall not be authorized to discontinue the Utility Services (as defined in the Motion) to the Debtor until a further order of the Court is entered resolving the dispute; and it is further

ORDERED, that nothing in this Order shall prejudice the Objecting Utilities with respect to any of the arguments raised in the Objections or the Debtor with respect to any responses thereto, and all rights are reserved with respect to the Objections; and it is further

ORDERED, that under section 503(b)(1)(A) of the Bankruptcy Code, any unpaid postpetition utility charges shall constitute actual and necessary expenses of preserving the Debtor's estate, entitling the Utility Companies (as defined in the Motion) to an administrative expense priority under section 507(a)(1) of the Bankruptcy Code; and it is further

ORDERED, that for purposes of this Order, the Debtor's regular and timely prepetition history of payment to the Utility Companies, the Debtor's ability to pay the Utility Companies for future utility services and the Utility Companies' entitlement to an administrative expense priority under section 507(a)(1) of the Bankruptcy Code for unpaid postpetition charges are deemed to constitute sufficient grounds to deem the Utility Companies to be adequately assured of payment for future utility services for the remainder of this bankruptcy case; provided, however, that any Utility Company may request additional assurances upon making a showing to this Court, upon motion, that there has been a material adverse change in the Debtor's ability to pay for future Utility Services; and it is further

ORDERED, that pursuant to section 366(a) of the Bankruptcy Code, except as set forth herein, none of the Utility Companies may alter, refuse or discontinue service to, or

discriminate against, the Debtor solely on the basis of the commencement of this bankruptcy case or that a debt owed by the Debtor to any such Utility Company for service rendered prepetition was not paid when due; and it is further

ORDERED, that each of the Utility Companies is prohibited from requiring the payment of a deposit or receipt of other security in connection with any unpaid charges for prepetition Utility Services furnished to the Debtor; and it is further

ORDERED, that in the event the Debtor fails to pay timely any undisputed postpetition charges for Utility Services (a "Payment Default"), the Utility Company that provided such services, subject to any contract with the Debtor for the provision of Utility Services and applicable non-bankruptcy law, may send a notice of default to the Debtor, with a copy to counsel for the Debtor, Willkie Farr & Gallagher, 787 Seventh Avenue, New York, New York, 10019-6099, Attention: Tonny K. Ho, Esq., and if the Payment Default is not cured by the Debtor within the longer of five (5) business days from the Debtor's receipt of the notice of default or the notice period under applicable non-bankruptcy regulatory law including applicable tariffs, the Utility Company may request a hearing before this Court promptly to resolve such dispute; provided, however, the Utility Company shall not be authorized to discontinue the Utility Services to the Debtor until a further order of the Court is entered resolving the dispute; and it is further

ORDERED, that this Order is without prejudice (i) to the rights of the Debtor or any of the Utility Companies to seek entry of an order determining that the particular provider is or is not a Utility Company or that a particular service provided to the Debtor is or is not a Utility Service, and (ii) to the rights of any of the Utility Companies to refuse, subject to applicable law,

providing new postpetition Utility Services to the Debtor without seeking deposits, cash in advance or adequate assurance of payment; and it is further

ORDERED, that this Order shall not constitute an approval or assumption of any agreement to provide Utility Services pursuant to section 365 of the Bankruptcy Code, nor shall it prejudice any rights of the Debtor or any Utility Company under section 365 of the Bankruptcy Code; and it is further

ORDERED, that the requirement set forth in Rule 9013-1(b) of the Local Rules for the United States Bankruptcy Court for the Southern District of New York that any motion or other request for relief be accompanied by a memorandum of law is hereby waived with respect to the Motion; and it is further

ORDERED, that nothing herein shall preclude the Debtor from providing further assurances to a Utility Company without further order of the Court in the event the Debtor, in its sole discretion, determines that such assurance is warranted; and it is further

ORDERED, that this Court shall retain jurisdiction to construe and enforce this Order.

Dated: New York, New York
July 2, 2002

s/Arthur J. Gonzalez
THE HONORABLE ARTHUR J. GONZALEZ
UNITED STATES BANKRUPTCY JUDGE

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

HEARING DATE: JULY 9, 2002
HEARING TIME: 10:00 A.M.

In re	)	Chapter 11
XO COMMUNICATIONS, INC.,	)	Case No. 02-12947 (AJG)
Debtor.	)	

ORDER UNDER LOCAL RULE 2016-1 AND 11 U.S.C. §§ 105(a) AND 331 ESTABLISHING PROCEDURES FOR INTERIM COMPENSATION AND REIMBURSEMENT OF EXPENSES OF PROFESSIONALS

Upon the application (the "Application") of the debtor and debtor in possession in the above-captioned chapter 11 case (the "Debtor"), pursuant to Local Rule 2016-1 and 11 U.S.C. §§ 105 and 331 seeking entry of an order establishing procedures for interim compensation and reimbursement of expenses of Professionals; and it appearing that the relief requested is in the best interests of the Debtor's estate, and its creditors and other parties in interest; and it appearing that this Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; and it appearing that this proceeding is a core proceeding pursuant to 28 U.S.C. § 158(a); and it appearing that proper and adequate notice has been given under the circumstances and that no other or further notice is necessary; and upon the Application, the hearing on the Application held before this Court and full record of this case; and it appears that granting the relief requested in the Application is in the best interest of the Debtor, its estate and creditors; and after due deliberation and cause appearing therefore; it is hereby

ORDERED that the Application is granted; and it is further

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ORDERED that, except as may otherwise be provided in Court orders authorizing the retention of specific professionals, all Professionals in this case may seek monthly compensation in accordance with following procedures:

a. On or before the thirtieth (30th) day (as opposed to the 20th day, as provided in the General Order, as defined herein) following the month for which compensation is sought, each Professional will serve a monthly statement on: (i) the Debtor: XO Communications, Inc., 11111 Sunset Hills Road, Reston, Virginia 20190-5339, Attn: Gary D. Begeman, Esq.; (ii) counsel to the Debtor: Willkie Farr & Gallagher, 787 Seventh Avenue New York, New York 10019, Attn: Tonny K. Ho, Esq.; (iii) the Office of the United States Trustee for the Southern District of New York, 33 Whitehall Street, 21st Floor, New York, New York 10004, Attn: Paul Schwartzberg; (iv) counsel to the senior secured credit facility: Skadden, Arps, Meagher, Slate & Flom, Four Times Square, New York, New York 10036, Attn: Jay M. Goffman, Esq.; and (v) counsel for any official committee appointed in this case (collectively, the "Service Parties"), for interim approval and allowance pursuant to section 331 of the Bankruptcy Code for professional services rendered and reimbursement of expenses incurred during the relevant compensation period;

b. The monthly statement shall be filed with the Court. A courtesy copy need not be delivered to chambers. This order is not intended to alter the fee application requirements outlined in Bankruptcy Code sections 330 and 331 and Professionals are still required to serve and file interim and final applications for approval of fees and expenses in accordance with the relevant provisions of the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure and the Local Rules of this Court;

c. Each monthly fee statement must contain a list of the individuals who provided services during the statement period, their respective titles and billing rates, the aggregate hours spent by each individual, a reasonably detailed breakdown of the disbursements incurred, and contemporaneously maintained time entries for each individual in increments of tenths (1/10) of an hour; except to the extent otherwise ordered by the court,

d. Each person receiving a statement will have twenty (20) days after its service to review such statement and, if such person has an objection to the compensation or reimbursement sought in any particular statement, to serve upon the Professional whose statement is objected to, and the other Service Parties, a written "Notice of Objection to Fee Statement" setting forth the nature of the objection with particularity and the amount of fees of expenses at issue;

e. If no objection is served in accordance with paragraph (d), at the expiration of the twenty (20) day period, the Debtor shall promptly pay eighty percent (80%) of the fees and one hundred percent (100%) of the expenses identified in each monthly statement;

f. If the Debtor receives an objection to a particular statement, then it shall withhold payment on that portion of the fee statement to which the objection is directed and promptly pay the remainder of the fees and disbursements in the percentages set forth in paragraph (e);

g. If the parties to an objection are able to resolve their dispute following the service of Notice of Objection to Fee Statement and if the party whose statement was objected to serves on all Service Parties a statement indicating that the objection is withdrawn and describing in detail the terms of the resolution, then the Debtor shall promptly pay, in accordance with paragraph (e), that portion of the fee statement that is no longer subject to an objection;

h. All objections that are not resolved by the parties shall be preserved and presented to the Court at the next interim or final fee application hearing to be held by the Court;

i. The service of an objection in accordance with paragraph (d) shall not prejudice the objecting party's right to object to any fee application made to the Court in accordance with the Bankruptcy Code on any ground whether raised in the objection or not. Further, the decision by any party not to object to a fee statement shall not be a waiver of, or any kind of prejudice to, that party's right to object to any fee application subsequently made to the Court in accordance with the Bankruptcy Code;

j. Approximately every 120 days, but no more than every 150 days, each of the Professionals shall serve and file with the Court an application for interim or final Court approval and allowance, pursuant to sections 330 and 331 of the Bankruptcy Code (as the case may be), of the compensation and reimbursement of expenses requested;

k. Any Professional who fails to file an application seeking approval of compensation and expenses previously paid under the procedures set forth herein, when due, shall be ineligible to receive further monthly payments of fees or expenses as provided herein until such application is filed and approved by the Court;

l. The pendency of an application or a Court order that payment of compensation or reimbursement of expenses was improper shall not disqualify a Professional from the future payment of compensation or reimbursement of expenses as set forth above, unless otherwise ordered by the Court; and

m. Neither the payment of, nor the failure to pay, in whole or in part, monthly compensation and reimbursement as provided herein, shall have any effect on the Court's interim and final allowance of compensation and reimbursement of any Professional;

and it is further

ORDERED that each Professional may seek, in its first request for compensation and reimbursement of expenses pursuant to this Order, compensation for work performed and reimbursement of expenses incurred during the period beginning on the date of the Professional's retention and ending on the last day of the last full calendar month ending before the entry of this Order; and it is further

ORDERED that the Debtor shall include all payments to Professionals on its monthly operating reports, detailed so as to state the amount paid to each of the Professionals; and it is further

ORDERED that any party may object to requests for payments made pursuant to this Order on the grounds that the Debtor has not timely filed monthly operating reports, remained current with their administrative expenses and 28 U.S.C. § 1930 fees, or a manifest exigency exists by seeking further order of this Court, otherwise, this Order shall continue and shall remain in effect during the pendency of this case; and it is further

ORDERED that all time periods set forth in this Order shall be calculated in accordance with Rule 9006(a) of the Federal Rules of Bankruptcy Procedure; and it is further

ORDERED that notice of hearings to consider interim applications shall be served on the Service Parties and all parties who have filed a notice of appearance with the Clerk of the Court and requested such notice, and no further notice is necessary or required; and it is further

ORDERED that this Court shall retain jurisdiction over any and all matters arising from or related to the implementation or interpretation of this Order.

Dated: New York, New York
July 9, 2002

/s/ Arthur J. Gonzalez
UNITED STATES BANKRUPTCY JUDGE

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

HEARING DATE: JULY 9, 2002
HEARING TIME: 10:00 A.M.

In re	)	Chapter 11
XO COMMUNICATIONS, INC.,	)	Case No. 02-12947 (AJG)
Debtor.	)	

ORDER PURSUANT TO SECTION 365(d)(4) OF THE BANKRUPTCY CODE FURTHER EXTENDING THE TIME WITHIN WHICH THE DEBTOR MAY ASSUME OR REJECT CERTAIN UNEXPIRED NONRESIDENTIAL REAL PROPERTY LEASES

Upon the motion, dated June 17, 2002, (the "Motion"), of the above-captioned debtor and debtor in possession (the "Debtor"), for an order, pursuant to section 365(d)(4) of chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") extending the time within which the Debtor may assume or reject those unexpired nonresidential real property leases identified, including, without limitation, those on Exhibit A to the Motion through the earlier of (i) confirmation of a plan of reorganization or (ii) December 31, 2002; and notice of the Motion having been given as set forth in the Motion; and it appearing that no other or further notice is necessary or required; and an objection (the "KDC Objection") to the Motion having been filed by KDC-Sunset, LLC ("KDC"); and the Debtor and KDC having agreed to adjourn the hearing with respect to the KDC Objection; and upon the Motion, the hearing on the Motion held before this Court (the "Hearing") and the full record of this case; and it appearing that granting the relief requested in the Motion is in the best interest of the Debtor, its estate and creditors; and after due deliberation, and sufficient cause appearing therefor, it is hereby

ORDERED, that the Motion is hereby granted as set forth herein; and it is further

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ORDERED, that capitalized terms used herein, but not defined, shall have the meanings given to such terms in the Motion; and it is further

ORDERED, that the time period within which the Debtor may assume or reject certain unexpired nonresidential real property leases, including but not limited to, those identified on Exhibit A to the Motion (excluding the lease between the Debtor and KDC), shall be, and it hereby is, extended through the earlier of (i) the effective date of a plan of reorganization filed in this case and (ii) December 31, 2002; and it is further

ORDERED, that the Hearing with respect to the KDC Objection is adjourned to July 19, 2002 at 10:00 a.m. or such later date as acceptable to the Court and the parties, without prejudice to the rights of the Debtor or KDC with respect to the Motion and KDC Objection; and it is further

ORDERED, that the relief granted herein is without prejudice to the Debtor's right to request further extensions of the time within which it may assume or reject each of its unexpired nonresidential real property leases and, for cause shown, any Lessor's right to seek to shorten such time; and it is further

ORDERED, that the relief granted herein is without prejudice to the Debtor's rights as to any specific issues regarding one or more of the leases; and it is further

ORDERED, that pursuant and subject to section 365(d)(3) and any other appropriate provisions of the Bankruptcy Code, the Debtor shall timely comply with the obligations under the Unexpired Leases pending assumption or rejection of the leases; and it is further

ORDERED, that this Court shall retain jurisdiction over the Debtor and each of the lessors of the unexpired nonresidential real property leases identified on Exhibit A to the

Motion with respect to any matters or disputes arising out of or relating to the Motion or the implementation of this Order.

Dated: New York, New York
July 9, 2002

s/Arthur J. Gonzalez
UNITED STATES BANKRUPTCY JUDGE

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:	)	Chapter 11
	)	
XO COMMUNICATIONS, INC.,	)	Case No. 02-12947 (AJG)
	)	
Debtor.	)	
	)	

ORDER AUTHORIZING THE ADMISSION OF
RICHARD L. COSTELLA, ESQ. TO THIS COURT PRO HAC VICE

Upon Application of Chadbourne & Parke LLP, local counsel to KDC-Sunset, LLC, seeking the Admission of Richard L. Costella, Esq. to this Court Pro Hac Vice (the "Application"), and after due deliberation and sufficient cause appearing therefor; it is

ORDERED, that the Application be, and it hereby is granted and that Richard L. Costella is admitted to this Court on a *Pro Hac Vice* basis and is authorized to represent KDC-Sunset, LLC in the above captioned bankruptcy case.

DATED: New York, New York
July 18, 2002

s/Arthur J. Gonzalez
UNITED STATES BANKRUPTCY JUDGE

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UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:	)	Chapter 11
	)	
XO COMMUNICATIONS, INC.,	)	Case No. 02-12947 (AJG)
	)	
Debtor.	)	
	)	

ORDER AUTHORIZING THE ADMISSION OF
BRIAN F. KENNEY, ESQ. TO THIS COURT PRO HAC VICE

Upon Application of Chadbourne & Parke LLP, local counsel to KDC-Sunset, LLC, seeking the Admission of Brian F. Kenney, Esq. to this Court Pro Hac Vice (the "Application"), and after due deliberation and sufficient cause appearing therefor; it is

ORDERED, that the Application be, and it hereby is granted and that Brian F. Kenney is admitted to this Court on a *Pro Hac Vice* basis and is authorized to represent KDC-Sunset, LLC in the above captioned bankruptcy case.

DATED: New York, New York
July 18, 2002

s/Arthur J. Gonzalez
UNITED STATES BANKRUPTCY JUDGE

NY2 - 335921.01

Edward S. Weisfelner (ESW-5581)
Leslie H. Scharf (LHS-7652)
BROWN RUDNICK BERLACK ISRAELS LLP
120 West 45th Street
New York, NY 10036
Tel: (212) 704-0100
Fax: (212) 704-0196

Peter J. Antoszyk (PJA-8811)
BROWN RUDNICK BERLACK ISRAELS LLP
One Financial Center
Boston, MA 02111
Tel: (617) 856-8200
Fax: (617) 856-8201

Attorneys for High River Limited Partnership

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re	Chapter 11
XO COMMUNICATIONS, INC.,	Case No. 02-12947(AJG)
Debtor.	

MOTION FOR ADMISSION TO PRACTICE *PRO HAC VICE*

I, Peter J. Antoszyk, a member in good standing of the bar in the Commonwealth of Massachusetts, the State of Florida, the United States District Court for the District of Massachusetts, and the United States Court of Appeals for the First Circuit, request admission ***pro hac vice*** before the Honorable Arthur J. Gonzalez, to represent High River Limited Partnership in the above-referenced case. My office and email addresses, and my telephone and fax numbers are:

Peter J. Antoszyk, Esq.
Brown Rudnick Berlack Israels LLP
One Financial Center
Boston, MA 02111
(617) 856-8200 Telephone
(617) 856-8201 Facsimile
pantoszyk@brbilaw.com

I agree to pay the fee of $25 upon entry of an order admitting me to practice ***pro hac vice***.

Dated: July 16, 2002
Boston, Massachusetts

/s/ Peter J. Antoszyk
Peter J. Antoszyk (PJA-8811)

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ORDERED,

That Peter J. Antoszyk, Esq., is admitted to practice ***pro hac vice*** in the above-referenced case, in the United States Bankruptcy Court, Southern District of New York, subject to payment of the filing fee.

Dated: July 18, 2002
New York, New York

s/Arthur J. Gonzalez
UNITED STATES BANKRUPTCY JUDGE

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re	)	Chapter 11
XO COMMUNICATIONS, INC.,	)	Case No. 02-12947 (AJG)
Debtor.	)	

ORDER PURSUANT TO SECTIONS 105(a) AND 363 OF THE BANKRUPTCY CODE: (A) AUTHORIZING AND APPROVING BREAK-UP PAYMENT AND EXPENSE REIMBURSEMENT IN CONNECTION WITH PROPOSED EQUITY INVESTMENT, AND (B) GRANTING RELATED RELIEF

XO Communications, Inc. ("XO"), the above-captioned debtor and debtor in possession (the "Debtor"), filed a motion (the "Motion") for entry of an order, pursuant to sections 105(a) and 363 of title 11 of the United States Code (the "Bankruptcy Code"), authorizing and approving a Break-Up Payment and Expense Reimbursement (as each term is defined in the Motion, and together, the "Investment Protections") in connection with a proposed equity investment, and granting related relief, all as more fully set forth in the Motion.

All capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Motion.

NOW THEREFORE, after reviewing the pleadings filed by counsel to the Debtor, the Order to Show Cause, dated June 18, 2002, and the affidavit of Tonny K. Ho in support thereof; and a Joint Response of Forstmann Little & Co. Equity Partnership - VII, L.P., Forstmann Little & Co. Subordinated Debt and Equity Management Buyout Partnership - VII, L.P. and Telefonos De Mexico, S.A. De C.V. in Response to Debtor's Motion for Order: (A) Authorizing and Approving Break-Up Payment and Expense Reimbursement in connection with Proposed Equity Investment; (B) Scheduling Hearing and Establishing Notice Procedures

Related Thereto; and (C) Granting Related Relief (the "Joint Response") having been filed; and the Objection of the Official Committee of Unsecured Creditors to Debtor's Motion for Order Authorizing and Approving Break-Up Payment and Expense Reimbursement in connection with Proposed Equity Investment (the "Committee's Objection") having been filed; the Affidavit of Irwin N. Gold, Senior Managing Director of the Debtor's Financial Advisor, in support of Debtor's Motion for Order Authorizing and Approving, among other things, Break-Up Payment and Expense Reimbursement in connection with Proposed Equity Investment; Response of XO Communications, Inc. to Objections to Break-Up Payment and Expense Reimbursement; and the Committee's Objection having been withdrawn at the hearing; and based upon all of the evidence, including evidence proffered at the hearing regarding the Break-Up Payment and Expense Reimbursement (the "Break-Up Payment Hearing"), representations, offers of proof and argument made by counsel, and the entire record of the Break-Up Fee Hearing and the Debtor's chapter 11 cases; and there appearing good and sufficient cause therefor, it is hereby

FOUND AND CONCLUDED, pursuant to Rules 7052 and 9014 of the Bankruptcy Rules, that:

A. On June 17, 2002 (the "Petition Date"), the Debtor filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code. The Debtor continues in the possession of its property and the management of its business as a debtor in possession pursuant to sections 1107 and 1108 of the Bankruptcy Code.

B. On June 25, 2002, the United States Trustee appointed an official committee of unsecured creditors (the "Committee") in this chapter 11 case. No trustee or examiner has been appointed in these cases.

C. This Court has jurisdiction over this motion pursuant to 28 U.S.C. §§ 157 and 1334 and the "Standing Order of Referral of Cases to Bankruptcy Judges," dated July 10, 1984, issued by District Court Judge Robert J. Ward. Venue of these proceedings and the within motion in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

D. The Debtor has provided notice of the relief requested with respect to the Break-Up Payment and the Expense Reimbursement, and the Break-Up Payment hearing, to (i) the United States Trustee for the Southern District of New York; (ii) counsel to the Senior Lenders Committee; (iii) each of the Indenture Trustees under the Debtor's indenture agreements; (iv) counsel to the Senior Noteholder Committee; (v) counsel to the Subordinated Noteholder Committee; (vi) the Debtor's thirty (30) largest unsecured creditors; (vii) counsel to the Investors; (viii) all entities known to have expressed an interest in a transaction with respect to the restructuring of the Debtor during the past twelve (12) months; (ix) any other potential investors the Debtor and its professionals reasonably believe could have an interest in investing in the Debtor and (x) counsel to the official committee of unsecured creditors appointed in this case.

E. The approval of the Break-Up Payment (a) is in the best interests of the Debtors, its estates and all of the Debtor's various creditor constituencies, (b) was negotiated and proposed in good faith and not the product of self-dealing, (c) encourages competitive bidding for the purchase of the Debtor's assets, and (d) is reasonable relative to the size of the transaction.

F. The Expense Reimbursement (a) is in the best interests of the Debtors, its estates and all of the Debtor's various creditor constituencies, (b) was negotiated and proposed in good

faith and not the product of self-dealing, (c) encourages competitive bidding for the purchase of the Debtor's assets, and (d) is reasonable relative to the size of the transaction.

It is hereby ORDERED, ADJUDGED AND DECREED that

1. The Motion is hereby granted.

2. The findings of fact set forth above and conclusions of law stated herein shall constitute the Court's findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052, made applicable to this proceeding pursuant to Bankruptcy Rule 9014. To the extent any finding of fact later shall be determined to be a conclusion of law, it shall be so deemed, and to the extent any conclusion of law later shall be determined to be a finding of fact, it shall be so deemed.

3. The Joint Response to the extent it is an objection is hereby overruled.

4. Pursuant to sections 105 and 363 of the Bankruptcy Code, the Break-Up Payment in favor of the Investors is hereby approved on the terms and conditions set forth in the Motion and in section 6.3 of the Investment Agreement, and the Debtor is authorized to pay such Break-Up Payment subject to the terms and conditions set forth in the Motion and section 6.3 of the Investment Agreement.

5. Pursuant to sections 105 and 363 of the Bankruptcy Code, the Expense Reimbursements in favor of the Investors are hereby approved on the terms and conditions set forth in the Motion and section 8.2 of the Investment Agreement, and the Debtor is authorized to pay such Expense Reimbursements subject to the terms and conditions set forth in the Motion and section 8.2 of the Investment Agreement, up to the remaining cap balance of $9,300,999.00.

6. The Debtor is authorized to make the payments of the Break-up Payment under Sections 6.1(h) and 6.3 of the Investment Agreement upon (a) the Debtor's termination of

the Investment Agreement to accept a superior proposal or (b) entering into a written agreement with respect to an alternative proposal, without further order of the Court.

7. The Debtor is authorized to make the payment of the Expense Reimbursement for the reasonable, documented, out-of-pocket expenses incurred and in accordance with Section 6.1(h) of the Investment Agreement. The Expense Reimbursements previously paid to the Investors hereby are approved.

8. The Debtors are authorized and empowered to take or perform such actions and expend such funds as may be necessary to effectuate the terms of this Break-Up Payment Order.

9. This Court retains jurisdiction to interpret, implement and enforce the terms and provisions of this Break-Up Payment Order, any subsequent amendments to, modifications of, consents relating to, or waivers thereof or any related documents, including any agreements established in connection with the transactions contemplated thereby and adjudicate all matters concerning the Break-Up Payment and the Expense Reimbursement or any other document or issues relating thereto.

Dated: July 19, 2002
New York, New York

s/Arthur J. Gonzalez
UNITED STATES BANKRUPTCY JUDGE