1047737.22

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

HEARING DATE: JULY 19, 2002
HEARING TIME: 10:00 A.M.

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

ORDER ESTABLISHING VOTING PROCEDURES AND APPROVING FORMS OF BALLOTS

Upon the motion, dated June 25, 2002 (the "Motion"), of the above-captioned debtor and debtor in possession (the "Debtor"), for an order pursuant to sections 105, 363, 1125, and 1126 of title 11 of the United States Code (the "Bankruptcy Code"), as supplemented by Rules 3017, 3018, and 3020 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), seeking, among other things, to: (a) establish rules and standards for tabulating votes for and against the Third Amended Plan of Reorganization, dated July 22, 2002 (as has been and may hereafter be amended and restated from time to time, the "Plan"); and (b) approve the forms of ballots related thereto; and it appearing that the Motion has been served as set forth therein and no other or further notice is required; and upon the affidavit of service filed in connection with the Motion; and objections to the Motion having been filed by (i) The Official Committee of Unsecured Creditors and (ii) High River Limited Partnership (together, the "Objections"); and after consideration of the Motion, the Objections, the record of the hearing on the Motion and the full record of this case; and after due deliberation and sufficient cause appearing therefor, it is

ORDERED that the Motion is granted; and it is further

ORDERED that to the extent not otherwise resolved, the Objections are overruled; and it is further

ORDERED that for purposes of voting, the amount and classification of a claim that will be used to tabulate acceptances and rejections of the Plan shall be exclusively as follows:

(a) With respect to Other Secured Claims (Class 2), Non-Tax Priority Claims (Class 3) and Convenience Claims (Class 4), each holder thereof is unimpaired and is deemed to accept the Plan. Such classes are not entitled to vote on the Plan shall be deemed to have voted to accept the Plan.

(b) With respect to Senior Secured Lender Claims (Class 1), General Unsecured Claims (Class 5), and Senior Note Claims (Class 6):

(i) each holder thereof shall be entitled to vote in the amounts set forth in the Debtor's Schedules of Assets and Liabilities filed with the Court on the Petition Date, to the extent such claim is listed in an amount greater than zero dollars and is not listed as contingent, unliquidated, undetermined or disputed;

(ii) To the extent a proof of claim has been filed timely for a liquidated, non-contingent claim in an amount greater than zero dollars, then the holder thereof shall be entitled to vote in the amount specified in such claim unless such claim is the subject of a pending objection prior to August 5, 2002, in which event such claim shall be treated as a disputed claim for voting purposes, unless otherwise ordered by the Court;

(iii) To the extent a proof of claim has been filed timely for a contingent, unliquidated, undetermined, or disputed claim, such holder shall be entitled, solely for voting purposes, to vote such claim in an amount equal to one dollar, one vote or such or in such other amount such claim is otherwise allowed for voting purposes by order of this Court;

(iv) In the event a claim is in dispute and has not been determined by the Bankruptcy Court as of the Voting Deadline (defined below), or the Debtor's motion objecting to or seeking a final determination of a claim), such claim shall not be counted for voting purposes and the related ballot, if any, shall not be counted, except to the extent and in the manner indicated in the Debtor's objection; and

(c) With respect to Subordinate Note Claims (Class 7), Securities Claims (Class 8), Old Preferred Stock Interests (Class 9), Old Common Stock Interests (Class 10), and Other Old Equity Interests in XO (Class 11), each holder shall be deemed to have rejected the Plan and is not entitled to vote; and it is further

ORDERED that the Debtor or its authorized agent (the "Balloting Agent") shall serve holders of claims recorded as unliquidated, contingent, and/or undetermined with a notice, substantially in the form of the notice annexed to the Motion as Exhibit I, setting forth the procedures and deadlines specific to its claims, by first class mail, no later than five business days after the entry of this Order; and it is further

ORDERED that the holder of an unliquidated, contingent, and/or undetermined claim wishing to challenge its "one dollar, one vote" valuation, or any holder of a claim who seeks to have its claim allowed for voting purposes in an amount different from that which is set forth in the Debtor's Schedules of Assets and Liabilities, Plan, or related Disclosure Statement, must file a motion (a "Claimant Voting Motion") for a hearing on the estimation of such claim with this Court within ten days of service of the notice described above; and it is further

ORDERED that if the Court has not temporarily or otherwise allowed all or a portion of a claim set forth in a Claimant Voting Motion for voting purposes, pursuant to Bankruptcy Rule 3018(a), on or before the deadline by which ballots must be received by the Balloting Agent, that such claim shall not be counted for voting purposes; and it is further

ORDERED that each Claimant's Voting Motion must: (a) set forth with particularity the amount and classification at which such claimant believes its claim should be allowed for voting purposes, and the evidence in support of that belief; and (b) be served upon counsel for: (i) Willkie Farr & Gallagher, attorneys for the Debtor, 787 Seventh Avenue, New York, New York 10019, Attention: Tonny K. Ho, Esq., (ii) XO Communications, Inc., 11111 Sunset Hills Road, Reston, Virginia 20190, Attn: General Counsel; (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 the official committee of unsecured creditors, Akin, Gump, Strauss, Hauer & Feld. L.L.P., 590 Madison Avenue, New York, New York 10022, Attn: David Botter, Esq.; and (vi) the Office of the United States Trustee for the Southern District of New York, 33 Whitehall Street, Twenty-First Floor, New York, New York 10004, Attn: Paul Schwartzberg, Esq.; and it is further

ORDERED that in the event the Debtor subsequently files a motion objecting to such claim for voting purposes, the Claimant's Voting Motion shall be consolidated with the Debtor's motion; and it is further

ORDERED that August 13, 2002 at 10:00 a.m. (prevailing Eastern Time), shall be set as the date and time for a hearing on any Claimant Voting Motion that is timely filed pursuant to this Order (the "Voting Estimation Hearing Date"); and it is further

ORDERED that in the event that a claimant reaches an agreement with the Debtor as to the treatment of its claim, a stipulation setting forth that agreement may be presented to the Court for approval by notice of proposed stipulation and order, with presentment upon three (3) business days' notice to: (i) 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.; (ii) counsel to the lenders under Senior Credit Facility, Skadden, Arps, Slate, Meagher & Flom, LLP, Four Times Square, New York, New York 10036, Attn: Jay M. Goffman, Esq.; (iii) counsel to the official committee of unsecured creditors, Akin, Gump, Strauss, Hauer & Feld. L.L.P., 590 Madison Avenue, New York, New York 10022, Attn: David Botter, Esq.; and (iv) the Office of the United States Trustee, 33 Whitehall

Street, Twenty-First Floor, New York, New York 10004, Attn: Paul Schwartzberg, Esq.; and it is further

ORDERED that the deadline for the Balloting Agent to receive ballots from claimants respecting the Plan shall be August 19, 2002 at 5:00 p.m. (prevailing Eastern Time) (the "Voting Deadline"); provided, however, the Debtor shall have the ability at its sole discretion to extend the Voting Deadline by filing written notice of such extension with the Bankruptcy Court; and it is further

ORDERED that the following rules and standards shall apply to all ballots:

(a) Any ballot which is properly completed, executed, and timely returned to the Balloting Agent that does not indicate an acceptance or rejection of either of the FL/Telmex Plan or the Stand-Alone Plan (each as defined in the Disclosure Statement) or indicates both an acceptance and rejection of either of the FL/Telmex Plan or the Stand-Alone Plan shall be deemed to be a vote to accept such Plan.

(b) Any ballot which is returned to the Balloting Agent indicating acceptance or rejection of the FL/Telmex Plan and the Stand-Alone Plan but which is unsigned or does not contain an original signature shall not be counted.

(c) Any ballot postmarked prior to the deadline for submission of ballots but received afterward shall not be counted, unless otherwise ordered by the Court.

(d) Pursuant to Bankruptcy Rule 3018(a), whenever a holder of a claim submits more than one ballot voting the same claim prior to the deadline for receipt of ballots, except as otherwise directed by the Court, the last such properly completed ballot sent and received prior to the voting deadline will be deemed to reflect the voter's intent and thus to supersede any prior ballots. The Court has adopted a rebuttable presumption that any creditor who submits a superseding ballot has sufficient cause to do so, within the meaning of Bankruptcy Rule 3018(a).

(e) A holder of a claim or interest must vote all of its claims or interests within a particular class under the Plan either to accept or reject each of the FL/Telmex Plan and the Stand-Alone Plan, and may not split its vote. Accordingly, a ballot (or multiple ballots with respect to separate claims within a single class), that partially rejects and partially accepts the FL/Telmex Plan or the Stand-Alone Plan, or that indicates both a vote for and against the FL/Telmex Plan or the Stand-Alone Plan, will not be counted. This provision shall not apply to summary ballots, completed by

intermediaries acting on behalf of groups of claim holders, that reflect the votes of the beneficial holders of such claims.

(f) If a creditor casts simultaneous or duplicate ballots voted inconsistently, such ballots shall count as one vote accepting the Plan.

(g) Each creditor shall be deemed to have voted the full amount of its claim.

(h) Any Ballot received by the Balloting Agent by telecopier, facsimile or other electronic communication shall not be counted.

(i) Unless otherwise ordered by this Court, questions as to the validity, form, eligibility (including time of receipt), acceptance, and revocation or withdrawal of ballots shall be determined by the Balloting Agent and the Debtor in its sole discretion, which determination will be final and binding;

and it is further

ORDERED that the forms of ballots annexed hereto as Exhibits A through E are approved by this Court, and the Debtor or its authorized agent shall have the right to prepare and distribute other or modified forms of ballots, substantially in conformance with such ballots and Official Form No. 14, as the Debtor finds necessary or appropriate; and it is further

ORDERED that the Debtor shall be entitled to send ballots to transfer agents, registrars, servicing agents, or other intermediaries holding claims for or acting on behalf of record holders of claims (collectively, the "Intermediaries"), and each Intermediary shall be entitled to receive, upon timely request of the Debtor, reasonably sufficient copies of ballots to distribute to the beneficial owners of the claims for which it is an Intermediary, and the Debtor shall be responsible for and pay each such Intermediary's reasonable costs and expenses associated with the distribution of copies of ballots to the beneficial owners of such claims and tabulation of the ballots; and it is further

ORDERED that each Intermediary shall receive returned ballots and are directed to tabulate and return the results to BSI in a summary ballot by the applicable voting deadline, indicating the number and dollar amount of cast ballots in the respective class voting on the Plan, and

Intermediaries must certify that each beneficial holder has not cast more than one vote for any purpose, including numerosity and claim amount, even if such holder holds securities of the same type in more than one account; and it is further

ORDERED that this Order shall be without prejudice to the Debtor's right to seek a determination that one or more of the classes in the Plan designated as impaired, including the classes that will be receiving ballots pursuant to this Order, are unimpaired and that such class or classes are therefore deemed to have accepted the Plan without regard to how such class or classes actually voted; and it is further

ORDERED that this Order shall be without prejudice to the Debtor's right to request additional rules and guidelines with respect to voting procedures; and it is further

ORDERED that the form of notice annexed to the Motion as Exhibit G (the "Notice of Non-Voting Status"), for service on holders of unimpaired claims against the Debtor who is deemed to have accepted the Plan pursuant to section 1126(f) of the Bankruptcy Code and that service of such Notice of Non-Voting Status shall be deemed adequate service in lieu of any other manner of notice for the Confirmation Hearing, service of the Plan and Disclosure Statement, is approved; and it is further

ORDERED that the form of notice annexed to the Motion as Exhibit H (the "Notice of Non-Voting Status"), for service on holders of impaired claims against the Debtor who is deemed to have rejected the Plan pursuant to section 1126(g) of the Bankruptcy Code and that service of such Notice of Non-Voting Status shall be deemed adequate service in lieu of any other manner of notice for the Confirmation Hearing, service of the Plan and Disclosure Statement, is approved; and such notice may be combined with any other notice to be served on such holders in connection with the Plan and Disclosure Statement; and it is further

ORDERED that this Court shall retain jurisdiction to hear all such matters as may be related to, or arise from, the Motion and this Order.

Dated: New York, New York
July 22, 2002

s/Arthur J. Gonzalez
UNITED STATES BANKRUPTCY JUDGE

1047737.22

EXHIBIT A

MUST BE RECEIVED BY P.M. EASTERN TIME ON , 2002

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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

Creditor Name and Address
Claim Amount: $

BALLOT FOR SENIOR LENDER CLAIMS
CLASS 1

1A. **VOTE ON FL/TELMEX PLAN.** PLEASE CHECK ONLY ONE BOX. IF NO BOXES ARE CHECKED, OR IF BOTH BOXES ARE CHECKED, THIS BALLOT WILL BE COUNTED AS A VOTE TO ACCEPT THE FL/TELMEX PLAN.

To **ACCEPT** the FL/TELMEX Plan ☐ To **REJECT** the FL/TELMEX Plan ☐

1B. **VOTE ON STAND-ALONE PLAN.** PLEASE CHECK ONLY ONE BOX. IF NO BOXES ARE CHECKED, OR IF BOTH BOXES ARE CHECKED, THIS BALLOT WILL BE COUNTED AS A VOTE TO ACCEPT THE STAND-ALONE PLAN.

To **ACCEPT** the Stand-Alone Plan ☐ To **REJECT** the Stand Alone Plan ☐

YOU SHOULD VOTE ONCE UNDER 1A AND ONCE UNDER 1B. BY ACCEPTING ONE OR BOTH OF THE PLANS YOU WILL BE DEEMED TO HAVE CONSENTED TO THE RELEASE AS TO THOSE PERSONS DESCRIBED IN SECTION 10.4(B) IN THE PLAN, AS APPLICABLE.

2. **TAX INFORMATION.** Under penalties of perjury, claimant certifies that:

A. Claimant's correct taxpayer identification number is:

(Social Security Number)____-__-____,

(or Employer Identification Number)___-_____; and

B. Please check the Appropriate Box(es):

Claimant is not subject to backup withholding because:

☐ (a) Claimant is exempt from backup withholding;

☐ (b) Claimant has not been notified by the Internal Revenue Service ("IRS") that Claimant is subject to backup withholding as a result of a failure to report all interest or dividends; or

☐ (c) The IRS has notified Claimant that Claimant is no longer subject to backup withholding.

3. **SIGNATURE.** By signing this Ballot the undersigned certifies that it is either (a) creditor with a claim to which this Ballot pertains that is designated in the above-referenced class of Senior Lender Claims pursuant to the Plan, or (b) an authorized signatory of such a creditor, and has full power and authority to vote to accept or reject the Plan. The undersigned also acknowledges that such vote is subject to all the terms and conditions set forth in the Disclosure Statement. A BALLOT THAT IS NOT SIGNED WILL NOT COUNT.

Name (Print) _____

Signature: _____

Title: _____

Date Completed: _____

INSTRUCTIONS FOR COMPLETING THE BALLOT

On July __, 2002, the United States Bankruptcy Court for the Southern District of New York (the "Court") approved the Disclosure Statement for the Third Amended Plan of Reorganization (the "Disclosure Statement") filed by the above-captioned debtor and debtor in possession (the "Debtor") on July ____, 2002 and directed the Debtor to solicit votes with regard to the approval or rejection of the Third Amended Plan of Reorganization dated July __, 2002 (the "Plan") attached as an exhibit thereto.

TO HAVE YOUR VOTE COUNT, YOU MUST COMPLETE, SIGN AND RETURN THIS BALLOT SO THAT IT IS ACTUALLY RECEIVED BY THE BALLOTING AGENT, BANKRUPTCY SERVICES LLC, NOT LATER THAN 5:00 P.M. (EASTERN TIME) ON _____, 2002 (THE "VOTING DEADLINE"). **FAXED BALLOTS WILL NOT BE COUNTED. ONLY ORIGINAL BALLOTS WITH ORIGINAL SIGNATURES WILL BE COUNTED.** COMPLETED BALLOTS SHOULD BE RETURNED TO:

(if mailed)

XO Communications Balloting Center
c/o Bankruptcy Services LLC
P.O. Box 5014, FDR Station
New York, NY 10150-5014

(if sent by Overnight courier)

Bankruptcy Services LLC
(XO Communications Balloting Center)
70 East 55th Street
New York, New York 10022

It is important that you vote. The Plan can be confirmed by the Court and thereby made binding on you if it is accepted by the holders of at least 2/3 in amount and more than 1/2 in number of claims actually voting in each voting class of claims. The votes of the claims actually voted in your class will bind those who do not vote. In the event that the requisite acceptances are not obtained, the Court may nevertheless confirm the Plan if at least one impaired class of claims or interests has accepted the Plan and the Court finds that it accords fair and equitable treatment to, and does not discriminate unfairly against, the class(es) rejecting it and otherwise satisfies the requirements of Section 1129(b) of title 11 of the United States Code (the "Bankruptcy Code").

HOLDERS OF CLAIMS MAY VOTE TO (I) ACCEPT BOTH THE FL/TELMEX PLAN AND THE STAND-ALONE PLAN, (II) REJECT BOTH THE FL/TELMEX PLAN AND THE STAND-ALONE PLAN OR (III) ACCEPT ONE AND REJECT THE OTHER.

CREDITORS MUST VOTE ALL OF THEIR CLAIMS WITHIN A PARTICULAR CLASS UNDER THE PLAN EITHER TO ACCEPT OR REJECT EACH THE FL/TELMEX PLAN AND STAND-ALONE PLAN, AND MAY NOT SPLIT THEIR VOTE. THUS, A BALLOT THAT PARTIALLY REJECTS AND PARTIALLY ACCEPTS THE FL/TELMEX PLAN OR STAND-ALONE PLAN IN PRESCRIBED DOLLAR AMOUNTS WILL NOT BE COUNTED.

Your signature is required in order for your vote to be counted. If the claim is held by a partnership, the ballot should be executed in the name of the partnership by a general partner. If the claim is held by a corporation, the ballot must be executed by an authorized officer. If you are signing in a representative capacity, also indicate your title after your signature.

This ballot has been prepared to reflect the class(es) in which you are eligible to vote. If you have claims in more than these classes, you may receive more than one ballot. **IF YOU RECEIVE MORE THAN ONE BALLOT, YOU SHOULD ASSUME THAT EACH BALLOT IS FOR A CLAIM IN A SEPARATE CLASS AND SHOULD COMPLETE AND RETURN ALL OF THEM.** If you have more than one claim in a particular class, you may not split your claim(s), and your vote will be counted as a single vote. If you have any questions, please contact the Balloting agent, Bankruptcy Services LLC at (212) 376-8494, Attn: Mariah Martin.

Ballots are being sent to all holders of allowed impaired Claims entitled to vote on the Plan as of the applicable voting record date. Pursuant to Section 502 of the Bankruptcy Code and Federal Rule of Bankruptcy Procedure 3018, the Court may estimate and temporarily allow a Claim for purpose of voting on the Plan upon motion by such creditor. The Debtor also may seek an order of the Court, temporarily allowing, for voting purposes only, certain disputed claims. If such a claim holder or the Debtor avails itself of this right, allowance for voting purposes does not constitute allowance for purpose of distributions under the Plan. Any claim holder that seeks estimation of a claim shall have until 4:00 p.m. (Eastern Time) on _____, 2002 to file a motion seeking to have their claim estimated for voting purposes only.

This ballot is for voting purposes only and does not constitute and shall not be deemed a proof of claim or an admission by the Debtor of the validity of a claim.

If your ballot is damaged or lost or if you did not receive a ballot you may request a replacement by addressing a written request to the Balloting agent at the address listed above or by calling Mariah Martin at (212) 376-8494.

Claimants submitting multiple ballots shall be deemed to have voted in the manner of the last ballot cast.

If a claim is disputed as of the Voting Deadline, the ballot submitted with respect to that claim shall not be counted, except to the extent the Debtor's objection to that claim states otherwise or the Court orders otherwise upon the timely application of the claim holder in accordance with the Court's Order Establishing Voting Procedures and Approving Forms of Ballots, dated July ___, 2002.

EXHIBIT B

MUST BE RECEIVED BY P.M. EASTERN TIME ON , 2002

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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

Creditor Name and Address
Claim Amount: $

BALLOT FOR GENERAL UNSECURED CLAIMS

1A. **VOTE ON FL/TELMEX PLAN.** PLEASE CHECK ONLY ONE BOX. IF NO BOXES ARE CHECKED, OR IF BOTH BOXES ARE CHECKED, THIS BALLOT WILL BE COUNTED AS A VOTE TO ACCEPT THE FL/TELMEX PLAN.

To **ACCEPT** the FL/TELMEX Plan ☐ To **REJECT** the FL/TELMEX Plan ☐

1B. **VOTE ON STAND-ALONE PLAN.** PLEASE CHECK ONLY ONE BOX. IF NO BOXES ARE CHECKED, OR IF BOTH BOXES ARE CHECKED, THIS BALLOT WILL BE COUNTED AS A VOTE TO ACCEPT THE STAND-ALONE PLAN.

To **ACCEPT** the Stand-Alone Plan ☐ To **REJECT** the Stand-Alone Plan ☐

YOU SHOULD VOTE ONCE UNDER 1A AND ONCE UNDER 1B. BY ACCEPTING ONE OR BOTH OF THE PLANS YOU WILL BE DEEMED TO HAVE CONSENTED TO THE RELEASE AS TO THOSE PERSONS DESCRIBED IN SECTION 10.4(B) IN THE PLAN, AS APPLICABLE.

2. **CONVENIENCE CLASS ELECTION.** In accordance with Section 3.3(B)(ii) of the Plan, any Holder of an Allowed Class 5 Claim that does not exceed $100,000 in amount may elect to opt into Class 4 (Convenience Class) and be treated as a Holder of a $5,000 Convenience Claim. Please see Section 3.2(c) of the Plan for a description of the Class 4 treatment.

If you elect to opt into the Convenience, please check either or both of the boxes immediately below.

The undersigned elects to have its Claim treated as a Convenience Claim under the FL/TELMEX Plan ☐

The undersigned elects to have its Claim treated as Convenience Claim under the Stand-Alone Plan ☐

BY ACCEPTING ONE OR BOTH OF THE PLANS YOU WILL BE DEEMED TO HAVE CONSENTED TO THE RELEASE AS TO THOSE PERSONS DESCRIBED IN SECTION 10.4(B) IN THE PLAN.

3. **TAX INFORMATION.** Under penalties of perjury, claimant certifies that:

A. Claimant's correct taxpayer identification number is:
(Social Security Number)____-__-____,

(or Employer Identification Number)___-_____; and

B. Please check the Appropriate Box(es):

Claimant is not subject to backup withholding because:

☐ (a) Claimant is exempt from backup withholding;

☐ (b) Claimant has not been notified by the Internal Revenue Service ("IRS") that Claimant is subject to backup withholding as a result of a failure to report all interest or dividends; or

☐ (c) The IRS has notified Claimant that Claimant is no longer subject to backup withholding.

4. SIGNATURE. By signing this Ballot the undersigned certifies that it is either (a) creditor with a claim to which this Ballot pertains that is designated in the above-referenced class of General Unsecured Claims pursuant to the Plan, or (b) an authorized signatory of such a creditor, and has full power and authority to vote to accept or reject the Plan. The undersigned also acknowledges that such vote is subject to all the terms and conditions set forth in the Disclosure Statement. A BALLOT THAT IS NOT SIGNED WILL NOT COUNT.

Name (Print) _____

Signature: _____

Title: _____

Date Completed: _____

PLEASE MAKE SURE YOU HAVE PROVIDED ALL INFORMATION REQUESTED ON THIS BALLOT. PLEASE READ AND FOLLOW THE INSTRUCTIONS SET FORTH BELOW CAREFULLY.

INSTRUCTIONS FOR COMPLETING THE BALLOT

On July ___, 2002, the United States Bankruptcy Court for the Southern District of New York (the "Court") approved the Disclosure Statement for the Third Amended Plan of Reorganization (the "Disclosure Statement") filed by the above-captioned debtor and debtor in possession (the "Debtor") on July ___, 2002 and directed the Debtor to solicit votes with regard to the approval or rejection of the Third Amended Plan of Reorganization dated July ___, 2002 (the "Plan") attached as an exhibit thereto.

TO HAVE YOUR VOTE COUNT, YOU MUST COMPLETE, SIGN AND RETURN THIS BALLOT SO THAT IT IS ACTUALLY RECEIVED BY THE BALLOTING AGENT, BANKRUPTCY SERVICES LLC, NOT LATER THAN 5:00 P.M. (EASTERN TIME) ON _____, 2002 (THE "VOTING DEADLINE"). **FAXED BALLOTS WILL NOT BE COUNTED. ONLY ORIGINAL BALLOTS WITH ORIGINAL SIGNATURES WILL BE COUNTED.** COMPLETED BALLOTS SHOULD BE RETURNED TO:

(if mailed)

XO Communications Balloting Center
c/o Bankruptcy Services LLC
P.O. Box 5014, FDR Station
New York, NY 10150-5014

(if sent by Overnight courier)

Bankruptcy Services LLC
(XO Communications Balloting Center)
70 East 55th Street
New York, New York 10022

It is important that you vote. The Plan can be confirmed by the Court and thereby made binding on you if it is accepted by the holders of at least 2/3 in amount and more than 1/2 in number of claims actually voting in each voting class of claims. The votes of the claims actually voted in your class will bind those who do not vote. In the event that the requisite acceptances are not obtained, the Court may nevertheless confirm the Plan if at least one impaired class of claims or interests has accepted the Plan and the Court finds that it accords fair and equitable treatment to, and does not discriminate unfairly against, the class(es) rejecting it and otherwise satisfies the requirements of Section 1129(b) of title 11 of the United States Code (the "Bankruptcy Code").

HOLDERS OF CLAIMS MAY VOTE TO (I) ACCEPT BOTH THE FL/TELMEX PLAN AND THE STAND-ALONE PLAN, (II) REJECT BOTH THE FL/TELMEX PLAN AND THE STAND-ALONE PLAN OR (III) ACCEPT ONE AND REJECT THE OTHER.

CREDITORS MUST VOTE ALL OF THEIR CLAIMS WITHIN A PARTICULAR CLASS UNDER THE PLAN EITHER TO ACCEPT OR REJECT EACH THE FL/TELMEX PLAN AND STAND-ALONE PLAN, AND MAY NOT SPLIT THEIR VOTE. THUS, A BALLOT THAT PARTIALLY REJECTS AND PARTIALLY ACCEPTS THE FL/TELMEX PLAN OR STAND-ALONE PLAN IN PRESCRIBED DOLLAR AMOUNTS WILL NOT BE COUNTED.

Your signature is required in order for your vote to be counted. If the claim is held by a partnership, the ballot should be executed in the name of the partnership by a general partner. If the claim is held by a corporation, the ballot must be executed by an authorized officer. If you are signing in a representative capacity, also indicate your title after your signature.

This ballot has been prepared to reflect the class(es) in which you are eligible to vote. If you have claims in more than these classes, you may receive more than one ballot. **IF YOU RECEIVE MORE THAN ONE BALLOT, YOU SHOULD ASSUME THAT EACH BALLOT IS FOR A CLAIM IN A SEPARATE CLASS AND SHOULD COMPLETE AND RETURN ALL OF THEM.** If you have more than one claim in a particular class, you may not split your claim(s), and your vote will be counted as a single vote. If you have any questions, please contact the Balloting agent, Bankruptcy Services LLC at (212) 376-8494, Attn: Mariah Martin.

Ballots are being sent to all holders of allowed impaired Claims entitled to vote on the Plan as of the applicable voting record date. Pursuant to Section 502 of the Bankruptcy Code and Federal Rule of Bankruptcy Procedure 3018, the Court may estimate and temporarily allow a Claim for purpose of voting on the Plan upon motion by such creditor. The Debtor also may seek an order of the Court, temporarily allowing, for voting purposes only, certain disputed claims. If such a claim holder or the Debtor avails itself of this right, allowance for voting purposes does not constitute allowance for purpose of distributions under the Plan. Any claim holder that seeks estimation of a claim shall have until 4:00 p.m. (Eastern Time) on _____, 2002 to file a motion seeking to have their claim estimated for voting purposes only.

This ballot is for voting purposes only and does not constitute and shall not be deemed a proof of claim or an admission by the Debtor of the validity of a claim.

If your ballot is damaged or lost or if you did not receive a ballot you may request a replacement by addressing a written request to the Balloting agent at the address listed above or by calling Mariah Martin at (212) 376-8494.

Claimants submitting multiple ballots shall be deemed to have voted in the manner of the last ballot cast.

If a claim is disputed as of the Voting Deadline, the ballot submitted with respect to that claim shall not be counted, except to the extent the Debtor's objection to that claim states otherwise or the Court orders otherwise upon the timely application of the claim holder in accordance with the Court's Order Establishing Voting Procedures and Approving Forms of Ballots, dated July __, 2002.

EXHIBIT C

MUST BE ACTUALLY RECEIVED BY EASTERN TIME ON , 2002

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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

Creditor Name and Address
Claim Amount: $

SENIOR NOTE CLAIMS
BENEFICIAL HOLDERS
(Class 6)
% Senior Note Claims

1A. **VOTE ON FL/TELMEX PLAN.** PLEASE CHECK ONLY ONE BOX. IF NO BOXES ARE CHECKED, OR IF BOTH BOXES ARE CHECKED, THIS BALLOT WILL BE COUNTED AS A VOTE TO ACCEPT THE FL/TELMEX PLAN.

To **ACCEPT** the FL/TELMEX Plan ☐ To **REJECT** the FL/TELMEX Plan ☐ _____
Face Amount of Senior Note

1B. **VOTE ON STAND-ALONE PLAN.** PLEASE CHECK ONLY ONE BOX. IF NO BOXES ARE CHECKED, OR IF BOTH BOXES ARE CHECKED, THIS BALLOT WILL BE COUNTED AS A VOTE TO ACCEPT THE STAND-ALONE PLAN.

To **ACCEPT** the Stand-Alone Plan ☐ To **REJECT** the Stand Alone Plan ☐ _____
Face Amount of Senior Note

YOU SHOULD VOTE ONCE UNDER 1A AND ONCE UNDER 1B. BY ACCEPTING ONE OR BOTH OF THE PLANS YOU WILL BE DEEMED TO HAVE CONSENTED TO THE RELEASE AS TO THOSE PERSONS DESCRIBED IN SECTION 10.4(B) IN THE PLAN, AS APPLICABLE.

2. **TAX INFORMATION.** Under penalties of perjury, claimant certifies that:

A. Claimant's correct taxpayer identification number is:

(Social Security Number)____-__-____,

(or Employer Identification Number)___-_____; and

B. Please check the Appropriate Box(es):

Claimant is not subject to backup withholding because:

☐ (a) Claimant is exempt from backup withholding;
☐ (b) Claimant has not been notified by the Internal Revenue Service ("IRS") that Claimant is subject to backup withholding as a result of a failure to report all interest or dividends; or
☐ (c) The IRS has notified Claimant that Claimant is no longer subject to backup withholding.

3. **SIGNATURE.** By signing this Ballot the undersigned certifies that it is either (a) creditor with a claim to which this Ballot pertains that is designated in the above-referenced class of Senior Note Claims pursuant to the Plan, or (b) an authorized signatory of such a creditor, and has full power and authority to vote to accept or reject the Plan. The undersigned also acknowledges that such vote is subject to all the terms and conditions set forth in the Disclosure Statement. A BALLOT THAT IS NOT SIGNED WILL NOT COUNT.

Name (Print) _____

Signature: _____

Title: _____

Date Completed: _____

PLEASE MAKE SURE YOU HAVE PROVIDED ALL INFORMATION REQUESTED ON THIS BALLOT.
PLEASE READ AND FOLLOW THE INSTRUCTIONS SET FORTH BELOW CAREFULLY.

INSTRUCTIONS FOR COMPLETING THE BALLOT

On July __, 2002, the United States Bankruptcy Court for the Southern District of New York (the "Court") approved the Disclosure Statement for the Third Amended Plan of Reorganization (the "Disclosure Statement") filed by the above-captioned debtor and debtor in possession (the "Debtor") on July __, 2002 and directed the Debtor to solicit votes with regard to the approval or rejection of the Third Amended Plan of Reorganization dated July __, 2002 (the "Plan") attached as an exhibit thereto.

TO HAVE YOUR VOTE COUNT, YOU MUST COMPLETE, SIGN AND RETURN THIS BALLOT TO YOUR BROKER, BANK OR NOMINEE SO THAT IT IS RECEIVED IN SUFFICIENT TIME FOR YOUR BROKER, BANK OR NOMINEE TO TRANSMIT YOUR VOTE SO AS TO BE RECEIVED BY THE BALLOTING AGENT BANKRUPTCY SERVICES LLC, NOT LATER THAN 5:00 P.M., (EASTERN TIME) ON _____, 2002 (THE "VOTING DEADLINE"). **FAXED BALLOTS WILL NOT BE COUNTED. ONLY ORIGINAL BALLOTS WITH ORIGINAL SIGNATURES WILL BE COUNTED.**

It is important that you vote. The Plan can be confirmed by the Court and thereby made binding on you if it is accepted by the holders of at least 2/3 in amount and more than 1/2 in number of claims actually voting in each voting class of claims. The votes of the claims actually voted in your class will bind those who do not vote. In the event that the requisite acceptances are not obtained, the Court may nevertheless confirm the Plan if at least one impaired class of claims has accepted the Plan and the Court finds that it accords fair and equitable treatment to, and does not discriminate unfairly against, the class(es) rejecting it and otherwise satisfies the requirements of Section 1129(b) of title 11 of the United States Code (the "Bankruptcy Code").

HOLDERS OF CLAIMS MAY VOTE TO (I) ACCEPT BOTH THE FL/TELMEX PLAN AND THE STAND-ALONE PLAN, (II) REJECT BOTH THE FL/TELMEX PLAN AND THE STAND-ALONE PLAN OR (III) ACCEPT ONE AND REJECT THE OTHER.

CREDITORS MUST VOTE ALL OF THEIR CLAIMS WITHIN A PARTICULAR CLASS UNDER THE PLAN EITHER TO ACCEPT OR REJECT EACH THE FL/TELMEX PLAN AND STAND-ALONE PLAN, AND MAY NOT SPLIT THEIR VOTE. THUS, A BALLOT THAT PARTIALLY REJECTS AND PARTIALLY ACCEPTS THE FL/TELMEX PLAN OR STAND-ALONE PLAN IN PRESCRIBED DOLLAR AMOUNTS WILL NOT BE COUNTED.

Your signature is required in order for your vote to be counted. If the claim is held by a partnership, the ballot should be executed in the name of the partnership by a general partner. If the claim is held by a corporation, the ballot must be executed by an authorized officer. If you are signing in a representative capacity, also indicate your title after your signature.

This ballot has been prepared to reflect the class(es) in which you are eligible to vote. If you have claims in more than these classes, you may receive more than one ballot. **IF YOU RECEIVE MORE THAN ONE BALLOT, YOU SHOULD ASSUME THAT EACH BALLOT IS FOR A CLAIM IN A SEPARATE CLASS AND SHOULD COMPLETE AND RETURN ALL OF THEM.** If you have more than one claim in a particular class, you may not split your claim(s), and your vote will be counted as a single vote. If you have any questions, please contact the Balloting agent, Bankruptcy Services LLC (212) 376-8494, Attn: Mariah Martin.

Ballots are being sent to all holders of allowed impaired Claims entitled to vote on the Plan as of the applicable voting record date. Pursuant to Section 502 of the Bankruptcy Code and Federal Rule of Bankruptcy Procedure 3018, the Court may estimate and temporarily allow a Claim for purpose of voting on the Plan upon motion by such creditor. The Debtor also may seek an order of the Court, temporarily allowing, for voting purposes only, certain disputed claims. If such a claim holder or the Debtor avails itself of this right, allowance for voting purposes does not constitute allowance for purpose of distributions under the Plan. Any claim holder that seeks estimation of a claim shall have until 4:00 p.m. (Eastern Time) on _____, 2002 to file a motion seeking to have their claim estimated for voting purposes only.

This ballot is for voting purposes only and does not constitute and shall not be deemed a proof of claim or an admission by the Debtor of the validity of a claim.

If your ballot is damaged or lost or if you did not receive a ballot you may request a replacement by addressing a written request to the Balloting agent at the address listed above or by calling Mariah Martin (212) 376-8494.

Claimants submitting multiple ballots shall be deemed to have voted in the manner of the last ballot cast.

If a claim is disputed as of the Voting Deadline, the ballot submitted with respect to that claim shall not be counted, except to the extent the Debtor's objection to that claim states otherwise or the Court orders otherwise upon the timely application of the claim holder in accordance with the Court's Order Establishing Voting Procedures and Approving Forms of Ballots, dated July __, 2002.

EXHIBIT D

MUST BE ACTUALLY RECEIVED BY P.M. EASTERN TIME ON , 2002

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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

Creditor Name and Address
Claim Amount: $

SENIOR NOTE CLAIMS
RECORD HOLDERS
(Class 6)
% Senior Note Claims

1A. VOTE ON FL/TELMEX PLAN. PLEASE CHECK ONLY ONE BOX. IF NO BOXES ARE CHECKED, OR IF BOTH BOXES ARE CHECKED, THIS BALLOT WILL BE COUNTED AS A VOTE TO ACCEPT THE FL/TELMEX PLAN.

To **ACCEPT** the FL/TELMEX Plan ☐ To **REJECT** the FL/TELMEX Plan ☐ _____
Face Amount of Senior Note

1B. VOTE ON STAND-ALONE PLAN. PLEASE CHECK ONLY ONE BOX. IF NO BOXES ARE CHECKED, OR IF BOTH BOXES ARE CHECKED, THIS BALLOT WILL BE COUNTED AS A VOTE TO ACCEPT THE STAND-ALONE PLAN.

To **ACCEPT** the Stand-Alone Plan ☐ To **REJECT** the Stand Alone Plan ☐ _____
Face Amount of Senior Note

YOU SHOULD VOTE ONCE UNDER 1A AND ONCE UNDER 1B. BY ACCEPTING ONE OR BOTH OF THE PLANS YOU WILL BE DEEMED TO HAVE CONSENTED TO THE RELEASE AS TO THOSE PERSONS DESCRIBED IN SECTION 10.4(B) IN THE PLAN, AS APPLICABLE.

2. **TAX INFORMATION.** Under penalties of perjury, claimant certifies that:

A. Claimant's correct taxpayer identification number is:

(Social Security Number)____-__-____,

(or Employer Identification Number)___-_____; and

B. Please check the Appropriate Box(es):

Claimant is not subject to backup withholding because:

☐ (a) Claimant is exempt from backup withholding;

☐ (b) Claimant has not been notified by the Internal Revenue Service ("IRS") that Claimant is subject to backup withholding as a result of a failure to report all interest or dividends; or

☐ (c) The IRS has notified Claimant that Claimant is no longer subject to backup withholding.

3. **SIGNATURE.** By signing this Ballot the undersigned certifies that it is either (a) creditor with a claim to which this Ballot pertains that is designated in the above-referenced class of Senior Note Claims pursuant to the Plan, or (b) an authorized signatory of such a creditor, and has full power and authority to vote to accept or reject the Plan. The

undersigned also acknowledges that such vote is subject to all the terms and conditions set forth in the Disclosure Statement. A BALLOT THAT IS NOT SIGNED WILL NOT COUNT.

Name (Print) _____

Signature: _____

Title: _____

Date Completed: _____

INSTRUCTIONS FOR COMPLETING THE BALLOT

On July __, 2002, the United States Bankruptcy Court for the Southern District of New York (the "Court") approved the Disclosure Statement for the Third Amended Plan of Reorganization (the "Disclosure Statement") filed by the above-captioned debtor and debtor in possession (the "Debtor") on July __, 2002 and directed the Debtor to solicit votes with regard to the approval or rejection of the Third Amended Plan of Reorganization dated July __, 2002 (the "Plan") attached as an exhibit thereto.

TO HAVE YOUR VOTE COUNT, YOU MUST COMPLETE, SIGN AND RETURN THIS BALLOT TO YOUR BROKER, BANK OR NOMINEE SO THAT IT IS RECEIVED IN SUFFICIENT TIME FOR YOUR BROKER, BANK OR NOMINEE TO TRANSMIT YOUR VOTE SO AS TO BE RECEIVED BY THE BALLOTING AGENT BANKRUPTCY SERVICES LLC, NOT LATER THAN 5:00 P.M., (EASTERN TIME) ON _____, 2002 (THE "VOTING DEADLINE"). **FAXED BALLOTS WILL NOT BE COUNTED. ONLY ORIGINAL BALLOTS WITH ORIGINAL SIGNATURES WILL BE COUNTED.**

It is important that you vote. The Plan can be confirmed by the Court and thereby made binding on you if it is accepted by the holders of at least 2/3 in amount and more than 1/2 in number of claims actually voting in each voting class of claims. The votes of the claims actually voted in your class will bind those who do not vote. In the event that the requisite acceptances are not obtained, the Court may nevertheless confirm the Plan if at least one impaired class of claims has accepted the Plan and the Court finds that it accords fair and equitable treatment to, and does not discriminate unfairly against, the class(es) rejecting it and otherwise satisfies the requirements of Section 1129(b) of title 11 of the United States Code (the "Bankruptcy Code").

HOLDERS OF CLAIMS MAY VOTE TO (I) ACCEPT BOTH THE FL/TELMEX PLAN AND THE STAND-ALONE PLAN, (II) REJECT BOTH THE FL/TELMEX PLAN AND THE STAND-ALONE PLAN OR (III) ACCEPT ONE AND REJECT THE OTHER.

CREDITORS MUST VOTE ALL OF THEIR CLAIMS WITHIN A PARTICULAR CLASS UNDER THE PLAN EITHER TO ACCEPT OR REJECT EACH THE FL/TELMEX PLAN AND STAND-ALONE PLAN, AND MAY NOT SPLIT THEIR VOTE. THUS, A BALLOT THAT PARTIALLY REJECTS AND PARTIALLY ACCEPTS THE FL/TELMEX PLAN OR STAND-ALONE PLAN IN PRESCRIBED DOLLAR AMOUNTS WILL NOT BE COUNTED.

Your signature is required in order for your vote to be counted. If the claim is held by a partnership, the ballot should be executed in the name of the partnership by a general partner. If the claim is held by a corporation, the ballot must be executed by an authorized officer. If you are signing in a representative capacity, also indicate your title after your signature.

This ballot has been prepared to reflect the class(es) in which you are eligible to vote. If you have claims in more than these classes, you may receive more than one ballot. **IF YOU RECEIVE MORE THAN ONE BALLOT, YOU SHOULD ASSUME THAT EACH BALLOT IS FOR A CLAIM IN A SEPARATE CLASS AND SHOULD COMPLETE AND RETURN ALL OF THEM.** If you have more than one claim in a particular class, you may not split your claim(s), and your vote will be counted as a single vote. If you have any questions, please contact the Balloting agent, Bankruptcy Services LLC (212) 376-8494, Attn: Mariah Martin.

Ballots are being sent to all holders of allowed impaired Claims entitled to vote on the Plan as of the applicable voting record date. Pursuant to Section 502 of the Bankruptcy Code and Federal Rule of Bankruptcy Procedure 3018, the Court may estimate and temporarily allow a Claim for purpose of voting on the Plan upon motion by such creditor. The Debtor also may seek an order of the Court, temporarily allowing, for voting purposes only, certain disputed claims. If such a claim holder or the Debtor avails itself of this right, allowance for voting purposes does not constitute allowance for purpose of distributions under the Plan. Any claim holder that seeks estimation of a claim shall have until 4:00 p.m. (Eastern Time) on _____, 2002 to file a motion seeking to have their claim estimated for voting purposes only.

This ballot is for voting purposes only and does not constitute and shall not be deemed a proof of claim or an admission by the Debtor of the validity of a claim.

If your ballot is damaged or lost or if you did not receive a ballot you may request a replacement by addressing a written request to the Balloting agent at the address listed above or by calling Mariah Martin (212) 376-8494.

Claimants submitting multiple ballots shall be deemed to have voted in the manner of the last ballot cast.

If a claim is disputed as of the Voting Deadline, the ballot submitted with respect to that claim shall not be counted, except to the extent the Debtor's objection to that claim states otherwise or the Court orders otherwise upon the timely

application of the claim holder in accordance with the Court's Order Establishing Voting Procedures and Approving Forms of Ballots, dated July __, 2002.

EXHIBIT E

MUST BE ACTUALLY RECEIVED BY P.M. EASTERN TIME ON , 2002

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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

Creditor Name and Address
Claim Amount: $

SENIOR NOTE CLAIMS (the "Claims")
MASTER BALLOT
(Class 6)
% Senior Note Claims

I. **Aggregate principal Amount of Claims as to Which Votes are Cast.** By signing this Master Ballot, the undersigned certifies that it is the registered owner (or agent for such owner or owners) as of the applicable record date, of _____, 2002 aggregate principal amount of ___% Senior Notes due _____, for which voting instructions have been received from beneficial owners (the "Beneficial Owners") as listed in Item III below.

IIA. **VOTE ON FL/TELMEX PLAN.** PLEASE CHECK ONLY ONE BOX. IF NO BOXES ARE CHECKED, OR IF BOTH BOXES ARE CHECKED, THIS BALLOT WILL BE COUNTED AS A VOTE TO ACCEPT THE FL/TELMEX PLAN.

To **ACCEPT** the FL/TELMEX Plan ☐ To **REJECT** the FL/TELMEX Plan ☐ _____
Aggregate Claim Amount

IIB. **VOTE ON STAND-ALONE PLAN.** PLEASE CHECK ONLY ONE BOX. IF NO BOXES ARE CHECKED, OR IF BOTH BOXES ARE CHECKED, THIS BALLOT WILL BE COUNTED AS A VOTE TO ACCEPT THE STAND-ALONE PLAN.

To **ACCEPT** the Stand-Alone Plan ☐ To **REJECT** the Stand Alone Plan ☐ _____
Aggregate Claim Amount

BY ACCEPTING ONE OR BOTH OF THE PLANS YOU WILL BE DEEMED TO HAVE CONSENTED TO THE RELEASE AS TO THOSE PERSONS DESCRIBED IN SECTION 10.4(B) IN THE PLAN, AS APPLICABLE.

III. **VOTE ON PLAN - Number of Beneficial Owners.**

The Undersigned certifies that the following Beneficial Owners of Claims, as identified by their respective customer account numbers or the respective sequence numbers set forth below, have delivered to the undersigned Beneficial Owner Ballots casting votes (indicate the aggregate share amount for each respective account under the appropriate column. Please use additional sheets of paper if necessary):

	Customer Name and/or Identifying Number for Each Beneficial Owner	Claim Amount ACCEPT Plan	Claim Amount REJECT Plan
1.			
2.			
3.			
4.			
5.			

IV. The undersigned certifies that it has transcribed below the information, if any, provided in Item III of each Beneficial Owner Ballot received from a Beneficial Owner (please use additional sheets of paper if necessary):

Customer Name and/or Account Name of Registered Holder for Each Beneficial Owner or Nominee of Other Account

	Customer Name and/or Account # for Each Beneficial Owner	*Name of Registered Holder or Nominee of Other Account*	*Amount of Claims Held and Voted*
1.			
2.			
3.			
4			
5.			

V. **SIGNATURE** By signing this Master Ballot, the undersigned certifies that (i) each Beneficial Owner of Claims whose votes are being transmitted by this Master Ballot has been provided with a copy of the Disclosure Statement, (ii) each such Beneficial Owner has not cast more than one vote for any purpose, including share amount, even if such Beneficial Owner holds securities of the same type in more than one account, and (iii) it is the registered holder of the Claims to which this ballot pertains and/or has full power and authority to vote to accept or reject the Plan. The undersigned also acknowledges that the solicitation of this vote to accept or reject the Plan is subject to all the terms and conditions set forth in the Disclosure Statement. A BALLOT THAT IS NOT SIGNED WILL NOT COUNT.

Name (Print): _____

Signature: _____

Title: _____

Date Completed: _____

INSTRUCTIONS FOR COMPLETING THE BALLOT

On July __, 2002, the United States Bankruptcy Court for the Southern District of New York (the "Court") approved the Disclosure Statement for the Third Amended Plan of Reorganization (the "Disclosure Statement") filed by the above-captioned debtor and debtor in possession (the "Debtor") on July ___, 2002 and directed the Debtor to solicit votes with regard to the approval or rejection of the Third Amended Plan of Reorganization dated July __, 2002 (the "Plan") attached as an exhibit thereto. The Debtor is soliciting votes of your customers or constituents who are beneficial holders of Claims on the Plan. The capitalized terms used but not defined herein shall have the meanings ascribed to them in the Plan. This Master Ballot is to identify the vote of your customers or constituents who hold Senior Note Claims under the Plan ("Claims").

To have the vote of your customers count, you should deliver the Disclosure Statement, Plan and Beneficial Owner Ballot to each Beneficial Owner for whom you hold Claims and you must **COMPLETE, SIGN AND RETURN THIS MATER BALLOT SO THAT IT IS ACTUALLY RECEIVED BY BANKRUPTCY SERVICES LLC (THE "BALLOTING AGENT") NOT LATER THAN 5:00 P.M. EASTERN TIME, ON _____, 2002 (THE "VOTING DEADLINE"). FAXED BALLOTS WILL NOT BE COUNTED. ONLY ORIGINAL BALLOTS WITH ORIGINAL SIGNATURES WILL BE COUNTED.** Ballots should be returned to the following address:

(if mailed)

XO Communications Balloting Center
c/o Bankruptcy Services LLC
P.O. Box 5014, FDR Station
New York, NY 10150-5014

(if sent by Overnight courier)

Bankruptcy Services LLC
(XO Communications Balloting Center)
70 East 55th Street
New York, New York 10022

It is important that you vote. The Plan can be confirmed by the Court and thereby made binding on creditors and interest holders if it is accepted by the holders of at least 2/3 in amount and more than 1/2 in number of claims actually voting in each voting class of claims. The votes of the claims actually voted in each class will bind those who do not vote. In the event that the requisite acceptances are not obtained, the Court may nevertheless confirm the Plan if at least one impaired class of claims has accepted the Plan and the Court finds that it accords fair and equitable treatment to, and does not discriminate unfairly against, the class(es) rejecting it and otherwise satisfies the requirements of Section 1129(b) of title 11 of the United States Code (the "Bankruptcy Code").

HOLDERS OF CLAIMS MAY VOTE TO (I) ACCEPT BOTH THE FL/TELMEX PLAN AND THE STAND-ALONE PLAN, (II) REJECT BOTH THE FL/TELMEX PLAN AND THE STAND-ALONE PLAN OR (III) ACCEPT ONE AND REJECT THE OTHER.

CREDITORS MUST VOTE ALL OF THEIR CLAIMS WITHIN A PARTICULAR CLASS UNDER THE PLAN EITHER TO ACCEPT OR REJECT EACH THE FL/TELMEX PLAN AND STAND-ALONE PLAN, AND MAY NOT SPLIT THEIR VOTE. THUS, A BALLOT THAT PARTIALLY REJECTS AND PARTIALLY ACCEPTS THE FL/TELMEX PLAN OR STAND-ALONE PLAN IN PRESCRIBED DOLLAR AMOUNTS WILL NOT BE COUNTED.

Your signature is required in order for your customers' or constituents' votes to be counted. If you are a partnership, the ballot should be executed in the name of the partnership by a general partner. If you are a corporation, the ballot must be executed by an authorized officer. If you are signing in a representative capacity, also indicate your title after your signature.

If you have any questions relating to this ballot, please contact the Balloting agent at (212) 376-8494.

Ballots are being sent to all holders of allowed impaired Claims entitled to vote on the Plan as of the applicable voting record date. Pursuant to Section 502 of the Bankruptcy Code and Federal Rule of Bankruptcy Procedure 3018, the Court may estimate and temporarily allow a Claim for purpose of voting on the Plan upon motion by such claim holder. The Debtor may seek an order of the Court, temporarily allowing, for voting purposes only, certain disputed claims. If the claim holder or the Debtor avails itself of this right, allowance for voting purposes does not constitute allowance for purpose of distributions under the Plan. Any claim holder that seeks estimation of a claim shall have until 4:00 p.m. Eastern Time on _____, 2002 to file a motion seeking to have their claim estimated for voting purposes only.

This ballot is for voting purposes only and does not constitute and shall not be deemed a proof of claim or an admission by the Debtor of the validity of any Claim.

If your ballot is damaged or lost or if you did not receive a ballot you may request a replacement by addressing a written request to the Balloting agent or by calling Mariah Martin at (212) 376-8494.

Claimants submitting multiple ballots shall be deemed to have voted in the manner of the last ballot cast.

If a claim is disputed as of the Voting Deadline, the ballot submitted with respect to that claim shall not be counted, except to the extent the Debtor's objection to that claim states otherwise or the Court orders otherwise upon the timely application of the claim holder in accordance with the Court's Order Establishing Voting Procedures and Approving Forms of Ballots, dated July __, 2002.

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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

ORDER: (A) APPROVING DISCLOSURE STATEMENT AS HAVING ADEQUATE INFORMATION; (B) ESTABLISHING SOLICITATION PROCEDURES; AND (C) GRANTING RELATED RELIEF

XO Communications, Inc., the above-captioned debtor and debtor in possession (the "Debtor"), having proposed and filed with the Clerk of this Court, on July 22, 2002, the Third Amended Plan of Reorganization, dated July 22, 2002 (as may have been or be amended from time to time, the "Plan"), and the related Disclosure Statement for the Third Amended Plan of Reorganization, dated July 22, 2002 (as may have been or be amended from time to time, the "Disclosure Statement"); and upon the motion of the Debtor seeking, among other things, approval of the Disclosure Statement as containing adequate information (the "Motion"), by Order to Show Cause, dated June 18, 2002 (the "Scheduling Order"), this Court having (a) scheduled a hearing to be held on July 19, 2002 (the "Disclosure Statement Hearing"), to consider, among other things, in accordance with section 1125 of title 11 of the United States Code (the "Bankruptcy Code") and Rule 3017 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), the relief requested by the Motion; and, in accordance with the Scheduling Order, it appearing that: (A) notice of the Scheduling Order, the Motion, the Disclosure Statement Hearing, the Disclosure Statement and the Plan having been given by first class mail, on or before June 21, 2002 to: (i) the Office of the United States Trustee for the Southern District of New York; (ii) counsel for the lenders under the Senior Credit Facility; (iii) counsel for the

Investors; (iv) each of the Indenture Trustees under XO's indenture agreements; (v) counsel to the two unofficial bondholder committees (and subsequently to counsel to the official unsecured creditors' committee that was appointed in this case on June 25, 2002); (vi) 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 does business; and (ix) the Securities and Exchange Commission; and (B) the Disclosure Statement Hearing Notice approved by the Scheduling Order and annexed to the Motion as Exhibit A, having been given by first class mail, on or before July 21, 2002 to: (i) the holders of known claims against and interests in the Debtor and (ii) all known creditors, as listed on the Debtor's creditors list (filed in lieu of a matrix) that were filed by the Debtor with its chapter 11 petition (collectively, the "Notice Parties"); and copies of the Plan and Disclosure Statement (with exhibits), respectively, being available to creditors and other parties in interest; and the Disclosure Statement Hearing Notice having been published at least once each in the national edition of The Wall Street Journal, in accordance with the terms of the Scheduling Order; and objections to the Motion having been filed by the parties listed on Exhibit B annexed hereto (collectively, the "Objections"); and the Disclosure Statement Hearing having been held and concluded; and upon the motion, dated June 25, 2002 (the "Voting Procedures Motion"), of the Debtor for an order (the "Voting Procedures Order") establishing, among other things, voting procedures with respect to the Plan and approving forms of ballots; and the Court having considered the Disclosure Statement and the other forms of documents and instruments annexed thereto, and the Objections and the Debtor's Reply thereto; and upon the record of the Disclosure Statement Hearing, the hearing on the Voting Procedures Motion, and all prior proceedings in this case; and it appearing that the relief provided in this Order 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:

FOUND THAT:

1. Notice of the Disclosure Statement Hearing in the form, within the time, and in accordance with the procedures approved and prescribed by this Court in the Scheduling Order, has been given as evidenced by affidavits of service and affidavits of publication filed with this Court.

2. Notice of the Disclosure Statement Hearing as approved and prescribed by the Court in the Scheduling Order is adequate and sufficient pursuant to the Bankruptcy Code and the Bankruptcy Rules.

3. The Disclosure Statement, as amended, modified or supplemented by the record of the Disclosure Statement Hearing and the hearing on the Voting Procedures Motion and revisions made or to be made as a result thereof, contains "adequate information," as that term is defined in section 1125 of the Bankruptcy Code.

4. Other Secured Claims (Class 2), Non-Tax Priority Claims (Class 3), Convenience Claims (Class 4) Allowed Administrative Claims, Allowed Fee Claims, Allowed Priority Tax Claims and Allowed Other Priority Claims, each as designated and defined in the Plan (collectively, the "Unimpaired Claims") are not impaired within the meaning of section 1124 of the Bankruptcy Code and, therefore, the holders thereof are conclusively presumed to have accepted the Plan and are not entitled to vote on the Plan under section 1126(f) of the Bankruptcy Code.

5. Senior Secured Lender Claims (Class 1), General Unsecured Claims (Class 5), and Senior Note Claims (Class 6), as designated and defined in the Plan (collectively, the "Voting Impaired Claims"), are impaired within the meaning of section 1124 of the Bankruptcy Code and, pursuant to section 1126 of the Bankruptcy Code, the holders of such claims are entitled to vote to accept or reject the Plan.

6. Subordinated Note Claims (Class 7), Securities Claims (Class 8), Old Preferred Stock Interests (Class 9), Old Common Stock Interests (Class 10), and Other Old Equity Interests (Class 11), as designated and defined in the Plan (collectively, the "Non-Voting Impaired Claims"), will receive no distributions under the Plan and are conclusively presumed to have rejected the Plan.

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED THAT:

I. Approval of Disclosure Statement

A. The Disclosure Statement (including all exhibits thereto), as amended, modified or supplemented by the record of the Disclosure Statement Hearing and the revisions made or to be made as a result thereof, is hereby approved as containing "adequate information" within the meaning of section 1125 of the Bankruptcy Code with respect to the Plan.

B. To the extent not otherwise resolved, the Objections are overruled.

C. The Debtor is authorized and empowered to solicit acceptances of the Plan in accordance with this Order and the Voting Procedures Order as entered.

D. The holders of Unimpaired Claims are not entitled to vote to accept or reject the Plan and are conclusively presumed to have accepted the Plan pursuant to Section 1126(f) of the Bankruptcy Code.

E. The holders of Non-Voting Impaired Claims are not entitled to vote to accept or reject the Plan and are conclusively presumed to have rejected the Plan pursuant to Section 1126(g) of the Bankruptcy Code.

F. The holders of Voting Impaired Claims are entitled to vote to accept or reject the Plan pursuant to Section 1126 of the Bankruptcy Code.

II. Notice of Confirmation Hearing

G. The notice of the hearing (the "Confirmation Hearing") to consider confirmation of the Plan, substantially in the form of notice annexed to the Motion as Exhibit B, and the terms thereof, are hereby approved.

H. In accordance with Bankruptcy Rule 3017(d), the Debtor is hereby authorized and empowered to transmit by regular first-class mail commencing on or before July 27, 2002:

(i) to the holders of the Voting Impaired Claims, the following documents (collectively, the "Solicitation Package" including the Plan as annexed thereto as Exhibit A):

(a) the Disclosure Statement

(b) this Order;

(c) the Confirmation Hearing Notice;

(d) a ballot; and

(e) the Voting Procedures Order (excluding exhibits thereto);

(ii) to holders of Class A Common Stock in Class 10 (Old Common Stock Interests), the notice (the "Class A Common Stock Notice"), substantially in the form annexed hereto as Exhibit A, which notice may be combined with any other notice to be served on such holders in connection with the Plan and Disclosure Statement; and

(iii) to the extent not included in the foregoing subsections (i) or (ii), to each of the Notice Parties:

(a) this Order; and

(b) the Confirmation Hearing Notice.

I. The Debtor shall publish the Confirmation Hearing Notice at least once in the national edition of The Wall Street Journal, not later than July 31, 2002.

J. Notice as set forth in the preceding two decretal paragraphs shall constitute adequate and sufficient notice of the Confirmation Hearing in accordance with Bankruptcy Rules 2002(b), (d), (f), (i), (j), (k) and (1), 3017 and 3018.

K. The "record date" for determining which holders of the claims against or interests in the Debtor is entitled to vote to accept or reject the Plan, is hereby set as 5:00 p.m. (prevailing Eastern Time) on July 18, 2002.

L. Each Intermediary (as defined in the Voting Procedures Motion) shall be entitled to receive, upon request of the Debtor by August 7, 2002, reasonably sufficient copies of ballots to distribute to the beneficial owners of claims for which it is an Intermediary, and the Debtor shall be responsible for and pay each such Intermediary's reasonable costs and expenses associated with the distribution of copies of ballots to the beneficial owners of such claims and the tabulation of such ballots.

M. The deadline for the Debtor's balloting agent, Bankruptcy Services LLC, to receive ballots from claimants, equity interest holders and Intermediaries in respect of the Plan shall be August 19, 2002 at 5:00 p.m. (prevailing Eastern Time).

III. Confirmation Hearing Date

N. The Confirmation Hearing shall be held at the United States Bankruptcy Court, Alexander Hamilton United States Custom House, One Bowling Green, New York, New York 10004-1408 in Room 523 on August 26, 2002 at 9:30 a.m. (Prevailing Eastern Time), or as soon thereafter as counsel can be heard, and may be adjourned from time to time without further notice (other than by announcement of the adjourned date or dates at such hearing).

IV. Deadline and Procedures for Filing Objections to Confirmation

O. All objections to the confirmation of the Plan must (a) be in writing and state with particularity the grounds therefor, and (b) be filed with this Court (with a copy to

chambers) and served in a manner so as to be received on or before August 21, 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 10019-6099, 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 the official committee of unsecured creditors, Akin, Gump, Strauss, Hauer & Feld. L.L.P., 590 Madison Avenue, New York, New York 10022, Attn: David Botter, Esq.; and (vi) the Office of the United States Trustee, 33 Whitehall Street, Twenty-First Floor, New York, New York 10004, Attn: Paul Schwartzberg, Esq.

P. The Debtor is hereby authorized and empowered to take such steps and incur and pay such costs and expenses and to do such things as may be reasonably necessary to implement the provisions of this Order.

Q. This Court shall retain jurisdiction to hear all such matters as may be related to, or arise from, this Order and/or the Solicitation Package.

Dated: New York, New York
July 22, 2002

s/Arthur J. Gonzalez
UNITED STATES BANKRUPTCY JUDGE

EXHIBIT A

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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

NOTICE TO HOLDERS OF CLASS A COMMON STOCK IN CLASS 10 OF (I) ENTRY OF DISCLOSURE STATEMENT ORDER; (II) HEARING TO CONSIDER CONFIRMATION OF THE DEBTOR'S THIRD AMENDED PLAN OF REORGANIZATION; AND (III) FIXING OF TIME FOR FILING OBJECTIONS THERETO

TO: ALL HOLDERS OF CLASS A COMMON STOCK IN CLASS 10 (OLD COMMON STOCK INTERESTS)

PLEASE TAKE NOTICE that the United States Bankruptcy Court for the Southern District of New York (the "Court") has entered an order, dated _____, 2002, approving the disclosure statement, dated _____, 2002 (as modified, amended or supplemented from time to time, the "Disclosure Statement"), for the Third Amended Plan of Reorganization, dated _____, 2002 (as modified, amended or supplemented from time to time, the "Plan"), of the above-captioned debtor and debtor in possession (the "Debtor") pursuant to section 1125 of title 11 of the United States Code, and authorizing the Debtor to solicit votes with regard to the acceptance of the Plan annexed as an exhibit thereto.

PLEASE TAKE FURTHER NOTICE that a hearing (the "Confirmation Hearing") will be held before the Honorable Arthur J. Gonzalez, United States Bankruptcy Judge, at the United States Bankruptcy Court, Alexander Hamilton United States Custom House, One Bowling Green, New York, New York 10004-1408 in Room 523 on _____, 2002, at __:__ _.m. or as soon thereafter as counsel can be heard, to consider the entry of an order confirming the Plan.

PLEASE TAKE FURTHER NOTICE that responses and objections, if any, to the confirmation of the Plan or any of the other relief sought by the Debtor in connection with confirmation of the Plan, must (1) be in writing and state with particularity the grounds therefor, and (2) be filed with the Court (with a copy to chambers) and served in a manner so as to be received 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) proposed counsel to the official committee of unsecured creditors, Akin, Gump, Strauss, Hauer & Feld, L.L.P., 590 Madison Avenue, New York, New York 10022, Attn: David Botter, Esq. and Daniel H. Golden, Esq.; and (vi) the Office of the United States Trustee, 33 Whitehall Street, Twenty-First Floor, New York, New York 10004, Attn: Paul Schwartzberg, Esq.

PLEASE TAKE FURTHER NOTICE THAT IF ANY OBJECTION TO CONFIRMATION OF THE PLAN IS NOT FILED AND SERVED STRICTLY AS PRESCRIBED HEREIN, THE OBJECTING PARTY MAY BE BARRED FROM OBJECTING TO CONFIRMATION OF THE PLAN AND MAY NOT BE HEARD AT THE CONFIRMATION HEARING.

PLEASE TAKE FURTHER NOTICE that the Confirmation Hearing may be adjourned from time to time without further notice to creditors or parties in interest other than by an announcement in the Court of such adjournment on the date scheduled for the Confirmation Hearing.

Dated: New York, New York
_____, 2002

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

EXHIBIT B

THE OBJECTIONS

1. The United States Trustee for the Southern District of New York
2. The Official Committee of Unsecured Creditors
3. KDC-Sunset, LLC
4. High River Limited Partnership
5. Wells Fargo Bank Minnesota, N.A.
6. HSBC Bank, USA, as Indenture Trustee
7. Forstmann Little & Co. Equity Partnership-VII, L.P., Forstman Little & Co. Subordinated Debt and Equity Management Buyout Partnership-VII, L.P. and Telefonos de Mexico, S.A. de C.V.

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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

ORDER FOR PRODUCTION OF DOCUMENTARY
EVIDENCE AND EXAMINATIONS PURSUANT TO BANKRUPTCY RULE 2004

Upon the Motion Of XO Communications, Inc., For Production Of Documentary Evidence And Examinations Pursuant To Bankruptcy Rule 2004, dated July 29, 2002 (the "Motion"),for an order, pursuant to Rule 2004 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") and section 105(a) of title 11 of the United States Code (the "Bankruptcy Code"), directing Forstmann Little & Co. ("Forstmann Little"), to produce documents to XO Communications, Inc. ("XO" or the "Debtor"), and directing the oral examinations of Forstmann Little partners Theodore Forstmann and Sandra Horbach, and the discovery requested being relevant to matters which affect the administration of the Debtor's estate and case; and the Court being satisfied that the relief requested in the Motion is appropriate and in the best interests of the Debtor's estate and its creditors; and sufficient cause appearing therefore, it is:

ORDERED, that, pursuant to Bankruptcy Rule 2004 and section 105(a) of the Bankruptcy Code, the Motion is granted; and it is further

ORDERED, that all capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Motion and Exhibit A annexed thereto; and it is further

ORDERED, that XO is hereby authorized to demand from Forstmann Little the following documentary evidence as contained in Exhibit A to the Motion:

1. All documents concerning communications between Connecticut and Forstmann Little concerning XO.

2. All documents concerning the Connecticut Claims.

3. All documents communicated by Connecticut to Forstmann Little concerning the Connecticut Claims.

4. All documents communicated by Forstmann Little to Connecticut concerning the Connecticut Claims.

5. All documents concerning communications between, within or among Forstmann Little concerning the Connecticut Claims.

6. All documents communicated by Forstmann Little to XO concerning the Connecticut Claims.

7. All documents concerning the "inquiry on behalf of the State of Connecticut" referred to in paragraph 45 of the Connecticut Action, including the response thereto, and any similar inquiries and responses thereto.

8. All documents concerning the December 2001 telephone conversation between Mr. Theodore Forstmann and Connecticut referred to in paragraph 48 of the Connecticut Action.

9. All documents concerning communications between or among Forstmann Little and Telmex concerning the Connecticut Claims.

And it is further

ORDERED, that Forstmann Little is directed to produce such documentary evidence in accordance with the instructions and definitions set forth in Exhibit A to the Motion, and it is further

ORDERED, that Forstmann Little is directed to produce such documentary evidence for inspection and copying at such dates, times and places, and in such manner as may reasonably be requested by the Debtor; and it is further

ORDERED, that the Debtor is authorized to conduct the oral examinations of Theodore Forstmann and Sandra Horbach, and obtain from them the production of documents as set forth in

Exhibit A, at such times and places as may be reasonable, or as mutually agreed between the parties; and it is further

ORDERED, that the Debtor is authorized to issue and/or use, if and to the extent necessary, subpoenas and/or other compulsory process in connection with the document production and examinations authorized hereby; and it is further

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

Dated: New York, New York
July 29, 2002

s/Arthur J. Gonzalez
U.S.B.J.

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

----------x

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

Debtor.

----------x

Plaintiff

Adversary Proceeding
Case No.

v.

Defendant

----------x

MOTION FOR ADMISSION TO PRACTICE, *Pro Hac Vice*

I, Harold Pollock, a member in good standing of the bar in the State of Ohio and, if applicable, the bar of the U.S. District Court for the Northern District of Ohio, request admission, ***pro hac vice***, before the Honorable _____, to represent Arbnet, Inc., a creditor in the above referenced ☒ case ☐ adversary proceeding.
Mailing address: 1707 Terminal Tower, Cleveland, OH 44113;
E-mail address: randi@pollock-law.com telephone number (216) 621-1020.
I agree to pay the fee of $25 upon approval by this Court admitting me to practice ***pro hac vice.***
Dated: 7-15-02
New York, New York

ORDER

ORDERED,
that Harold Pollock, Esq., is admitted to practice, ***pro hac vice***, in the above referenced ☒ case ☐ adversary proceeding, in the United States Bankruptcy Court, Southern District of New York, subject to payment of the filing fee.
Dated:
New York, New York /s/ _____
UNITED STATES BANKRUPTCY JUDGE

171

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

----------x

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

Debtor.

----------x

Plaintiff

Adversary Proceeding
Case No.

v.

Defendant

----------x

MOTION FOR ADMISSION TO PRACTICE, *Pro Hac Vice*

I, Harold Pollock, a member in good standing of the bar in the State of Ohio and, if applicable, the bar of the U.S. District Court for the Northern District of Ohio, request admission, ***pro hac vice***, before the Honorable _____, to represent Arbnet, Inc., a creditor in the above referenced ☒ case ☐ adversary proceeding.
Mailing address: 1707 Terminal Tower, Cleveland, OH 44113;
E-mail address: ~~randi@pollock-law.com~~; telephone number (216) 621-1020.
I agree to pay the fee of $25 upon approval by this Court admitting me to practice ***pro hac vice***.
Dated: 7-15-02
New York, New York

Harold Pollock

ORDER

ORDERED,
that Harold Pollock, Esq., is admitted to practice, ***pro hac vice***, in the above referenced ☒ case ☐ adversary proceeding, in the United States Bankruptcy Court, Southern District of New York, subject to payment of the filing fee.

Dated: July 25, 2002
New York, New York

s/Arthur J. Gonzalez
UNITED STATES BANKRUPTCY JUDGE

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WILLKIE FARR & GALLAGHER

787 Seventh Avenue
New York, NY 10019-6099
Tel: 212 728 8000
Fax: 212 728 8111

VIA BY HAND DELIVERY
August 2, 2002

Chambers of the Hon. Arthur J. Gonzalez
United States Bankruptcy Court
Southern District of New York
Alexander Hamilton U.S. Custom House
One Bowling Green
New York, New York 10004

Attn: Lorraine Echevarria, Esq.

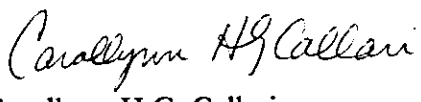
Re: In re XO Communications, Inc. (the "Debtor")
Case No. 02- 12947 (AJG)

Dear Lorraine:

Pursuant to the hearing held before Judge Gonzalez on July 9, 2002 ("July 9 Hearing"), this letter is to confirm that the United States Trustee for the Southern District of New York ("U.S. Trustee") has reviewed the supplemental affidavits filed by Willkie Farr & Gallagher, Davis Wright Tremaine LLP, and Ernst & Young LLP, and has no objection to the Debtor's retention of such firms. Accordingly, as stated on the record of the July 9 Hearing, I have reviewed the prior orders of the Court and this letter also is to confirm to the Court that because no objections have been received each of the interim orders authorizing the Debtor's retention of the foregoing firms automatically has become a final order.

If you have any questions respecting the enclosed, please feel free to contact me.

Sincerely,



Carollynn H.G. Callari
CHGC/mm

cc: David Botter, Akin, Gump, Strauss, Hauer & Feld, L.L.P.
Counsel for the Official Unsecured Creditors' Committee
Paul Schwartzberg, Office of the United States Trustee
Alan Carr, Skadden, Arps, Slate, Meagher & Flom, L.L.P.
Counsel for the Senior Lenders
George South, Fried Frank Harris Shriver and Jacobson
Counsel for Forstmann Little & Co.

Shari Siegel, Latham & Watkins,
Counsel for Telmex
David Baca, Davis Wright Tremaine LLP
Trey Block, Ernst & Young LLP
Tonny Ho, Willkie Farr & Gallagher
Ted O'Neal, XO Communications, Inc.

WILLKIE FARR & GALLAGHER

787 Seventh Avenue
New York, NY 10019-6099
Tel: 212 728 8000
Fax: 212 728 8111

VIA BY HAND DELIVERY
August 2, 2002

Chambers of the Hon. Arthur J. Gonzalez
United States Bankruptcy Court
Southern District of New York
Alexander Hamilton U.S. Custom House
One Bowling Green
New York, New York 10004

Attn: Lorraine Echevarria, Esq.

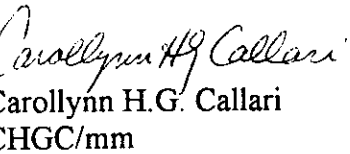
Re: In re XO Communications, Inc. (the "Debtor")
Case No. 02- 12947 (AJG)

Dear Lorraine:

At the hearing held before Judge Gonzalez on July 9, 2002 ("July 9 Hearing") respecting the consensual resolution reached between the Debtor and Qwest Communication Corporation ("Qwest") concerning Qwest's objection to the Debtor's motion for relief pursuant to section 366 of the Bankruptcy Code, the Court authorized the Debtor to submit the enclosed proposed Stipulation and Order to Chambers after notice to the Official Unsecured Creditors' Committee ("Committee"). This letter is to confirm that the Committee was provided with a copy of the enclosed Stipulation and Order and has no objection thereto. Accordingly, pursuant to the July 9 Hearing, we have enclosed the proposed Stipulation and Order for submission to Judge Gonzalez.

If you have any questions respecting the enclosed, please feel free to contact me.

Sincerely,



Carollynn H.G. Callari
CHGC/mm

Encl.
cc (w/ encl.): David Botter, Akin, Gump, Strauss, Hauer & Feld, L.L.P.
Counsel for the Official Unsecured Creditors' Committee
Paul Schwartzberg, Office of the United States Trustee
Alan Carr, Skadden, Arps, Slate, Meagher & Flom, L.L.P.
Counsel for the Senior Lenders

George South, Fried Frank Harris Shriver and Jacobson
Counsel for Forstmann Little & Co.
Shari Siegel, Latham & Watkins,
Counsel for Telmex
Jeff J. Friedman, Katten Muchin Zavis Rosenman
Counsel for Qwest
Tonny Ho, Willkie Farr & Gallagher
Ted O'Neal, XO Communications, Inc.

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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

STIPULATION AND ORDER AUTHORIZING ADEQUATE ASSURANCE PURSUANT TO SECTION 366 (b) OF THE BANKRUPTCY CODE CONCERNING QWEST COMMUNICATIONS CORPORATION AND QWEST CORPORATION

WHEREAS, on June 17, 2002 (the "Petition Date"), XO Communications, Inc., the above-captioned debtor and debtor in possession (the "Debtor") filed a petition for relief under chapter 11 of title 11, United States Code (the "Bankruptcy Code");

WHEREAS, by amended motion, dated June 17, 2002 (the "Motion"), the Debtor sought entry of an order deeming utility companies adequately assured of future performance pursuant to section 366 of the Bankruptcy Code;

WHEREAS, Qwest Communication Corporation and Qwest Corporation (the "Utilities" and together with the Debtor, the "Parties") provide utility services to the Debtor;

WHEREAS, on or about June 27, 2002, the Utilities filed an Objection to the Motion (the "Objection");

WHEREAS, the Debtor opposes the Objection; and

WHEREAS, the Parties wish to resolve their differences in a manner consistent with section 366(b) of the Bankruptcy Code and applicable law, without the need for costly and time-consuming litigation; accordingly,

IT IS THEREFORE STIPULATED AND AGREED, by and among the Parties, as follows:

1. This Stipulation shall not be binding on the Parties unless and until it is approved by the Bankruptcy Court.

2. Notice and opportunity for hearing on the Motion, the Objection, and this Stipulation were adequate and proper.

3. Except as otherwise provided in this Stipulation and Order, the terms and conditions of postpetition utility service by the Utilities to the Debtor shall be governed by the Public Utility Commission Rules, other applicable Federal, State or local tariff and/or regulations, any contracts between the Parties and the usual and customary terms of the Utilities' billing statements issued to the Debtor by the Utilities.

4. This Stipulation shall not be deemed an admission by the Debtor that the relief requested by the Utilities is required pursuant to section 366 or otherwise and shall not be deemed an admission by the Utilities that the relief requested by the Debtor is required pursuant to section 366 or otherwise. This Stipulation and Order has no precedential effect.

5. The provisions contained in the Order of the Bankruptcy Court deeming utility companies adequately assured of future performance pursuant to section 366 of the Bankruptcy Code, dated July 2, 2002 (the "July 2 Order"), shall be binding on the parties except to the extent set forth herein. In the event of any inconsistency between the provisions of the July 2 Order and this Stipulation and Order, the provisions contained in this Stipulation and Order shall govern.

6. This Stipulation is with prejudice to the Parties' right to seek modification of the July 2 Order and/or this Stipulation and Order (as they relate to the rights between the

Parties), unless the Cash Notice (as such term is defined below) has been transmitted to the Utilities or based on a material adverse change in facts and circumstances arising after the date of execution of this Stipulation and Order. The Parties reserve all of their rights and defenses in the event a request for additional adequate assurance of payment is sought by the Utilities.

7. Within two business days after the Debtor's cash and marketable securities falls below $250 million, the Debtor shall notify the Utilities of such event via facsimile notification to Jeff J. Friedman,Esq., Katten Muchin Zavis Rosenman, counsel to the Utility, at facsimile numbers (212) 940-8776 and (212) 940-7109 (the "Cash Notice"); provided, however, that: (a) the Utilities shall keep such Cash Notice and its contents confidential, and shall only distribute the Cash Notice or disclose such Cash Notice or its contents to employees or agents of the Utilities only on a "need to know" basis in connection with the Utilities (i) determining for its own purpose the creditworthiness of the Debtor and/or (ii) making a request to the Bankruptcy Court for further assurances of payment; (b) the Utilities shall take all reasonable precautions to prevent any trading in the Debtor's securities by your officers, directors, employees and agents having actual knowledge of Cash Notice or its contents until such information has been publicly disclosed; and (c) in the event the Utilities (or their representatives or employees) are requested or required by legal process or otherwise to disclose the Cash Notice or its contents, the Utilities shall provide the Debtor with prompt written notice of any such request or requirement so that the Debtor may seek a protective order or other appropriate remedy and/or waive compliance with the Stipulation and Order, and Utilities shall cooperate with the Debtor to obtain confidential treatment or an appropriate protective order for the Cash Notice and/or its contents.

8. In the event the Debtor or its non-debtor subsidiaries fail to pay timely any undisputed postpetition charges for utility services (a "Payment Default"), the Utility may send a

notice of default to the Debtor or to the applicable non-debtor subsidiary, as applicable, 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 (a) as to the Debtor, within five (5) business days from the Debtor's receipt of the notice of default and (b) as to the applicable non-debtor subsidiary, within the longer of five (5) business days from the applicable non-debtor subsidiary's receipt of the notice of default or the notice period under applicable non-bankruptcy regulatory law including applicable tariffs and contracts, the Utility may request a hearing before this Court pursuant to an order to show cause to resolve such dispute; provided, however, the Utilities shall not be authorized to discontinue the utility services to the Debtor except upon further order of the Court .

9. The preceding paragraph is without prejudice to the Parties' rights to dispute the relevancy to the Utilities rights under section 366 of the performance of the non-debtor subsidiaries to the Utilities or to clarify whether obligations to the Utilities are owed by the Debtor or by one or more of its non-debtor subsidiaries, including, without limitation, the right to dispute that a default by a non-debtor subsidiary impacts the Utilities' rights to terminate services to the Debtor.

10. This Stipulation is without prejudice to the rights of (i) the Utilities to effect offset of the Debtor's obligations to the Utilities against amounts owed to the Debtor's non-debtor subsidiaries in accordance with the provisions of other agreements among the Parties and such non-debtor subsidiaries, (ii) the Debtors' and its non-debtor subsidiaries to effect offset of amounts owed to them by the Utilities against amounts owed to the Utilities by the Debtor and its non-debtor subsidiaries in accordance with the provisions of other agreements among the Parties and such non-debtor subsidiaries, or (iii) any of the Parties to contend that a particular

service, including a service provided to the Debtor for the first time after the commencement of this chapter 11 case, provided to the Debtor is or is not a utility service within the scope of section 366 of the Bankruptcy Code.

11. This Stipulation contains the entire agreement between the Parties and may not be changed, amended, modified, or altered, except by written agreement signed by the Parties.

12. This Stipulation shall be binding upon and inure to the benefit of the Parties and their respective successors, assigns, and representatives.

13. This Court shall retain jurisdiction over the Parties to: (a) resolve all issues arising under this Stipulation; and (b) enforce the provisions contained herein.

KATTEN MUCHIN ZAVIS ROSENMAN
Attorneys for and on behalf of
Qwest Communications Corporation and Qwest Corporation

By: _____
Jeff J. Friedman (JF-7661)
David J. Mark (DM-9548)
575 Madison Avenue
New York, New York 10022-2585
(212) 940-8800
(212) 940-8776

WILLKIE FARR & GALLAGHER
Attorney for and on behalf of Debtor and Debtor in Possession

By: _____
Tonny K. Ho (TH-3358)
Matthew A. Feldman (MF-8961)
Carollynn H.G. Callari (CC-5804)

787 Seventh Avenue
New York, New York 10019
(212) 728-8000

SO ORDERED this ____ day
of July, 2002

_____
UNITED STATES BANKRUPTCY JUDGE

31129757.01

WILLKIE FARR & GALLAGHER

FAX TRANSMISSION

787 Seventh Avenue
New York, NY 10019-6099
(212) 728-8000

Date: August 5, 2002 Time: 11:51 AM | Total number of pages (including this page): 7

Please include Client/Matter No. below

FROM: Carollynn H.G. Callari | Room No.: 4030 | Phone No.: (212) 728-8595

TO: Ted O'Neal | Fax No.: (703) 547-2800 | Telephone No.: (703) 547-2633
XO Communications, Inc. | City: Reston | State: VA

For your information --

The Qwest Stipulation has been signed by Judge Gonzalez and therefore is in effect now. A copy of the stipulation is attached.

for file

CHGC

Confidentiality Note:
The information contained in this facsimile ("fax") transmission is sent by an attorney or his/her agent, is intended to be confidential and for the use of only the individual or entity to which it is addressed. The information may be protected by attorney/client privilege, work product immunity, or other legal rules. If the reader of this message is not the intended recipient or agent responsible for delivering it to the intended recipient, you are hereby notified that any retention, dissemination, disclosure, distribution, copying, or other use of this fax is strictly prohibited. If you have received this fax in error, please notify us immediately by telephone in order to arrange for the destruction of the fax or its return to us at our expense. THANK YOU.

Attention Recipient:
If Any Problems: Call (212) 728-8911
Receiving Fax Number: (212) 728-8111

Internal Use Only:
Client No.: 063420 Matter No.: 10063 Attorney No.: 09467
Please check here if you want faxed document returned to you *instead* of sent to Records Department.

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

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

STIPULATION AND ORDER AUTHORIZING ADEQUATE ASSURANCE PURSUANT TO SECTION 366 (b) OF THE BANKRUPTCY CODE CONCERNING QWEST COMMUNICATIONS CORPORATION AND QWEST CORPORATION

WHEREAS, on June 17, 2002 (the "Petition Date"), XO Communications, Inc., the above-captioned debtor and debtor in possession (the "Debtor") filed a petition for relief under chapter 11 of title 11, United States Code (the "Bankruptcy Code");

WHEREAS, by amended motion, dated June 17, 2002 (the "Motion"), the Debtor sought entry of an order deeming utility companies adequately assured of future performance pursuant to section 366 of the Bankruptcy Code;

WHEREAS, Qwest Communication Corporation and Qwest Corporation (the "Utilities" and together with the Debtor, the "Parties") provide utility services to the Debtor;

WHEREAS, on or about June 27, 2002, the Utilities filed an Objection to the Motion (the "Objection");

WHEREAS, the Debtor opposes the Objection; and

WHEREAS, the Parties wish to resolve their differences in a manner consistent with section 366(b) of the Bankruptcy Code and applicable law, without the need for costly and time-consuming litigation; accordingly,

IT IS THEREFORE STIPULATED AND AGREED, by and among the Parties, as follows:

1. This Stipulation shall not be binding on the Parties unless and until it is approved by the Bankruptcy Court.

2. Notice and opportunity for hearing on the Motion, the Objection, and this Stipulation were adequate and proper.

3. Except as otherwise provided in this Stipulation and Order, the terms and conditions of postpetition utility service by the Utilities to the Debtor shall be governed by the Public Utility Commission Rules, other applicable Federal, State or local tariff and/or regulations, any contracts between the Parties and the usual and customary terms of the Utilities' billing statements issued to the Debtor by the Utilities.

4. This Stipulation shall not be deemed an admission by the Debtor that the relief requested by the Utilities is required pursuant to section 366 or otherwise and shall not be deemed an admission by the Utilities that the relief requested by the Debtor is required pursuant to section 366 or otherwise. This Stipulation and Order has no precedential effect.

5. The provisions contained in the Order of the Bankruptcy Court deeming utility companies adequately assured of future performance pursuant to section 366 of the Bankruptcy Code, dated July 2, 2002 (the "July 2 Order"), shall be binding on the parties except to the extent set forth herein. In the event of any inconsistency between the provisions of the July 2 Order and this Stipulation and Order, the provisions contained in this Stipulation and Order shall govern.

6. This Stipulation is with prejudice to the Parties' right to seek modification of the July 2 Order and/or this Stipulation and Order (as they relate to the rights between the

Parties), unless a Cash Notice (as such term is defined below) has been transmitted to the Utitlities or based on a material adverse change in facts and circumstances arising after the date of execution of this Stipulation and Order. The Parties reserve all of their rights and defenses in the event a request for additional adequate assurance of payment is sought by the Utilities. .

7. Within two business days after the Debtor's cash and marketable securities falls below $250 million, the Debtor shall notify the Utilities of such event via facsimile notification to Jeff Friedman, counsel to the Utility, at facsimile numbers (212) 940-8776 and (212) 940-7109 (the "Cash Notice"); provided, however, that: (a) the Utilities shall keep such Cash Notice and its contents confidential, and shall only distribute the Cash Notice or disclose such Cash Notice or its contents to employees or agents of the Utilities only on a "need to know" basis in connection with the Utilities (i) determining for its own purpose the creditworthiness of the Debtor and/or (ii) making a request to the Bankruptcy Court for further assurances of payment; (b) the Utilities shall take all reasonable precautions to prevent any trading in the Debtor's securities by your officers, directors, employees and agents having actual knowledge of Cash Notice or its contents until such information has been publicly disclosed; and (c) in the event the Utilities (or their representatives or employees) are requested or required by legal process or otherwise to disclose the Cash Notice or its contents, the Utilities shall provide the Debtor with prompt written notice of any such request or requirement so that the Debtor may seek a protective order or other appropriate remedy and/or waive compliance with the Stipulation and Order, and Utilities shall cooperate with the Debtor to obtain confidential treatment or an appropriate protective order for the Cash Notice and/or its contents.

8. In the event the Debtor or its non-debtor subsidiaries fail to pay timely any undisputed postpetition charges for utility services (a "Payment Default"), the Utility may send a

notice of default to the Debtor or to the applicable non-debtor subsidiary, as applicable, 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 (a) as to the Debtor, within five (5) business days from the Debtor's receipt of the notice of default and (b) as to the applicable non-debtor subsidiary, within the longer of five (5) business days from the applicable non-debtor subsidiary's receipt of the notice of default or the notice period under applicable non-bankruptcy regulatory law including applicable tariffs and contracts, the Utility may request a hearing before this Court pursuant to an order to show cause to resolve such dispute; provided, however, the Utilities shall not be authorized to discontinue the utility services to the Debtor except upon further order of the Court .

9. The preceding paragraph is without prejudice to the Parties' rights to dispute the relevancy to the Utilities rights under section 366 of the performance of the non-debtor subsidiaries to the Utilities or to clarify whether obligations to the Utilities are owed by the Debtor or by one or more of its non-debtor subsidiaries, including, without limitation, the right to dispute that a default by a non-debtor subsidiary impacts the Utilities' rights to terminate services to the Debtor.

10. This Stipulation is without prejudice to the rights of (i) the Utilities to effect offset of the Debtor's obligations to the Utilities against amounts owed to the Debtor's non-debtor subsidiaries in accordance with the provisions of other agreements among the Parties and such non-debtor subsidiaries, (ii) the Debtors' and its non-debtor subsidiaries to effect offset of amounts owed to them by the Utilities against amounts owed to the Utilities by the Debtor and its non-debtor subsidiaries in accordance with the provisions of other agreements among the Parties and such non-debtor subsidiaries, or (iii) any of the Parties to contend that a particular

service, including a service provided to the Debtor for the first time after the commencement of this chapter 11 case, provided to the Debtor is or is not a utility service within the scope of section 366 of the Bankruptcy Code.

11. This Stipulation contains the entire agreement between the Parties and may not be changed, amended, modified, or altered, except by written agreement signed by the Parties.

12. This Stipulation shall be binding upon and inure to the benefit of the Parties and their respective successors, assigns, and representatives.

13. This Court shall retain jurisdiction over the Parties to: (a) resolve all issues arising under this Stipulation; and (b) enforce the provisions contained herein.

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SO ORDERED this 5th day
of August, 2002

s/Arthur J. Gonzalez
UNITED STATES BANKRUPTCY JUDGE

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