ORIGINAL



February 13, 2002

Marcus B. Cathey Sales Assistant Vice President BellSouth Interconnection Services 600 North 19th Street 9th Floor Birmingham, AL 35203

Dear Mr. Cathey:

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It is with regret that I write to inform you of Broadslate's current financial and operational condition. For over two years, Broadslate and its employees have worked diligently to build a business that provides responsive, state-of-the-art telecom services to business customers throughout the eastern half of the United States. We have prided ourselves in the area of customer service, and we are dedicated to treating our customers in the fairest means possible.

Unfortunately, like a great many companies in the telecom arena, we have suffered significantly from the economic recession, which has hit our country. This general slowdown, combined with the failure of customary financial sources to provide funding to the telecom sector, has denied us the opportunity to raise the capital necessary to continue our business plan. And lastly, we have been seriously harmed by the aftermath of the terrorist attacks on September 11. Small and medium sized businesses have simply retrenched and are much less likely to make a bold move to a new provider.

We have received the letter dated January 24, 2002, from Nancy A. (Lynn) Smith, which threatens that BellSouth will terminate service to our networks on February 25, 2002. THE PURPOSE OF THIS LETTER IS TO RESPECTFULLY REQUEST THAT BELLSOUTH REFRAIN FROM TERMINATING SERVICE UNTIL MARCH 16, 2002, ONLY 19 DAYS FROM THE THREATENED TERMINATION DATE.

Broadslate developed a customer base of approximately 2,500 business customers. These customers rely on our services for critical business needs. In an effort to provide the easiest, smoothest and most cost-efficient transition to a new underlying carrier, prior to notification of the FCC and the state public utilities commissions, Broadslate entered into an Agreement with DSL.net, to transition approximately half of our customers to DSL.net. To give DSL.net sufficient time for the migration of customers and to give our customers sufficient time to select a new carrier, Broadslate agreed to keep its network in operation through March 15. Subsequent -to- the regulatory filings, we have entered in additional agreements with other carriers to transition customers. In addition, we are doing everything possible to find other carriers for our remaining customers and believe that we can be quite successful if our network stays in operation through March 15.

In accordance with regulatory requirements, we have filed an application with the FCC, notifying the FCC that we intend to discontinue service after March 15. We have also made <u>I regulatory</u> filings with the state public service commissions in each of our operating states (see DOCUMENT NUMBER-DATE attached). In all of our filings, we have requested that the regulatory body do everything in its power to keep our underlying carriers from terminating service prior to March 16.

While we believe that you will follow the customary practice of carriers and do the right thing in postponing the service termination, we feel that we must advise you of the ramifications on our customers of an early termination. We have built an advanced, fully interconnected network, which will collapse in its entirety if a single integral carrier terminates service. Consequently, your action of early termination would cause a massive outage to our entire client base. Hundreds and hundreds of small businesses throughout your territory and elsewhere will be denied critical services for the effective operation of their businesses. We also strongly believe that the FCC and the state public service commissions in your service territories would be extremely concerned at the damage you would inflict on small business consumers of telecom services under their jurisdiction, only for the sake of a few weeks of continued service. Such action on your part would be directly counter to the FCC's recent admonition in the NorthPoint case and in other settings, which urged carriers to continue to provide wholesale service to carriers, "particularly when alternative providers have taken steps to migrate customers."

Over the past two years, we believe that we have been an important and valued customer of BellSouth. We have purposely elected not to be the type of CLEC which fights the incumbent providers at every turn. We have viewed our relationship to be one of a partnership between a service provider and customer, rather than as regulatory combatants. Moreover, we have paid \$10,809,809.10 to BellSouth.

We thank you for your careful attention to this request and respectfully ask that you promptly notify us in writing that you will refrain from any discontinuance or interference with our network until at least March 16, 2002. If we do not receive an affirmative response by February 20, we will be forced to consider all alternatives. We believe it is in everyone's best interest to simply continuing our service for a few extra days.

Sincerely

Call Si

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Enclosure

ce: Federal Communication Commission (no enclosure)
Tennessee Regulatory Authority (no enclosure)
South Carolina Public Service (no enclosure)
Georgia Public Service Commission (no enclosure)
Florida Public Service Commission (no enclosure)
North Carolina Public Utilities Commission (no enclosure)
Nancy A. (Lynn) Smith (no enclosure)
Renee Cherry (no enclosure)