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October 4, 2001

VIA OVERNIGHT MAIL

Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

ORIGINAL

COMMISSION
CLERK

01 OCT -5 AM 11:09

RECEIVED-FPSC

011337-TP

Re: Joint Application for Approval of Transfer of Control of
Excel Telecommunications, Inc., eMeritus Communications, Inc., and Long
Distance Wholesale Club, Inc.

Dear Sir/Madam:

Transmitted herewith on behalf of VarTec Telecom, Inc. ("VarTec"), VarTec Telecom Holding Company ("VarTec Holding"), Teleglobe Holdings (U.S.) Corporation ("Teleglobe Holdings"), Excel Telecommunications, Inc. ("Excel"), eMeritus Communications, Inc. ("eMeritus"), and Long Distance Wholesale Club, Inc. ("LDWC") (collectively, the "Joint Applicants"), are an original and 6 copies of their Joint Application for Approval of Transfers of Control.

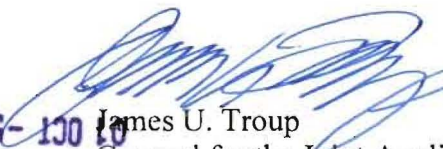
The Joint Application requests the Commission's approval of a transaction pursuant to which VarTec and VarTec Holding will acquire indirect control of Excel, eMeritus, and LDWC through the acquisition from Teleglobe Holdings of all of the authorized capital stock of their parent company, Excel Communications, Inc.

A check in the amount of \$250 is also enclosed for the application fee.

Acknowledgement and date of receipt of this filing are respectfully requested. Please date and file stamp the extra copy of this filing (attached) and return it in the prepaid, self-addressed envelope we have enclosed for this purpose.

Should you have any questions regarding the transaction or the enclosed Joint Application, please contact the undersigned.

Respectfully submitted,


James U. Troup
Counsel for the Joint Applicants

Check received with filing and forwarded to Fiscal for deposit. Fiscal to forward a copy of check to RAR with proof of deposit.

Initials of person who forwarded check: AM

Enclosures

01:06 PM 5-10010

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FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER-DATE

12678 OCT-5 01

FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

Joint Application of VARTEC TELECOM,)
INC, VARTEC TELECOM HOLDING)
COMPANY, TELEGLOBE HOLDINGS (U.S.))
CORPORATION, EXCEL)
TELECOMMUNICATIONS, INC.,)
EMERITUS COMMUNICATIONS, INC.,)
and LONG DISTANCE WHOLESALE)
CLUB, INC. for Approval of Transfers of)
Control)

Docket No. 011337-TP

**JOINT APPLICATION FOR APPROVAL OF
TRANSFERS OF CONTROL**

VarTec Telecom, Inc. ("VarTec"), VarTec Telecom Holding Company ("VarTec Holding"), Teleglobe Holdings (U.S.) Corporation ("Teleglobe Holdings"), Excel Telecommunications, Inc. ("Excel"), eMeritus Communications, Inc. f/k/a Teleglobe Business Solutions, Inc.f/k/a Telco Holdings, Inc. d/b/a Dial & Save Corp. ("eMeritus"), and Long Distance Wholesale Club, Inc. ("LDWC") (collectively, the "Applicants"), by their undersigned counsel and pursuant to Fla Stat. § 364.33, hereby request that the Commission approve a transaction pursuant to which VarTec Telecom, through its wholly owned subsidiary, VarTec Holding, will acquire control of affiliated telecommunications companies Excel, eMeritus and LDWC.

Excel and eMeritus are authorized to provide intrastate interexchange telecommunications services and alternative local exchange telecommunications services in Florida. LDWC is authorized to provide only intrastate interexchange telecommunications services in Florida. Teleglobe Holdings through its ownership of intermediary companies controls 100% of the equity of Excel, eMeritus, and LDWC. Teleglobe Holdings does not

DOCUMENT NUMBER-DATE

12678 OCT-5 05

FPSC-COMMISSION CLERK

directly hold any authorizations to provide service in Florida. Teleglobe Holdings, eMeritus, and LDWC are each Delaware corporations, and Excel is a Texas corporation. Exhibit A, attached hereto, illustrates the corporate relationship of these companies.

VarTec Telecom is authorized to provide intrastate interexchange telecommunications services and alternative local exchange telecommunications services in Florida. VarTec Holding does not currently hold, either directly or indirectly, any authorizations to provide service in Florida. VarTec is a Texas corporation and VarTec Holding is a Delaware corporation. Through a transaction described more fully below, the proposed transfers of control will result in a change in the ultimate parent company of Excel, eMeritus and LDWC, which will become indirect wholly owned subsidiaries of VarTec Holding and VarTec.

Following the merger, Excel, eMeritus and LDWC intend to continue providing service to their current Florida customers under the same corporate names and existing service arrangements pursuant to their Florida certificates and tariffs. The proposed transfers of control will be transparent to the customers of Excel, eMeritus and LDWC, and, therefore, will not be detrimental to the public interest. Accordingly, the Applicants respectfully request expeditious and favorable action on this Application.

I. THE PARTIES

A. The Teleglobe Companies

Teleglobe Holdings is a wholly owned subsidiary of Teleglobe Inc. The principal office of Teleglobe Inc. and Teleglobe Holdings is located at 1000, rue de La Gauchetière Ouest, Suite 3700, Montreal, Quebec H3B 4Y7. Their electronic mail address, fax number and telephone number are:

Electronic mail: www.bce.ca
Fax: (514) 391-8389
Telephone: (514) 397-7000

Teleglobe Inc. is a Canadian corporation and a subsidiary of BCE Inc., a Canadian corporation traded on the New York, Toronto and Swiss stock exchanges. [Having issued non-traded debt securities to the public in both the U.S. and Canada, Teleglobe Inc. is a registrant with the Securities and Exchange Commission and the Canadian securities regulatory authorities.] Teleglobe Inc. is a holding company with interests in two principal business segments grouped under the Teleglobe Communications group and the Excel Communications group. The Teleglobe Communications group delivers advanced broadband applications to customers in more than 100 countries. Through operating subsidiaries of Teleglobe Inc. worldwide, the Teleglobe Communications group has a significant global market presence in broadband applications, Internet connectivity, value-added international telephony and long distance services. However, because its core target market consists of international carrier customers, the intrastate operations of the Teleglobe Communications group have not been significant.

This Commission has authorized eMeritus, formerly operating under the names of Teleglobe Business Solutions, Inc. and Telco Holdings, Inc. d/b/a Dial & Save, to provide intrastate interexchange telecommunications services and alternative local exchange telecommunications services throughout Florida.¹ eMeritus is headquartered at 8750 North

¹ See Certification No. 3496, Docket No. 940784, and ALEC Certificate No. 4699, Docket No. 960647-TX.

Central Expressway, Suite 2000, Dallas, TX 75231. Its electronic mail address, fax number and telephone number are:

Electronic mail: regulatoryaffairs@excel.com

Fax: (214) 863-8918

Telephone: (214) 863-8000 or 1-800-783-2909

eMeritus is authorized to provide interexchange services in 49 states and alternative local exchange services in 29 states. eMeritus offers a variety of voice services, primarily targeting corporate customers.

Excel's headquarters are located at 8750 N. Central Expressway, Suite 2000, Dallas, Texas 75231. Its electronic mail address, fax number and telephone number are:

Electronic mail: regulatoryaffairs@excel.com

Fax: (214) 863-8918

Telephone: (214) 863-8000 or 1-800-783-2909

Excel is authorized by this Commission to provide intrastate interexchange telecommunications services and alternative local exchange services throughout Florida.² Excel owns and operates a nationwide, facilities-based telecommunications network. It is authorized to provide interexchange services in all 50 states and alternative local exchange services in 37 states.

LDWC is headquartered at 8750 N. Central Expressway, Suite 2000, Dallas, Texas 75231. Its electronic mail address, fax number and telephone number are:

² See Certificate No. 2440, Docket No. 891356-TI, and ALEC Certificate No. 4695, Docket No. 960605-TX.

Electronic mail: regulatoryaffairs@excel.com

Fax: (214) 863-8918

Telephone: (214) 863-8000 or 1-800-783-2909

LDWC is authorized by this Commission to provide intrastate interexchange telecommunications services throughout Florida.³ LDWC primarily provides dial-around (1010-XXX) interexchange service. It is authorized to provide intrastate interexchange services in 47 states.

B. The VarTec Companies

VarTec Holding is a wholly owned subsidiary of VarTec. The principal office of VarTec and VarTec Holding is located at 1600 Viceroy Drive, Dallas, Texas 75235. Their electronic mail address, fax number and telephone number are:

Electronic mail: www.vartec.com/contactus/contactus.shtml

Fax: (214) 424-1510

Telephone: (214) 424-1000

This Commission has authorized VarTec Telecom, Inc. to provide intrastate interexchange telecommunications services and alternative local exchange services throughout Florida.⁴ It is authorized to provide intrastate interexchange services in 49 states and alternative local exchange services in 7 states.

³ See Certificate No. 3596, Docket No. 940867-TI.

⁴ See Certificate No. 2963, Docket No. 920249-TI, and ALEC Certificate No. 5687, Docket No. 980613-TX.

CommuniGroup, Inc. owns 80% of the equity of VarTec Telecom, Inc. Telephone Electronics Corporation owns 100% of the equity of CommuniGroup, Inc. Joseph D. Fail owns 86% of the equity of Telephone Electronics Corporation.

The following table contains the name, address, citizenship and principal business of the entities that directly or indirectly own at least 10 percent of VarTec:

Name	Address	Citizenship	Principal Business	Equity Share
Joseph D. Fail	P.O. Box 925 27 South 2 nd Street Bay Springs, MS 39422	U.S.	President and Chairman of the Board of Telephone Electronics Corporation	86% of Telephone Electronics Corporation
Telephone Electronics Corporation	P.O. Box 22923 Jackson, MS 39225	U.S.	Holding company for telecommunications carriers	100 % of CommuniGroup, Inc.
CommuniGroup, Inc.	700 South West Street Jackson, MS 39201	U.S.	Long distance telecommunications carrier	80% of VarTec Telecom, Inc.
A. Joe Mitchell, Jr.	1600 Viceroy Drive Dallas, Texas 75235	U.S.	President of VarTec Telecom, Inc.	10% of VarTec Telecom, Inc.
VarTec Telecom, Inc.	1600 Viceroy Drive Dallas, Texas 75235	U.S.	Local and long distance telecommunications carrier	100% of VarTec Telecom Holding Company

Attached hereto as Exhibit B is an organizational chart for VarTec Telecom, Inc.

Information concerning VarTec Telcom, Excel, eMeritus and LDWC's legal, technical, managerial and financial qualifications to provide telecommunications services was submitted with their respective applications for certification filed with the Commission, is a matter of

record before the Commission, and is incorporated herein by reference.⁵ The Applicants respectfully request that the Commission take official notice of the record and of its decisions with respect to those granted applications.

C. Pending Actions or Unsatisfied Judgments Involving Telecommunications Services or Rates

Applicants have received informal consumer complaints from regulatory agencies regarding their telecommunications services and rates for those telecommunications services. These informal complaints vary in scope and many times, are not justified. Applicants are always pleased to assist customers with their services, and aim to provide prompt and equitable responses to each complaint brought to their attention. Applicants respond to escalated complaints forwarded by governmental agencies including but not limited to public utility commissions and the Federal Communications Commission and on occasion directly from consumers. In all situations, Applicants examine the customer's concern, review internal documentation and provide a prompt, fair and equitable response, which may include account adjustments, service cancellations or changes, and explanations documenting the Applicant's position.

With respect to formal proceedings, VarTec has no formal pending action or unsatisfied formal judgment by any state or federal agency or court which involves its telecommunications services or the rates for those services within the past three (3) years of the date of this application.

⁵ Supra. notes 1, 2, 3 and 4.

D. Annual Reports and Assessment Fees

The Applicants are not overdue on any annual reports or assessment fees.

E. Designated Contacts

All inquiries, correspondence, communications, pleadings, notices, orders and decisions relating to this application should be addressed to:

James U. Troup
McGuireWoods, LLP
Washington Square
1050 Connecticut Avenue, N.W.
Suite 1200
Washington, D.C. 20036-5317
Phone: (202) 857-1702
Fax: (202) 828-3319
Email: jtroup@mcguirewoods.com

II. REQUEST FOR APPROVAL OF TRANSFER OF CONTROL

Teleglobe Inc. and VarTec have determined that VarTec, Excel, eMeritus and LDWC can realize significant economic and marketing efficiencies, and, ultimately, strengthen their respective businesses by establishing Excel, eMeritus and LDWC as wholly owned subsidiaries of VarTec Holding. Currently, Teleglobe Holdings owns all of the authorized capital stock of Excel Communications, Inc., and Excel Communications, Inc. through its ownership of intermediary companies controls 100% of the equity of Excel, eMeritus, and LDWC. VarTec, VarTec Holding, Teleglobe Inc., Teleglobe Holdings, Excel Communications, Inc., Excel Telecommunications (Canada) Inc., and BCE Inc. executed a Stock Purchase Agreement dated August 26, 2001. Pursuant to that agreement, VarTec Holding has agreed to acquire from Teleglobe Holdings all of the authorized capital stock of Excel Communications, Inc. VarTec

Holding has also agreed to acquire from Teleglobe Inc. all of the authorized capital stock of Excel Telecommunications (Canada) Inc.

The purchase price is payable by delivery of (1) promissory notes of VarTec Holding in the aggregate original principal amount equal to 90% of the purchase price less \$5 million and (2) a warrant for the purchase of that number of shares of VarTec's common stock equal to (i) 1 percent (before giving effect to the exercise of the warrant) of VarTec's issued and outstanding shares of common stock if VarTec has not effected the purchase from Telephone Electronics Corporation of all of VarTec's common stock held by Telephone Electronics Corporation (or if VarTec's common stock held by Telephone Electronics Corporation remains outstanding) or (ii) 5 percent of VarTec's issued and outstanding common stock if such transaction with Telephone Electronics Corporation is consummated.

Following the consummation of the acquisition of Excel Communications, Inc., Excel, eMeritus, and LDWC will be led by the same team of well-qualified telecommunications managers that currently lead VarTec. Descriptions of the backgrounds of the proposed management of Excel, eMeritus and LDWC, which demonstrate extensive experience and expertise, are attached hereto and incorporated herein by reference as Exhibit C. VarTec's executive management personnel have collectively accumulated nearly eighty years of experience in the telecommunications industry.

Although the transaction will result in a change of the ultimate corporate parent of Excel, eMeritus and LDWC, it will not result in a change in the manner in which these companies provide service to their Florida customers.⁶ Excel, eMeritus and LDWC will continue to provide

⁶ Customers may contact eMeritus at (800) 871-0999. Customers may view information about Excel at www.excel.com. Excel's and LDWC's customer service numbers are: (800) 875-9235; (800) 643-0235 (Spanish, Korean, Vietnamese and Tagalog); (800) 520-4001 (TTY/TDD--hearing and speech impaired only); and (800) 209-8133 (commercial and business accounts).

seamless service to their existing Florida customers pursuant to their certifications, with no change in the terms or conditions of service as a result of the transaction. Their Florida operations will be able to draw upon the resources and experience of the VarTec management and operational personnel to augment their ability to provide their Florida customers with high quality, state-of-the-art services. The Applicants therefore expect that the substantial managerial, technical and financial expertise of the new management and operational personnel will assure that this transaction will not in any way disrupt service or cause inconvenience or confusion to the Florida customers of Excel, eMeritus and LDWC. As such, the transaction through which Excel, eMeritus and LDWC will become indirect wholly owned subsidiaries of VarTec and VarTec Holding will be transparent to Florida customers.

III. PUBLIC INTEREST CONSIDERATIONS

By granting this application, the Commission will serve the public interest, convenience and necessity by promoting competition in the Florida market for intrastate interexchange telecommunications services and alternative local exchange telecommunications services. Consummation of the proposed transaction will serve the public interest by combining the financial resources and complementary operating, technical and managerial strengths and experience of VarTec, Excel, eMeritus and LDWC. The Applicants anticipate that the proposed transaction will result in more efficient companies better equipped to accelerate their growth as competitive telecommunications service providers. Thus, the transfer of control will enable Excel, eMeritus and LDWC to strengthen their competitive positions in Florida, which will inure to the benefit of consumers through improved service. The transfer will ensure the continued provision of high quality, affordable telecommunications services to existing customers and

should promote competition in the Florida telecommunications service market by offering consumers a cost effective, high quality competitive alternative.

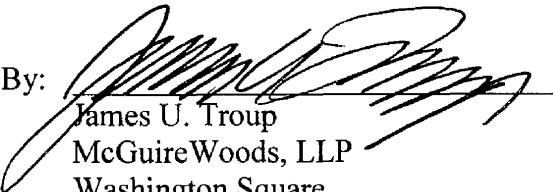
IV. CONCLUSION

The Applicants submit that the information provided herein demonstrates that the public interest, convenience and necessity would be served by the grant of this application. Therefore, for the reasons stated herein, the Applicants respectfully request that the Commission approve this Joint Application and grant all other relief as necessary and appropriate to effectuate the transaction described herein.

Respectfully submitted,

VARTEC TELECOM, INC., VARTEC
TELECOM HOLDING COMPANY,
TELEGLOBE HOLDINGS (U.S.)
CORPORATION, EXCEL
TELECOMMUNICATIONS, INC., EMERITUS
COMMUNICATIONS, INC. and LONG
DISTANCE WHOLESALE CLUB, INC.

By:



James U. Troup
McGuireWoods, LLP
Washington Square
1050 Connecticut Avenue, N.W.
Suite 1200
Washington, D.C. 20036-5317
Phone: (202) 857-1702
Facsimile: (202) 828-3319
Email: jtroup@mcguirewoods.com

Their Attorney

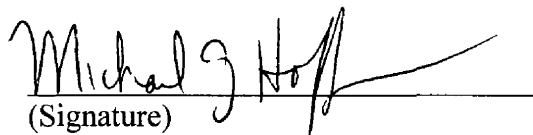
Dated: 10/2, 2001

AFFIDAVIT

STATE OF TEXAS

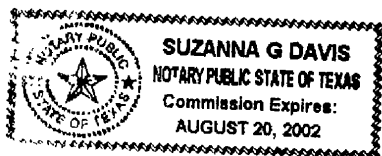
COUNTY OF DALLAS

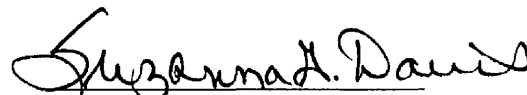
1. My name is Michael G. Hoffman, Esq. I am Chief Legal Officer of Applicant, VarTec Telecom, Inc., and I am authorized and competent to make this Joint Application on behalf of VarTec Telecom, Inc., VarTec Telecom Holding Company, Teleglobe Holdings (U.S.) Corporation, Excel Telecommunications, Inc., eMeritus Communications, Inc. and Long Distance Wholesale Club, Inc.
2. To the best of my knowledge, all of the statements and representations made in this Joint Application for Approval of Transfers of Control are true and correct.


(Signature)

Michael G. Hoffman, Esq.
Chief Legal Officer
Legal and Regulatory Affairs

SWORN TO AND SUBSCRIBED before me on this 1st day of October, 2001.




Notary Public In and For the
State of Texas

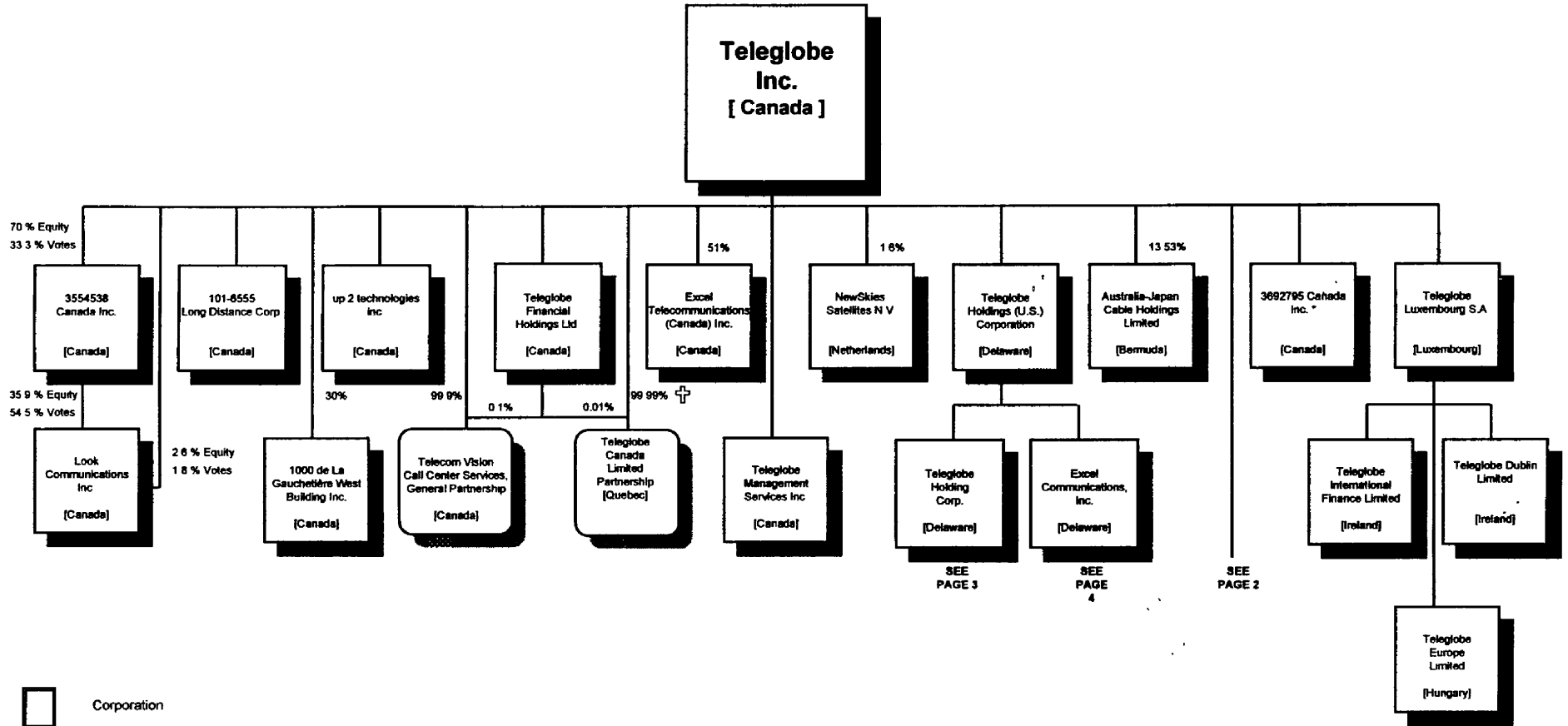
My commission expires: 8/20/02

ORGANIZATIONAL CHART OF
TELEGLOBE INC.

Exhibit A

CORPORATE STRUCTURE

AS AT JUNE 30, 2001



Corporation



Partnership



General Partner

%

All subsidiaries wholly owned, except as indicated

*

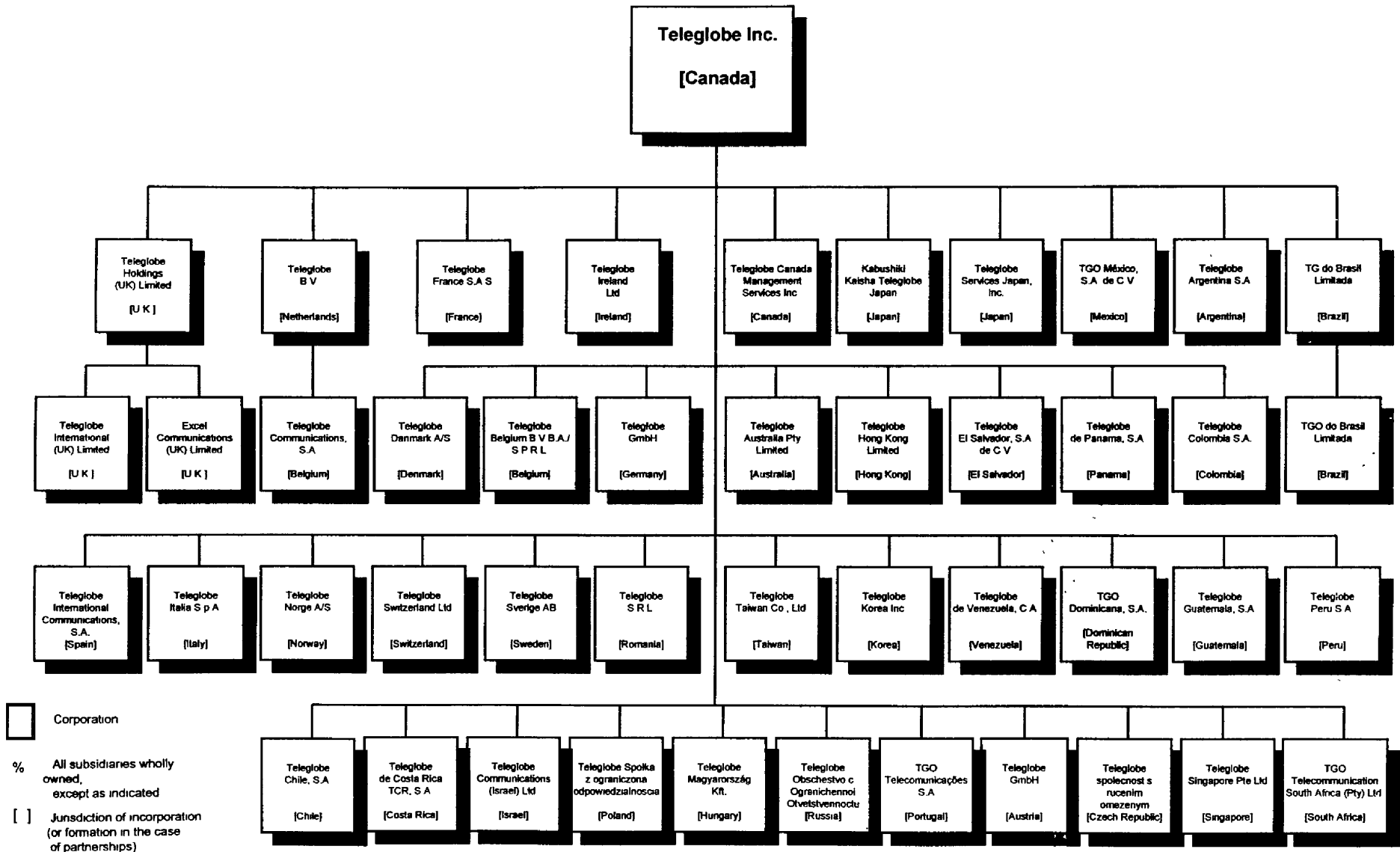
Preferred shares owned by Teleglobe Luxembourg S A

[]

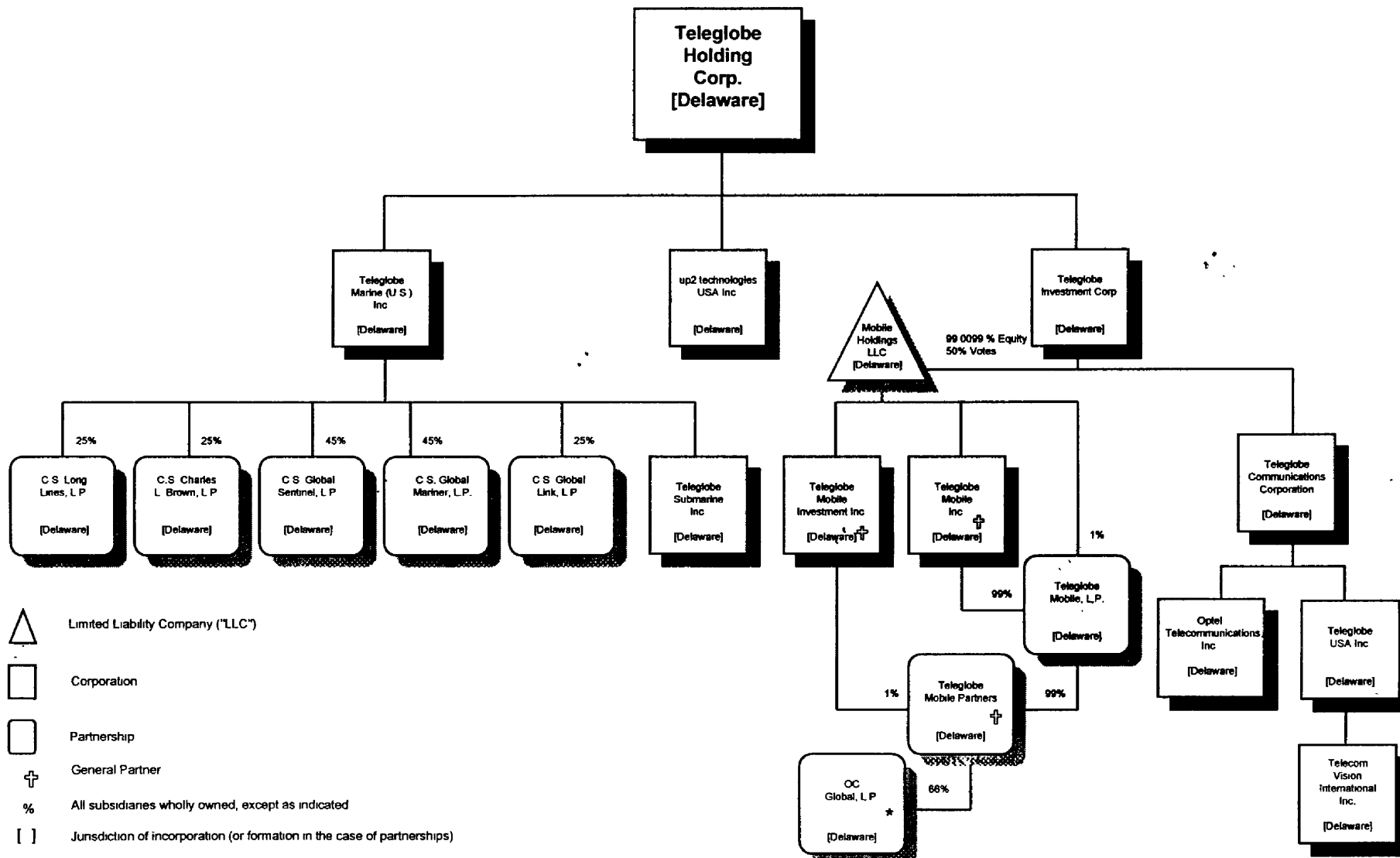
Jurisdiction of incorporation (or formation in the case of partnerships)







CORPORATE STRUCTURE

AS AT JUNE 30, 2001



CORPORATE STRUCTURE AS AT JUNE 30, 2001

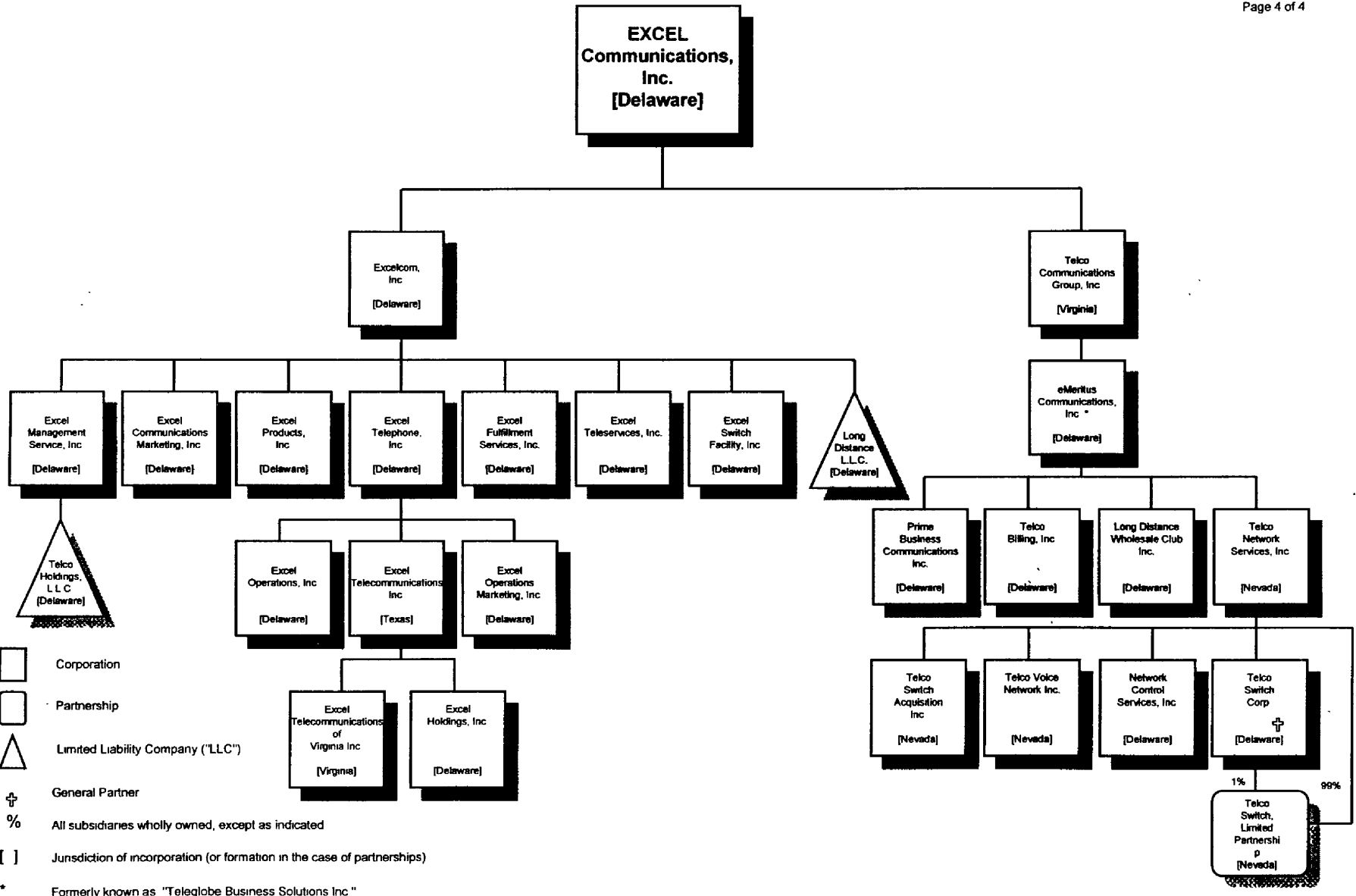








-  Limited Liability Company ("LLC")
-  Corporation
-  Partnership
-  General Partner
-  All subsidiaries wholly owned, except as indicated
-  Jurisdiction of incorporation (or formation in the case of partnerships)

* Formerly known as ORBCOMM Global LP. All assets sold under Chapter 11 Reorganization Plan (subsidiaries omitted)

CORPORATE STRUCTURE

AS AT JUNE 30, 2001



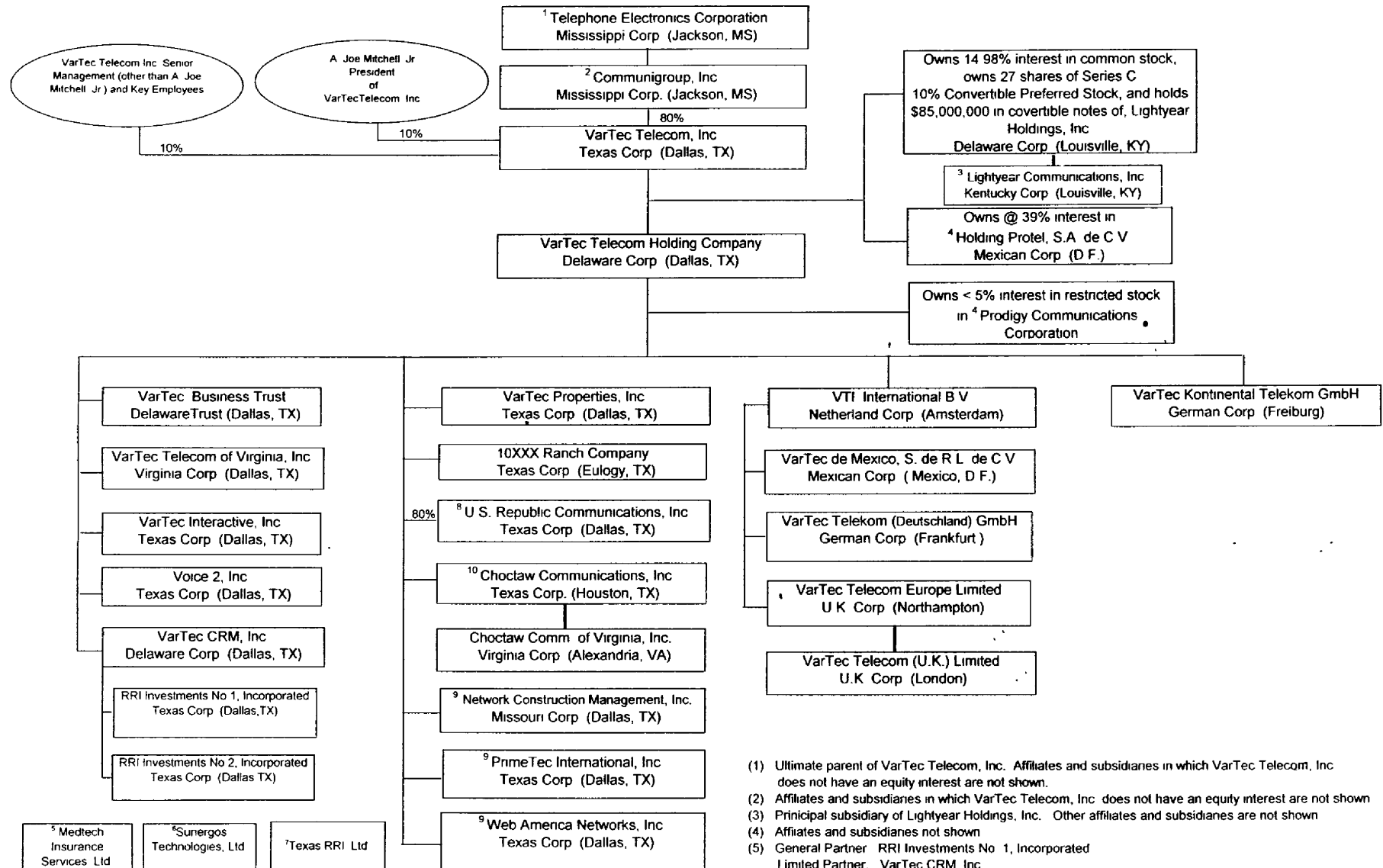
-  Corporation
-  Partnership
-  Limited Liability Company ("LLC")
-  General Partner
-  All subsidiaries wholly owned, except as indicated
-  Jurisdiction of incorporation (or formation in the case of partnerships)

* Formerly known as "Teleglobe Business Solutions Inc"

ORGANIZATIONAL CHART OF
VARTEC TELECOM, INC.

Exhibit B

**VarTec Telecom, Inc.
Corporate Organizational Chart
Current as of 08/31/01**



- (1) Ultimate parent of VarTec Telecom, Inc. Affiliates and subsidiaries in which VarTec Telecom, Inc does not have an equity interest are not shown.
- (2) Affiliates and subsidiaries in which VarTec Telecom, Inc does not have an equity interest are not shown
- (3) Principal subsidiary of Lightyear Holdings, Inc. Other affiliates and subsidiaries are not shown
- (4) Affiliates and subsidiaries not shown
- (5) General Partner RRI Investments No 1, Incorporated
Limited Partner: VarTec CRM, Inc
- (6) General Partner RRI Investments No 1, Incorporated
Limited Partner: VarTec CRM, Inc
- (7) General Partner RRI Investments No 2, Incorporated
Limited Partner: VarTec CRM, Inc
- (8) Dissolved March 22, 2001, winding up in progress
- (9) In process of windingup/dissolution
- (10) Pending final regulatory consents: VarTec sold its shares to Reconex Acquisition Corp as of 8/31/01

BIOGRAPHIES OF
NEW MANAGEMENT OF
EXCEL, EMERITUS, AND LDWC

Exhibit C

Summary of Managerial Qualifications

VarTec has sufficient managerial resources to provide the proposed services to consumers. Please find the following summaries of the background and experience of VarTec's executive officers:

A. Joe Mitchell, Jr. President

Mr. Mitchell is a principal shareholder and the founder of VarTec. Mr. Mitchell has been an innovator in the long distance telephone business for many years. He received a Bachelor of Science Degree in Engineering and has performed postgraduate work in Mechanical Engineering at Oklahoma State University. Mr. Mitchell was one of the original founders and initial President of ClayDesta Communications. He managed ClayDesta Communications from concept through start-up and successful operation. ClayDesta grew to annualized revenues in excess of \$50 million during Mr. Mitchell's three-year tenure. After leaving ClayDesta Communications, Mr. Mitchell formed the wholesale division at Teleconnect, later known as Telecom*USA. Prior to its acquisition by MCI, Telecom*USA was the fourth largest long distance company in the U.S. While at Teleconnect, Mr. Mitchell's wholesale division grew from start-up to \$60 million in annual revenues in only eighteen months. Mr. Mitchell's management experience and business relationships with high-volume customers across the nation are a critical asset for VarTec.

Ron L. Hughes Chief Operating Officer

Mr. Hughes is a minority shareholder in VarTec. Mr. Hughes has a Bachelor of Science Degree in Biochemistry with a Math minor from Abilene Christian University where he graduated cum laude. He has approximately 20 years of experience in the telecommunications industry. During his seven years of employment with Southwestern Bell Telephone Company, Mr. Hughes held positions as Communications Consultant, Account Executive, Customer Services Supervisor, Certified Industry Consultant and Product Delivery Marketing Manager. Upon leaving Southwestern Bell, Mr. Hughes became one of the original founders of ClayDesta Communications where he reported directly to Mr. Mitchell. While at ClayDesta, Mr. Hughes held the title of Senior Vice President - Sales/Marketing and was responsible for the entire sales effort of one hundred outside sales and one hundred fifty telemarketing personnel as well as directing the marketing and advertising effort. At VarTec, Mr. Hughes oversees the Company's Customer Service, Billing, Information Technology, Product Development, Network, Sales and Marketing Departments.

Summary of Managerial Qualifications (Continued)

Gary D. Egger
Treasurer
Executive Vice President

Mr. Egger is a minority shareholder in VarTec. He received Bachelor of Business Administration degrees in Accounting and Finance from the University of Iowa. His finance and accounting experience spans more than 15 years. He served three years with the big six accounting firm Ernst and Young and held various financial positions with the prestigious William Morris Agency as well as Litton Industries. Prior to coming to VarTec, Mr. Egger served eight years with Telecom*USA as Vice President of Finance and Chief Financial Officer of the Teleconnect division. At VarTec, Mr. Egger is responsible for overseeing the Company's Finance and Accounting Departments.

Michael G. Hoffman, Esq.
Chief Legal Officer
General Counsel and
Executive Vice President
Legal and Regulatory Affairs

Mr. Hoffman received a Bachelor of Arts Degrees in History and Latin American Studies with a Political Science minor from Dickinson College in Carlisle, Pennsylvania, where he graduated magna cum laude and Phi Beta Kappa. Mr. Hoffman then obtained a Juris Doctor Degree from the Washington College of Law at the American University in Washington, D.C. At law school, Mr. Hoffman was awarded highest honors in complex litigation and wrote on the American University Journal of International Law and Policy. Mr. Hoffman's regulatory and legal experience is significant. Mr. Hoffman clerked for the Mergers and Acquisitions Unit of the Federal Deposit Insurance Corporation's Legal Division, negotiating and drafting agreements for open bank assistance. Prior to joining VarTec, he worked as an associate in the Washington, D.C. office of Arter & Hadden, a 350-attorney national law firm based in Cleveland, Ohio. In addition to Mr. Hoffman's representation of VarTec at the Firm, he provided legal and regulatory counsel to numerous interexchange telecommunications carriers and business corporations. Further, Mr. Hoffman represented clients before various state and federal administrative agencies and regulatory bodies. While at the law firm, he also participated in a wide array of litigation matters involving employment law, fraud, insurance defense and workers' compensation, as well as copyright and trademark protection. Mr. Hoffman joined VarTec in May 1992 as its Corporate Counsel and Director of Regulatory Affairs. In this capacity, Mr. Hoffman has overseen VarTec's application for business licenses and certificates of good in numerous jurisdictions. Additionally, he is responsible for VarTec's on-going compliance requirements, governmental affairs and inquiries, as well as the regulatory duties imposed on the Company by the Federal Communications Commission and various state utility commissions in the jurisdictions in which the Company currently operates. Mr. Hoffman was promoted to the position of Vice President in May 1993, Senior Vice President in November 1994 and Executive Vice President in November 1997.

Connie F. Mitchell, Chief Administrative Officer and Founder

Connie is a founding member of VarTec Telecom, and serves as Chief Administrative Officer and Founder. Connie oversees the operations of several departments, including Aviation, Properties, Purchasing, Human Resources and LEC Relations. In 1997, Connie and Joe Mitchell were jointly awarded the Pacesetters Award from the Dallas Business Journal.

Prior to her telecommunications career, Connie worked in higher education for fifteen years, in the field of accounting and administration. As Associate Dean of Midland College in Midland, Texas, she specialized in the accreditation and funding of federal programs, enhancing local marketing efforts to support such business segments as manufacturing, distribution, retail, banking and finance, as well as the newly deregulated telecommunications industry.

Ms. Mitchell holds bachelor's degrees in Accounting and Education from Oklahoma State University.