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The Helein Law Group, P.C.

Telecommunications
E Commerce
Technology
Corporate & Finance
Trademarks
Proprietary Rights
Complex Litigation
General Business Law

8180 Greensboro Drive
Suite 700
McLean, VA 22102

(703) 714-1300 (Telephone)
(703) 714-1330 (Facsimile)
mail@helein.com

Management Consulting Group
Global Telecompetition Consultants, Inc. (GTC)
(703) 714-1320 (Telephone)

Writer's Direct Dial Number

Writer's E-mail Address

(703) 714-1321

lhaddad@helein.com

October 26, 2001

VIA OVERNIGHT MAIL

Blanco Bayó
Division of Commission Clerk &
Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Final Settlement Proposal of WebNet Communications, Inc.
Docket No. 001109-T1

Dear Ms. Bayó:

WebNet Communications, Inc. ("WNC") hereby respectfully tenders the following settlement offer to terminate the initiation of show cause proceedings in Docket No. 001109-T1 relating to 58 alleged slamming complaints. WNC makes this offer in the interest of resolving this matter with the Commission amicably and makes no admission of liability.

This is the first time in WNC's history that the Commission has sought to initiate show cause proceedings with respect to the company's operations in Florida. Based on WNC's history, its proven proactive efforts, both internally and with the Commission, and considering the current economic environment in the residential long distance market, WNC hereby submits the following settlement proposal:

1. WNC will forfeit its certificate of authority to provide interexchange services in the State of Florida in lieu of a fine. WNC understands that this forfeiture will result in the involuntary cancellation of its interexchange certificate # 7720 and has no objection to this cancellation.

APP _____
CAF _____
CMP _____
COM _____
CTR _____
ECR _____
LFG _____
CPC _____
PAI _____
RGO _____
SEC _____
SER _____
OTH _____
Handwritten signature/initials

DOCUMENT NUMBER-DATE

13618 OCT 29 01

FPSC-COMMISSION CLERK

2. WNC agrees to send a letter to each of its customers in the State of Florida notifying its customers that the company is exiting the market and that they must choose another local toll and/or long distance provider prior to the cessation date in order to avoid discontinuation of their service. WNC will not make any suggestions or references to its customers regarding alternate providers in the notification letter. A copy of the letter WNC proposes to send to its customers is attached hereto for review and approval by the Commission.

3. WNC will provide the Commission with a list of its existing Florida customer base. This list will include information relating to each customer's name, address, telephone number and date of service initiation.

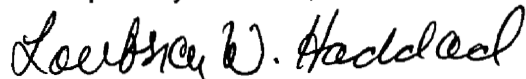
4. WNC will provide the Commission with the certificated name and contact information of its underlying carrier in Florida. This list is attached hereto.

5. WNC agrees to resolve all outstanding complaints submitted to the Commission prior to the date of the Commission's Order approving this settlement offer within 30 days of the Commission's Order. WNC will obtain the list of all outstanding complaints from the Commission's Staff and will work with Staff to resolve these complaints.

6. Finally, WNC will provide the Commission with a complete report detailing its compliance with the final terms and conditions of this Settlement within 90 days of the Commission's Order approving the terms and conditions of this settlement proposal.

We trust that the above proposal will meet the Commission's approval and we look forward to resolving this matter amicably and expeditiously.

Respectfully submitted,



Loubna W. Haddad
Regulatory Counsel to WNC

cc: Wayne Knight
Melinda Watts

PROPOSED NOTICE LETTER TO CUSTOMERS

November XX, 2001

Customer Name
Customer Address
City, State ZIP Code

Re: CESSATION OF OPERATION IN FLORIDA

Dear Customer:

As you may be aware, residential long distance companies across the country are experiencing difficulties. These difficulties are a result of various influences, including an incredibly competitive market, increased operating costs and marketing and economy of scale advantages of large incumbent carriers. Even the large carriers are experiencing difficulties and many are on the verge of insolvency. Understandably, under these influences, smaller carriers like **WebNet Communications, Inc.** ("WNC") are often unable to generate the necessary profit margins needed to continue operations. Thus, WNC reluctantly has decided to exit the long distance market in Florida.

WNC will cease its operations in Florida on **Month xx, 2001**. What this means for you as a customer is simply this: You will need to find a new long distance or local toll provider before that date if you wish to avoid a break in your service. **WE ESPECIALLY WANT YOU TO KNOW, HOWEVER, THAT IF WNC IS YOUR LONG DISTANCE PROVIDER, THIS WILL NOT AFFECT YOUR LOCAL PHONE SERVICE.**

If you have any questions, please feel free to contact us at 1-XXX-XXX-XXXX.

We thank you for your patronage and it has been our privilege to have you as a customer.

Sincerely,

M. Howard Lewis
President
WebNet Communications, Inc.

WebNet Communications, Inc. Underlying Carrier in Florida

Qwest Communications Corporation

Contact Information:

James Michaud

195 Lee Road 735

Opelika, AL 36804

Telephone: 334-749-3271