

4) **INCREASED RFI ACCESS**

Access to PIC in RFI and access on an ongoing basis. We were told we have the PIC access already though we have not confirmed this yet. We were told by our attorney that denying resellers live access to their account information would clearly be discriminatory. In light of this, does PRTC still intend to withhold access to this as stated by Carmen Diaz in our last meeting?

5) **TRAINING**

We are waiting on final confirmation of pricing for PRTC product training.

6) **STANDARDIZATION OF OPERATIONS PROCEDURES**

We believe it absolutely necessary to have weekly meetings with Ms. Diaz's group and including when necessary Equal Access for PIC'ing beginning immediately. We are currently operating with verbal procedures, and many situations have no procedure at all. All operations procedures including PLOC'ing and PIC'ing need to be standardized and written. If you are willing we would like to set up at least the first month's schedule during this meeting.

It is my understanding that this was to have been handled through a call from Carmen Diaz for which we are still waiting.

7) **ADDITIONAL QUESTIONS**

- Can we download RFI information into a separate file? - Pending
- Special will get back to us by early next week

- 8) Quotations for service

JSD 9) T-1's not billing services needed

10) VIP - Dorval -

Customer is concerned if their network

8) Carlos will let us know if PRTC can provide us with the tools to

will send a Monday letter. Let date May 1st

Carlos will get back to me

Agenda

Meeting between WorldNet and PRTC

June 15, 2000

Issues

1) **Increased Access to RFI (THIS ITEM IS URGENT.)**

We have been told a task request has been filed to complete this. No date was given for completion. At the very minimum we must have access to PIC info ASAP. We have been requesting this for over seven months now. Also, we were told there may be a charge for this access. Based on all of the money we have let go due to PRTC not meeting requirements, I urge you not to assign a charge for this; Or at least not for a period of time after the other problems and issues are worked out.

2) **Training**

We are still waiting for information on training. We were going to receive the name of the person who runs the training to design a training for WorldNet. We do not have the name at this time.

3) **Standardization of Operations Procedures.**

We need to set the date and time for our first meeting with Ms. Diaz's group

4) **If appropriate: PLOC'ing review.**

24's

25 Delays

Old PON's missing 2 cycles

Government Accounts

5) **DSL - Is PRTC offering DSL. What CO's will have if first and on what time frame? What is our discount?**

6) **DS3 Order**

7) **Marketing offering discounts on Medido and Renta de Linea. Not Tariffed.**

**AGENDA PRT RESELLER MEETING
FEBRUARY 28, 2001**

PLOC

1. RFI status 25

- Handwritten: This can*
- a. Grant WorldNet credit for lost revenue when PRT delays over sixty 60 days without solving billing discrepancies
 - b. Our experience in the last six months is that our lines submitted for PLOC are completed within 1 to 15 days. A win-win procedure for both companies would be the following.
 - i. 1 – 10 lines = 5 Business days
 - ii. 11 – 50 lines = 10 Business days
 - iii. 50 – 100 lines = 15 Business days
 - iv. Special Services = 5 Business days
 - c. PRT is to notify WorldNet on due date +1 if there is a need to incur in a delay informing the reason and expected time frame to process the order for PLOC

2. RFI Status 24

- Handwritten: Effortment*
- a. Grant WorldNet credit for lost revenue when PRT delays over sixty 60 days without completing pending service orders on BTN's delayed in RFI status 24.
 - b. As per Carmen Diaz no new orders will be placed on BTN's delayed in RFI Status 24. All request for new orders will be processed by WorldNet
 - i. As discussed in our Meeting held on February 15th, Graciela Nieves will discuss our suggestion with Carmen Diaz to leave pending orders on existing BTN and assign another WTN as BTN for the rest of the lines in order to promptly complete transfer process,
 - c. WorldNet will continue to notify customers not to place new orders to delayed BTN, PRT will not accept any more orders for BTN in RFI status 24.
 - i. Our experience is that this procedure is not working, reason for which we suggest the above procedure.
 - d. Lines take too long in this status. We should implement standards for installation. POTS 10 to 20 days and SF 30 to 45 days

QUOTATIONS

- 1. PRT has always provided the quotations for the end-user WorldNet has requested and now with no prior warning we have been notified that PRT will no longer provide this service
- 2. WorldNet needs PRT to continue providing our request for quotations until we receive:
 - a. Tools to configure the quotations for our customers
 - b. Training to learn how to prepare quotations

New Service Orders Pending Completion

- 3. We must establish standard time-frames for installation of both POTS and Special Facilities as per Regulatory Standards
 - a. Establish written procedures and time-frame for Escalation Desk. Right now Carmen Diaz set some time-frames and these are not being observed.
 - i. Missed appointments
 - ii. Defective pairs
 - iii. Non-facilities
 - iv. Special services
 - b. Improve present procedure to monitor completion process of installations
 - c. Grant compensation to WorldNet when time-frames are not met by PRT to complete installations

Repair

- d. Establish procedures and time frames for repairs
 - i. POTS = 3 to 5 days
 - ii. Special Facilities = 48 hours
 - iii. Features = 24 hours

Pending Issues

- e. Panasonic – No status as of today
- f. Euro Caribe – No status as of today
- g. Deya Elevator – No Status as of today (usage detail)
- h. TelePro – (usage detail)
- i. Teleconteste – No written result of investigation.
- j. System Design - No written result of investigation.

Desplacador

de le otorgo credito 4/28/2000

1. Letter to inform customers -
 2. Resultados invest.
 3.

New Issues

- Detail of Local Usage we need to have access to this information for the benefit of our customers
- Frequent Visitors Pass to enter PRTC facilities for WN personnel that deliver LOA's daily
- Problems with screen #01 and 06 in Graphic User Interface status information seen on one screen is not the same as in the other.

consult with employees

Kortie will look into alternative

To: "Carmen Kookie Diaz", INTERNET:cdiaz2@prtcmail.prtc.net
From: David Bogaty, 110744,3307
Date: 5/2/00, 10:39 AM
Re: Pending issues from 4/26 meeting

OK. I understand. These issues have been outstanding for several months, however, so while I understand your need to organize internal meetings I need us to assign deadlines for the completion of this process. Would you please respond to me with dates or at least time frames for when the completion of the following will be accomplished.

- 1) Elimination of status 24 as a delay. What we agreed to was that status 24's were to be automatically "Cancelled" and reissued by your staff. Except orders that are already in dispatch. These will be sent to WorldNet for us to make the decision to reorder or wait until completion.
- 2) How long it would take to clean out the backlog of 24's on our account. When will we know how long if it can not be yesterday?
- 3) When will we know when PON's can be guaranteed not to miss more than 2 billing cycles? (At least 98%) and 100% miss no more than 3.
- 4) Dates for meeting with WorldNet personnel to establish and formalize policies and procedures. We proposed weekly, Mr. Velazquez suggested every 2 weeks. When are we going to have our first meeting?

Kookie, I was looking for answers for these questions in our meeting last week. I was then told to wait until Monday. Now I have not been given any answers and no dates of when I will get answers. That leaves me extremely uncomfortable. I am urging you to respond ASAP to this memo to avoid increasing frustration and friction between our groups.

Soni

To: "Carmen Kookie Diaz", INTERNET:cdiaz2@prtcmail.prtc.net
From: David Bogaty, 110744,3307
Date: 5/11/00, 9:57 AM
Re: Re: Request for meeting

Thanks for the response Kookie, though I am confused by it. What draft are you referring to, and why are you sending the the meeting request to Carlos and Graciela? In our meeting with Carlos, and Paul and Sonia, we decided to have meetings with that group and separate meeting with your group to work on more day to day policy issues and breakdowns between our teams. It is these meetings I am referring to. Would you please send me a time we can meet with your group?



By the way, I want to keep you informed. I met yesterday morning with Mr. Velazquez regarding the breakdowns we are experiencing in the PLOC'ing process. I told him I am confident that you and your group are working hard but we are not getting the results we need. The delays are taking too long, and our government accounts must be transferred very soon. Fondo del Seguro has been waiting now since 3/30.

Kookie, I sympathize with your problems from a personal perspective. I know it is hard to get changes moving in PRTC. From a business point of view I can not afford to be more patient. Please understand that as many issues you have I have as many of my own to deal with.

One way or another PRTC has to resolve the issues we have discussed. If PRTC does not want the board to dictate how and when they will be resolved, I urge you to talk to the people that have the authority to pull all the departments together to get action quickly. I know other companies will soon be entering this market. I promise they will not be as patient. Please work with me now, with a new sense of urgency so you will not be subject to the tactics of the other competitors and the board and we can move forward with our business.

It is time for results now, please help me attain them.

David Bogaty <DBOGATY@compuserve.com>@compuserve.com on 09/18/2000
07:46:41 AM

To: Cristina Lambert <clambert@prtc.net>, "Carmen Kookie Diaz"
<cdiaz2@prtcmail.prtc.net>, "Self, Kerri" <KSelf@PrimusTel.com>, "Mr.
Juan Velazquez CPA" <JVelazquez@prtcmail.prtc.net>, Gloria
<mgloria@prtc.net>

cc:

Subject: URGENT! Understaffing of Wholesale Group

Dear Ms. Lambert,

I did not receive a reply from my last e-mail I sent to you several weeks ago requesting your help on the lack of personnel in the wholesale group. In my meeting with you on August 18, I mentioned that it felt you were only willing to listen, but not willing to help. You assured me that was not the case. I have since not received a response to what I felt was an urgent e-mail requesting more personnel for an overburdened wholesale group. I am hoping that the third time is a charm.

We are one reseller and issues are not being solved. There is at least one major reseller that has just begun operations and if this matter is not addressed we will soon be facing delays and unaddressed issues in the wholesale sufficient to make progress for resellers impossible. For example, we have given several urgent issues to the group to solve in the past few months and we were told they were not even addressed because the staff was working on CLEC issues such as number portability. I am not underestimating the importance CLEC issues, but when addressing them causes the resolution of urgent reseller issues to come to stand still for two months, than there is a serious problem.

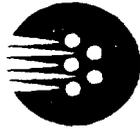
The issues I am referring to are:

1. The investigation of errors in transferring accounts that have cost WorldNet tens, or even hundreds of thousands of dollars.

2. The procedural problems in interacting with wholesale group for processing orders, maintenance and other issues that arise. Over one year after we began we are still frequently facing situations where we are told to call several different people to solve a problem, often only to arrive back at the person we started with. We have attempted to work with PRTC to resolve these issues by setting up bi-weekly meetings to set procedural standards. These meeting are frequently cancelled by PRTC, and WorldNet has to work to reschedule, often losing weeks each time. It has been impossible to make progress because of the lack of consistency of these meetings and the lack of preparedness of the PRTC people when we do have them.

3. PRTC currently has no reseller or CLEC manual. This was promised years ago, and the one that was produced is completely outdated and unused by both comanies. We have been promised several times that it was being finished but after two years of asking our optimism is growing dim.

Ms. Lambert, I want to be very clear about something. I believe the people in Wholesale Group are working hard to complete all the work. The feedback we are getting from your staff is that they completely overworked and can not accomplish it all. This is seriously threatening the viability of resale in Puerto Rico. I urge you to please help with this situation.



World

November 10, 2000

Mr. Juan Velazquez
Wholesale Department
Puerto Rico Telephone

Fax: 792-6446

Dear Mr. Velazquez

As always we wish to cooperate and be patient with PRTC in resolving problems and issues. We can not, however, allow revenue from accounts that are WorldNet's to continue to go to PRTC, and can not allow problems that effect the integrity of WorldNet's service to continue in perpetuity. In this spirit we will continue to be patient while PRTC works to resolve their delays in transferring WorldNet accounts and we feel for historical accounts allowing PRTC three months to transfer is a good faith gesture of this patience. Even with this window of a quarter of a year, however, we have accounts that have extended considerably longer. For these accounts we are claiming the lost revenue beyond three months. After all, this is WorldNet's income taken by PRTC.

An additional concern is that these problems seem to be worse with larger accounts. For example a large portion of Doral Financial Corporation has been pending for over nine months. Mr. Velazquez this reflects poorly on WorldNet's quality of service and is anti-competitive in practice if not in intention. After fifteen months we feel it is fair to expect 100% of the PON's to be transferred to WorldNet before three months.

In light of this I am submitting a dispute in the amount of **\$84,556.58**. This reflects the amount of lost revenue for Doral Financial Corporation calculated by multiplying 22.75% by the invoice amount by the number of months outstanding beyond three months. This will be our procedure for past accounts. For current accounts moving forward we will need to work with PRTC to shorten the three months. That is too long for already having 15 months experience.

Should you have any question please feel free to call me at 277-0210 or e-mail mgloria@prtc.net

Yours truly,

Gloria Mulett
General Manager

cc: Mrs. Alicia Caballero
Ms. Carmen Diaz
Mrs. Graciela Nieves
Mr. David Bogaty

De:

My RESPONSES are written in CAPS. You may call if you would like to discuss further

On:

Subject: **Minutes of 3-27-01 discussion**

Cris, I want to make sure we both agree on what was discussed and agreed upon. I also added to a few of the areas when I recognized the need. Please let me know if your recollection of any of the agreements is different or if any of the new requests are not acceptable so we can discuss alternatives. Also, please feel free to offer alternatives.

Agreed:

1) We will have the outstanding amount of Municipio of Coamo invoiced to WorldNet in pending status while PRT assists WorldNet in trying to collect the money from Coamo. My understanding is this assistance was to take place immediately and would involve contacting the Municipality of Coamo. This is in effort to make the issue of liability for the outstanding balance a non-issue since WorldNet believes that PRTC accepted liability by turning the account up immediately after WorldNet suspended service for non-payment.

AGREED TO HOLD THE OUTSTANDING BALANCE WHILE WORLDNET ATTEMPTS TO COLLECT. MY ASSISTANCE DOES NOT CONSIST OF CONTACTING THE MAYOR BUT IN ALLOWING YOU A REASONABLE TIME TO COLLECT. BY THIS ACTION I AM ACCEPTING NO LIABILITY SINCE I BELIEVE PRT ACTED IN THE BEST INTEREST OF THE PUBLIC.

New:

This was not discussed, however, I would like to add that we agree to this for the next 90 days. If no payment is received I believe we need to discuss other alternatives. Is this acceptable to you?

I WILL AGREE TO 60 DAYS.

Agreed:

2) We agreed that Angel will assist us in setting up meetings with Barbara Nash to discuss all billing changes that will occur with PRT's new system that effect WorldNet. We also agreed that WorldNet will have access to knowledgeable personnel within Verizon to discuss any other issues involved in the system change that effect WorldNet as often and soon as necessary, within reason, but a minimum of once per week. I will have Gloria contact Angel.

RESPONSE: I CONCUR

Agreed:

3) We agreed that PLOC requests for under 50 lines per account will be processed within 5 days, for accounts with no problems. Accounts over 50 are pending an answer from Angel, but it will be much quicker than 60 days.

Lambert's RESPONSE:

WE DISCUSSED THAT ON THE AVERAGE WE WILL MAKE OUR BEST EFFORT FOR PROCESSING THE PROVISIONING WITHIN 5 DAYS, HOWEVER, ACCORDING TO OUR RESALE HANDBOOK, PAGE 14 - 1 THE FOLLOWING IS OUR OFFICIAL COMMITMENT TO ALL RESELLERS:

WHEN PLOC IS REQUIRED THE COMPLETION TIME FOR A PON WILL BE:

1	-	10	LINES =	2 DAYS
11	-	50	LINES =	15 DAYS
50	-	100	LINES =	30 DAYS
SPECIAL SERVICES			=	60 DAYS

ACCOUNT RECONCILIATION WILL BE PERFORMED BY WHOLESALE BEFORE AN ACCOUNT IS PLOC TO A RESELLER.

New:

Cris, we need to set standards for accounts that have problems, because they represents a significant number and we have major accounts with valid paperwork waiting over 12 months!

RESPONSE: AGREE THAT THERE SHOULD BE NO PROBLEM THAT TAKES 12 MONTHS TO BE RESOLVED. IF THERE ARE ANY PRESENTLY IN THAT CONDITION PLEASE ADVISE SO THAT I MAY ASSIST IN RESOLVING

New:

Also, I know we did not discuss this, but we need to know what standards PRT will be using in the future to reactivate WorldNet numbers that have been ordered for disconnect by WorldNet. For example, you mentioned fear of liability and disconnection of emergency services. In order for WorldNet to make its policies we need to know what PRT's specific policy regarding this is.

RESPONSE: I BELIEVE WE TOUCHED BRIEFLY ON THIS SUBJECT AND I STATED THAT WE WOULD NEED TO TREAT SITUATIONS DEEMED "EMERGENCY" OR THAT COULD HAVE "PUBIC IMPACT" ON AN INDIVIDUAL BASIS.

Thanks again for discussing this with us. Let's keep moving the items listed forward so we can discuss bigger and better ways our companies can team up.

DAVID, AS I SHARED WITH YOU, WORLDNET IS A VERY IMPORTANT CUSTOMER TO PRT AND WE APPRECIATE YOUR BUSINESS. I TRULY WANT TO RESOLVE OUTSTANDING ISSUES SO THAT WE MAY FOCUS ON GROWING BOTH OF OUR BUSINESSES. THANK YOU AGAIN FOR TAKING THE TIME TO DISCUSS THESE ISSUES WITH ME. I KNOW WE WILL BE ABLE TO WORK TOGETHER ON THE SOLUTION.

CRIS

Graciela
Nieves

To: Mr. Juan Velazquez CPA
From: Gloria Mulett
Date: 11/14/00
Meeting Date: November 16, 9:30
Re: Meeting Agenda

1. BTN's in 24 statuses are far outside of acceptable parameters
 - a. BTN's continue to receive orders for new services while waiting to transfer to WorldNet
 - b. WorldNet will continue to be patient with the resolution and will request credit for PON's beyond acceptable time frame.
 1. THIS TIME FRAME AFTER WHICH WORLDNET WILL DISPUTE NEEDS TO BE ESTABLISHED.
 2. RESOLUTION OF THE DELAY TIME FRAME NEEDS TO BE ESTABLISHED. WORLDNET'S CREDIBILITY IS BEING IMPACTED.
 3. NEED TO SET APPROPRIATE PROCEDURE TO MONITOR SERVICE ORDERS THAT ARE DELAYING TRANSFER.

2. NEW SERVICE ORDERS

1
Delay
a. It is time to establish time parameters for new orders, both POTS and Special Services. The time has been increasing for installation and is reach ridiculous levels in some cases. The manual recommends parameters. These are two to three years old so is it reasonable that PRTC can at least abide by these?

b. The Performance Coordinator was proposed by PRTC in the Reseller Manual and was brought up again last year. This is needed. Can we implement this? This position should have the authority and responsibility to monitor and audit Reseller's requests for new service orders, repairs, PLOC, PIC and service in general.

3
Star
3. RESELLER MANUAL

We feel it is necessary to set a definitive date to complete this manual. It should be completed in conjunction with WorldNet.

4. INVESTIGATION PARAMETERS

a. According to Puerto Rico regulation investigations stemming from disputes are to be concluded and answered in 30 days. This is not happening.

1
Procedure

5. GOVERNMENT ACCOUNTS

a. PRT allows government accounts 90 to 120 days for payment. We request the ability to extend payment for Government accounts to 120 days.

60 days
We can
shut down

6. PIC

a. Status of interim parity to view PIC. Discussion of how it's working.

1
parity

7. REQUESTED ATTENDEES

- a. Carmen Diaz
- b. Graciela Nieves
- c. Alicia Caballero
- d. Angel Cordero
- e. Juan Velazquez

8. Update on Intra-Island Long Distance rates

May 15, 2000

Mr. Juan Velazquez, CPA
PRTC
PO Box 360998
San Juan, PR 00936-0998

Dear Mr. Velazquez:

I hope the meeting we had generates the results we are looking for. Time is getting short before we must try alternative methods of attaining the changes necessary to make resale viable, and that are required by all ILEC's. Though I acknowledge that several people in your group are working hard, there is not significant progress in several key areas. The following are the agreements made in our meetings, including between you and I on May 9. If you remembered anything differently, please let me know. If we can meet the promises made this time, we can avoid any further escalation of these issues.

1) PLOC'ing

- a) We agreed in the meeting with Paul that delays caused by status 24 would be eliminated by reissuing the order under WorldNet and canceling the old order. The only exception was orders in dispatch. These would be sent to us to decide whether to reissue or wait for install to PLOC.

①
Delay

RESULTS - More excuses for why this can not be done have been given. We currently have no commitment or indication that these delays will improve.

- b) We agreed to have separate meetings with Ms. Diaz's group regarding day to day and procedure issues. These were to happen twice monthly. By Monday, May 1 we were to receive the date for the first meeting.

RESULTS - We did not, and still have not received a date for the first meeting.

- c) Delays from 24's. It was agreed that by Monday, May 1 I was to receive correspondence of how long it will take to clean out the back log of delays from status 24. This is after received a promise in our prior meeting that all old delays would cleaned of in 30 days.

②
Delay

RESULTS - I received an e-mail but it did not contain the information promised.

- d) We agreed that on Monday, May 1, I was to receive correspondence about how long it would take to process PON's with status 24. We tentatively agreed that 24's would be transferred to WorldNet immediately, and the pending order reissued. (Except orders in dispatch which would be forwarded to us to decide to cancel or not.)

RESULTS - We received correspondence that said the above procedure could not be done and no alternate solution nor date when a solution would be available and no interim procedure or time frame was given. After 4 or 5 months we are back to square 1 on this issue.

③
delay

- e) Accounts missing more than 2 billing cycles. We agreed that 9% was too many and May 1 were to get a report of what was going to be done about it. We have PON's missing 6 billing cycles.

RESULTS - We were told that no commitments can be made. This is not an answer we can work with. This needs to be resolved!

- f) **Government Accounts** - In our meeting yesterday we agreed that for the time being government accounts would be processed in 45 days. We have one major account that is almost at 45 days now. Fondo del Seguro del Estado. This needs to be processed quickly, not 45 days from now.

④
delay

RESULTS - Too Early.

- 2) PICC confirmation

In our private meeting you mentioned you were drafting a response to this.

① *pricing*

- 3) Intra-Island Pricing.

We are waiting for Carlos to check with Millie Reyes regarding our interpretation of the Tariff. It seemed like we were in agreement with WorldNet's interpretation of only needing Intra or Inter to qualify for Plan Optima. We are currently discounting the invoices manually.

- 4) Increased Access to RFI (THIS ITEM IS URGENT.)

We have been told a task request has been filed to complete this. No date was given for completion. At the very minimum we must have access to PIC info ASAP. We have been requesting this for over six months now. Mr. Velazquez, we will not wait much longer on this issue. Also, we were told there may be a charge for this access. Based on all of the money we have let go due to PRTC not meeting requirements, I urge you not to assign a charge for this; Or at least not until the other problems and issues are worked out.

③
delay



5) Training

We are still waiting for information on training.

6) Standardization of Operations Procedures.

Despite five requests for a meeting date with Carmen Diaz's group (three from e-mail and two in meetings) over the past two weeks we have still received no times to meet. This is becoming a major issue.

parity

7) Additional Questions

We are waiting for an answer to the question whether we can download RFI information to a separate file.

parity

Sincerely,



David L. Bogaty
President

cc: Carlos Rodriguez, Paul Zielinski, Carmen Diaz, Sonia Domenech, Gloria Mulett,
Graciela Nieves



World

October 25, 1999

Mr. Juan Velazquez, CPA
PRTC
PO Box 360998
San Juan, PR 00936-0998

Anti-competition

Dear Mr. Velazquez:

I want to ask you when certain changes within PRTC will become effective for resellers. Our sales are slowly increasing according to schedule, and our ability to sell additional products and services remains extremely limited. We are projected to quadruple our sales within the next four months. We are aware that Mr. Slater is promising decreased time frames for installs from a retail end. When can we expect the level of improvement that he is promising for resale so we can truly operate as PRTC's partner in bringing in new business?

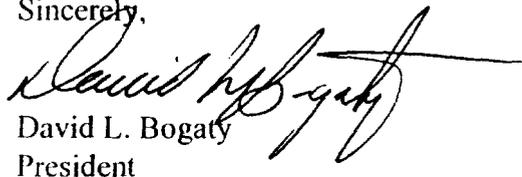


As we have discussed, WorldNet's goal is to sell PRTC's products to customers, not simply to PLOC existing customers. Unfortunately, selling additional products, especially data services has been unmanageably difficult and slow. We have a great opportunity to take customers out of Centennial's hand but only if we improve the speed with which we can receive answers to implementation time frames, and reasonable time frames. (Within 45 days). Without looking we have already stumbled on more than 10 opportunities for data services, most of which have told us if we could guarantee an install date within 30 to 45 days they would choose us over our competition. Most customers do not want to move to the competition but they feel forced.

Mr. Velazquez, if you provide us with the tools mentioned above, we can guarantee we will bring you substantial new business every month. Help us as your reseller so we can be your effective partner.

Please let me know as soon as possible, when we will be able to receive exact time frames for installs, and when those will be able to be completed within 30 to 45 days of the request date? Let us really show you what we are trained to do!

Sincerely,


David L. Bogaty
President

P I O N E E R I N G T H E F U T U R E O F T E L E C O M M U N I C A T I O N S

PLAZA CAPARRA AVE. F.D. ROOSEVELT, SUITE 206 SAN JUAN, PR 00922 TEL. (787)277-0210 FAX. (787)277-0788

March 14, 2001

Mr Juan Velásquez
Director
Wholesale Department
Puerto Rico Telephone
San Juan, Puerto Rico

Dear Mr. Velazquez:

✱ Yesterday during our Operations Meeting with Carmen Diaz and Graciela Nieves we discussed many different issues of mutual concern and among these we talked about time frames for local pre-ordering. The purpose of going over this particular issue is that we have been requesting the need to develop methods, procedures for ordering, pre-ordering, maintenance, and billing in a new Reseller Manual, designed to provide the Reseller with a comprehensive understanding of how to do business with PRT.

It is our understanding and as per our Resale Agreement, Section VII the Resale Carrier Manual will be developed cooperatively by PRT and affected Resellers in Puerto Rico. Contrary to this, we learned yesterday that the Reseller Manual is almost finished and will be following the model of the Verizon Reseller Manual. We are formally requesting to be included in the creation of this manual before it is implemented. Perhaps PRT could organize industry meetings as it did before to get industry input.

During our Operations Meeting held on January 24th we were presented with some revisions to the Manual, section that mentions the new Pre-Order procedures we are expected to abide by. We at WorldNet did not agree in the time frames stipulated there because they are contrary to the present time frames we have worked so hard to achieve with the PRT Interconnect Department, and represent a regression. PRT has had almost two years to perfect this process and the time frame should be getting smaller not larger. Additionally, the reason given that more reseller's mean more work is particularly disconcerting. The wholesale group must be prepared to handle more than two or three resellers, or PRT is not devoting enough resources to make the business viable.

In our meeting yesterday we presented as an alternate a sample time frame more in line with our statistics and working experience of how long it takes to transfer an account to WN after we submit the pre-order according to the amount of lines it has. Carmen did not accept our alternative and insists PRT will include their time frame in the Reseller Manual contrary to the fact that they have successfully achieved and are performing at this more efficient level in an even and steady pace. She claims they are implementing this time frame in response to the survey and input of the Interconnect Coordinators. Wouldn't it be important to include the statistics of the Reseller that works with those Coordinators on a daily basis? What was the criteria used and against what? We as Reseller researched not only our experience transferring the PRT lines to WorldNet, but also the experience of transferring WN lines to PRT and the statistics are clear that it can be and has been done in a matter of days not weeks or months.

Mr. Juan Velazquez
Puerto Rico Telephone
March 14, 2001
Page 2

I understand Carmen's concern of not over-committing so she can meet the demands of more Resellers as they enter the arena, but her concern would be better served if she used the increasing demand as a forecast PRT can use as a tool to manage the workforce planning necessary for the long-range needs of the Resellers. She also informs us that PRT is preparing for bigger and better things as soon as the new billing system is implemented. WorldNet is ready to meet the challenge of bigger and better things but we cannot accept **regression**.

We have been insisting since we began Resale that we need a Reseller Manual that will not be altered every time PRT feels they can't meet a commitment clearly stated in the existing Manual. Since last year we have been stating that the existing Manual is not a consistent guide for the Reseller. The Reseller Manual should contain standards of procedures and should be regulated by the Board to guarantee parity and the competitive edge that benefits the end-users in Puerto Rico. Mr. Velazquez, you instructed your personnel to meet with us on a regular basis to revise the Reseller Manual and unfortunately this has not been done. Has there been active participation of the other Resellers? Has our two years of meetings been nothing but a strategy to placate WorldNet while completing the manual unilaterally? We have almost two years of valuable "hands on experience" we can contribute to the revision of the manual and PRT tells us that we as Resellers will have no say in the revision of Manual's content.

It has also become a great concern of ours that we have no idea of the repercussions that the implementation of the new PRT Billing System may have in our business. We request a weekly meeting with your personnel and appropriate other personnel to facilitate this transition until the system has been duly implemented, tested, and all contingencies to assure the Billing and Operations aspect of our business continues to run smoothly. ***This request is urgent!***

We trust your sound judgement and value your intervention to assure that we as business partners can maintain a steadfast pace to assure the success of the Local Service Resellers in Puerto Rico.

Yours truly,

Gloria Mulett
General Manager

**WORLDNET REPLY COMMENTS
EXHIBIT 2**

**WORLDNET - PRT RESELLER MEETING
SEPTEMBER 7, 2000**

*Anti
Competition
Training*

TO : MUR JUAN VELÁZQUEZ AND ALL IN ATTENDANCE
FROM: GLORIA MULETT
RE : AGENDA TOPICS
DATE : SEPTEMBER 7, 2000

The following is a list of That need to be resolved

1. What has been decided to address Anti-competitive behavior involving PRT Marketing Group
 - Bundling of services – Anti-Trust violations.
 - Making customers sign informational LOA's in order to service the CPE
 - Expedite Repair and Service Orders far beyond what WorldNet can offer
2. *Parity – PRT needs to establish performance standards that will guarantee that WorldNet will have the ability to provide the same level of service to the end-user that large PRT retail customers receive.
3. *Ability to view PIC – We agreed that PRT would find a solution to provide parity on OS's functions, specifically providing PIC status information for WorldNet local accounts. We are expecting at least an interim solution for this meeting. *our LOA*
4. Billing and transfer errors that are costing WorldNet thousands of dollars monthly. We may have to request reimbursement for lost revenue.
 - Axesa *No seen made*
 - HF/Doral - *We have given suggestions want see if how are you going to address it*
 - Bausch & Lomb
 - Usage on T-1's (PRT) - *hand*
5. New service installations are taking too long to complete -
6. *Commitment to hold bi-weekly operations meetings between WorldNet and Wholesale personnel is still not being kept. We had a meeting scheduled for August 31, 2000 and was cancelled.
7. We need to receive a response as to how we are going to bill out our "inter" usage on PRT

Gracela would call

Alan

Fondo del Seguro

Request Credits - while investigation

September 19, 2000

Mr. Juan Velazquez, CPA
PRTC
PO Box 360998
San Juan, PR 00936-0998

Dear Mr. Velazquez:

The following are the decisions and discussion that resulted from our meeting of September 15, 2000:

- Next meeting schedules for October 6, 10:00
- The problem WorldNet is having with Marketing competing unfairly was addressed. In cases where WorldNet discovers a customer is receiving expedited service or service superior to what WorldNet has been offered for either repair or installation we will address it immediately to Mr. Velazquez. When he can, he will accommodate our needs by providing the same level of service to WorldNet.
 - The other issues of the coerced LOA from Marketing to our customers, and the threat of reduced service for CPE when lines are transferred to WorldNet, I agreed to write a letter to Mr. Neal, Director of Marketing as a last resort to finding a solution together.
- Parity in OSS by allowing resellers to view the PIC status for their customers. As per order of GTE the processing of the work order submitted by Mr. Velazquez to allow WorldNet to view PIC information was halted. GTE's impetus was that turning over that information was a violation of the customer's privacy. Carlos confirmed, after studying our LOA, that it provided authorization to view the PIC. Mr. Velazquez and Carlos are going to resubmit the work order with this new found information, and both believe it will be sufficient to complete the work order. David expressed his frustration with the delays that have now stretched beyond a year. Graciella will give us an update on this in one to two weeks.
- Billing and transfer errors costing WorldNet thousands of dollars. After confessing that these issues have not been addressed since they were delivered

to PRTC over two months prior, we were assured they would be addressed immediately. Graciella was accepting responsibility for the investigation. The specific accounts we addressed were Axesa, HF/Doral, Bausch & Lomb and missing usage on T-1's and Centrex. We were reassured that the missing usage on T-1's was resolved and should not be happening again.

- Pending installation for POTS and Special Facilities experiencing excessive delays, some beyond eight months. Mr. Velazquez said to send him the delayed ones so he could expedite them.
- Bi weekly and Monthly meetings. We expressed our dissatisfaction with the repeated cancellations of meetings scheduled weeks in advance. Mr Velazquez reaffirmed his commitment to holding future meetings when scheduled. Also, Carmen Diaz said to e-mail her on all dates for meetings so she help ensure her staff fulfill their commitment.
- Domestic usage. After discussing the agreement made on February 17 to provide Inter-State pricing at the Optima Plan pricing Carlos agreed to call David on Monday, September 18, 2000 to discuss it further. David is asking PRTC to honor the agreement made. Additionally, Carlos informed David that Plan Optima will be discontinued at the Board's order. He said we should have until a year after it was signed to be canceled but he would discuss the details with WorldNet within the next two to three weeks.

July 19, 2000

Mr. Juan Velázquez, CPA
PUERTO RICO TELEPHONE
PO Box 360998
San Juan, Puerto Rico 00936-0998

Dear Mr. Velázquez:

Seldom have we had to escalate customer service issues to your attention, but I have been left no alternative.

We are experiencing delays in repair orders and our customers are driving us to distraction from their complaints and requests to cancel and have their lines transferred back to PRT. Lately some are getting their repairs solved directly with PRT and express that on their own they can obtain faster service.

New Service Orders are also taking so long that customers are receiving the message that requesting service through WorldNet simply is a slower and more difficult process. We have spoken to independent consultants that share the same opinion, because as they say, "have their contacts" inside that move the orders along more rapidly.

Where is our ability to obtain service for our ever-increasing number of customers? As you know WorldNet must have parity in all OSS functions including repairs & installations and that is not happening.

I need your help to solve all these pending orders and to please set our operations meetings with Carmen Diaz back on track again. These meetings are very important to solve everyday operational issues. I would also like to schedule a date for our monthly reseller meeting with both you and the Wholesale Group.

There are other issues of great importance that we need to discuss first with you. Please give me a call and let me know how you can help and how soon we can meet.

Yours truly,

Gloria Mulett
General Manager

To: Mr. Juan Velazquez CPA, INTERNET:JVelazquez@prtcmail.prtc.net
From: David Bogaty, 110744,3307
Date: 10/26/00, 2:53 PM
Re: Parity in Service

Mr. Velazquez I know you are quite busy, and I hope you are not reading this directly after reading a scathing e-mail from Primus.

I am writing to request the status of two issues of primary importance to us.

1) How is PRTC going to give WorldNet parity in service and install with marketing? This needs to be solved immediately. I can not afford to be patient with this issue, as it directly damages WorldNet's ability to sign and maintain large customers.

2) Training to Marketing group including Equipment repair, 611, and 811.

Please let me know if I can be of any assistance in helping you solve either of the issues.

Regards,

David

To: Mr. Juan Velazquez CPA, INTERNET:JVelazquez@prtcmail.prtc.net
From: David Bogaty, 110744,3307
Date: 11/2/00, 12:33 PM
Re: Waiting for Response

Mr. Velazquez, I need a response of your actions and plan to bring resale up to parity with retail for service and installation. I have not received a response from my last e-mail.

Please cooperate with us on this matter. We can not afford wait longer on this issue.

Pantus

To: INTERNET:jvelazquez@prtcmail.prtc.net, INTERNET:jvelazquez@prtcmail.prtc.net
From: David Bogaty, 110744,3307
Date: 11/3/00, 2:39 PM
Re: Re: Waiting for Response

OK, depending on how far we have advanced since we had our meeting with Mr. Neal, that may be just fine. To be fair to WorldNet, we need to have a definitive time frame and strategy to bring wholesale up to parity with retail by the time we meet again.

I have our meeting scheduled for the next week, but we did not decide on a specific day. What day works for you next week?