

I am a current share holder of XO Communications and have held on to my 40,000 shares since early October. I am a Canadian Citizen who once believed in the US markets and how they were governed. Below is a list of questions that I have forwarded to XO Communications. XO Communications did not provide any response to my questions. Now I am forwarding the same questions to the FCC with the hope that some kind of explanation will be provided to justify XO's proposed action. The FCC and the SEC are obligated to provide investors with an explanation as to how this company could mislead its investors for an entire year and then suddenly, overnight, claim that the company's future is solely dependent on an investment it continuously stated throughout 2001 that it did not need.

1. XO stated throughout 2001 that Forstmann Little (FL) had \$1.5B Invested in XO and that Forstmann Little is a highly respected equity firm in the business of investing in winners. By definition, does "winners" refer to a company that screws its shareholders and walks away with a pot of gold?

2. XO stated in July 2001 that it had \$2.5B of available cash and that XO did not need to borrow any more money. XO subsequently stated that it continued to receive proposals from additional investors, but intends to preserve investor value. Please define "preserve investor value"?

3. XO stated throughout 2001 that given the current financial situation, XO and its financial analysts believe that the company will be cash flow positive by 2005. XO made this statement fully aware of the debt it had on hand. During this period or thereafter, investors were not made aware of any significant events which would alter this assessment? What happened to drastically change the companies position?

4. XO stated that for the past 14 quarters since it went public in 1997, XO continuously met or exceeded analyst expectations. The release of this information influenced the stock price. Why was there no indication that the debt was strangling the company? Did XO turn down better offers (as described in my 2nd point above) for this one?

5. XO stated throughout 2001 that XO initiated prudent capital conservation long before it was necessary. How was this information relevant to anyone other than to mislead investors?

6. XO stated throughout 2001 that it had reached EBITDA positive in 30 months. Was this a false statement?

7. XO stated throughout 2001 that it had enough cash to withstand a market downturn and proven ability to raise cash while maintaining investor value. XO made this statement fully aware of the debt it had on hand. What changed?

There are many investors who believed in the XO story (as it was told by senior management) and invested in this company because of the statements made throughout 2001. I continue to stress the fact that XO Management have a fiduciary responsibility to the investors it sold its story to. What XO proposes to do will set a terrible precedence in a market that is already seriously wounded. The FCC/SEC and XO management have an opportunity to correct a wrong and significantly contribute to the major effort required to restoring investor confidence in your industry.

It appears that XO had a positive 4Q. With a state of the art infrastructure (paid for with investor funds) and a clean balance sheet, XO is positioned to have a very promising future. XO would not exist today without the support from its investors and MUST be included in any restructuring plan.

