My wife and I purchased 10,000 of XO Communications over the last year. The last purchase was in September 2001. It has come to my attention that XO, in need of additional financing, is restructuring. The result being that equity owners such as my wife and I are expected to lose all of the value of our investment as a result of the restructuring. This seems like robery to me. I thought that a company had to go through bankruptcy court before a shareholder lost their equity. I have included XOs latest financial release below. This report shows that sales are increasing and EBITDA is going down. This all sounds like a good case of fraud to me. My question to the FCC is what action are you taking in the shareholders behalf? What action should I as a shareholder be taking? I thank you in advance for your help and support.

Graham Lammers

XO Communications latest e-mail financial report

Fourth quarter 2001 revenue from integrated voice and data service totaled 23.5 million and other revenue for the fourth quarter of 2001 was 0.2 million.

EBITDA loss totaled 39.5 million in the fourth quarter of 2001, compared to an EBITDA loss of 53.5 million in the third quarter of 2001, and an 88.7 million EBITDA loss in the fourth quarter of 2000. The companys annual EBITDA loss in 2001 totaled 240.8 million compared to an EBITDA loss of 309.4 million in 2000.

Voice Grade Equivalents VGE, 64 Kpbs capacity, a measure used by XO to evaluate the utilization of its network, grew to 21.2 million in the fourth quarter of 2001, a 13 percent increase from the third quarter of 2001 and a 89 percent increase from the fourth quarter of 2000.

On January 16, 2002, XO announced that it had entered into a definitive agreement with Forstmann Little Co. and Telefonos de Mexico S.A. de C.V. TELMEX on the terms of their intention to invest 400 million each in XO in exchange for new equity in the company, originally announced on November 29, 2001.

The agreement is subject to a number of conditions, including XO successfully completing a restructuring of its existing balance sheet on terms set forth in the definitive agreement with Forstmann Little and TELMEX, and receipt of regulatory approvals.

Upon completion of the proposed investment and the related restructuring, it is expected that substantially all of the equity of the restructured company other than the equity allocated to the companys employees will be held by Forstmann Little, TELMEX and the holders of the companys senior unsecured notes.

Consequently, current holders of the companys equity securities are expected to lose all of the value of their investment as a result of the restructuring.

On January 16, 2002, XO also announced that it had reached a forbearance agreement with the lenders under its secured credit facility in which the lenders have agreed, subject to certain conditions, not to exercise their remedies under the credit facility with respect to certain cross default events and to the covenant in the credit facility relating to XOs fourth quarter minimum revenues.

The agreement contemplates that the lenders forbearance will continue until April 15, 2002 in order to provide the company with an opportunity to reach agreement with its creditors regarding the terms of the proposed balance sheet restructuring.