5. I believe that emerging non-traditional telecommunications providers, such as Skype, Yahoo, and other VOIP and cable providers, will keep the market competitive and keep prices low.

6. I believe the proposed merger between AT&T and BellSouth would create a healthy, viable, and strong company to compete with these emerging non-traditional telecommunications providers. The merged company will provide what many businesses are looking for: consistent, competitively-priced services, which will be the same all over the U.S.

7. I support the proposed merger between AT&T and BellSouth.

Dave Ruby

Date

5/19/2006
STATEMENT OF CORTNEY JOHNSON

1. I am Senior Vice-President and Chief Information Officer for McGriff, Seibels & Williams, where I have worked for 21 years. My responsibilities include telecommunications procurement. McGriff is a fast-growing insurance brokerage firm headquartered in Birmingham, Alabama.

2. McGriff uses BellSouth as its primary telecommunications provider. We buy local, long-distance, and VPN data services from BellSouth. We also buy some local services for our offices located outside the BellSouth territory from SBC (now AT&T), and will use Qwest local services for a new office we are opening in Portland, Oregon.

3. Approximately a year and a half ago, we made the decision to switch to BellSouth for our long distance and data networking services, which were at that time provided by DeltaCom. Before deciding to move to BellSouth, we also spoke with DeltaCom, AT&T and Sprint, although we eliminated DeltaCom in the early stages of the process because we had experienced some issues with their customer support. We eventually chose BellSouth because customer service is a big issue for us, and BellSouth also offered attractive pricing.

4. I believe that the merger of AT&T and BellSouth will be very positive for McGriff. Because we have offices in the AT&T/SBC service area, the merger should help us reduce some of our expenses, and will also help us administer our telecom services more efficiently.
5. There are plenty of other vendors I can talk to in the event that I become dissatisfied with BellSouth (or the combined AT&T/BellSouth), so that I do not have any concerns about the merger's impact on McGriff's telecommunications options.

Cortney Johnson

May 16, 2006
STATEMENT OF DUANE HAMBY
(MEDQUEST ASSOCIATES, INC.)

1. I am Regional IT Operations Manager for MedQuest Associates, Inc. ("MedQuest"), an Alpharetta, Georgia-based company that operates more than 90 medical diagnostic imaging centers in 13 states. Diagnostic imaging supports other health care practices by using Magnetic Resonance Imaging, Computed Tomography, X-Ray, nuclear medicine and ultrasound technology to identify and diagnose a broad range of medical conditions.

2. MedQuest purchases its telecommunications services from a multitude of providers throughout the various regions in which it operates. For example, our local voice services are provided by numerous regional LECs, including BellSouth, CTC Communications, Verizon, Sprint, AT&T, McCloud Communications, and Qwest. We also purchase wireless services from a number of different providers, including Cingular Wireless, depending on geographic region. BellSouth is MedQuest’s primary long distance carrier. We signed a long distance contract with BellSouth in December 2005 after they won a competitive bidding process in which approximately 12 competitors participated, including US LEC, AT&T, MCI, Qwest, Sprint and Alltel. MedQuest’s primary and backup data network services provider is currently Savvis, which won our business from Qwest in 2003 during a due diligence process in which we considered all available network services providers (including BellSouth, FiberNet, AT&T, Sprint, MCI,
etc.), although we are currently entertaining new bids for the provision of these services from both Savvis and BellSouth.

3. MedQuest re-bids its telecommunications contracts every three years and often, in the interim, renegotiates its existing pricing contracts according to changes in volume. For example, the last time MedQuest re-bid its contract for local voice service in BellSouth's service region was around June 2005, entertaining bids from NuVox Communications, ITC DeltaCom and BellSouth, as well as comparing their prices against other CLECs in the region.

4. The merger of AT&T and BellSouth should not reduce the competitive options available to MedQuest. MedQuest does not use any AT&T services within BellSouth's region and does not consider AT&T a substitute for BellSouth. I have a strong respect for the quality of BellSouth's customer service and hope that they can bring that level of service to the newly combined company. I am further hopeful that the merger of BellSouth and AT&T will result in reduced local and long distance prices for MedQuest due to the increased volume of business we would carry with the combined company.

Dated: 5/1/06

By: Duane Hamby
MedQuest Associates, Inc.
Confidential

Statement of Bob Donley, Member’s Credit Union

1. My name is Bob Donley. I am the Executive Vice President of Member’s Credit Union headquartered in Winston-Salem, North Carolina. Member’s is a full-service financial institution for approximately 500 companies with 53,000 members in North Carolina. We have fifteen locations throughout North Carolina. The communications at all of our locations are interconnected.

2. I have worked at Member’s for eleven years, and have worked in the financial institutions industry since 1976. The Board and CEO of Member’s has delegated to me the authority to decide what to purchase in terms of telecom services and from whom. For data services, I generally consult with our IT personnel. For voice services, I make the decisions on my own.

3. We purchase five types of telecom services: local voice, long-distance, frame-relay data network, internet, and cell phone/Blackberry service. Our estimated current annual budget is $90,000 for frame and long distance, $36,000-40,000 for local voice, $6,000 for cell phone/Blackberry service, $30,000 for internet, and an additional $20,000 for certain network service using CLEC’s.

4. For local voice services, we use Bell South, which covers our territory. For long-distance, we use Bell South both for inbound 800 service and outbound service. For our frame-relay data network, we use Bell South for design and all the way we can use them. In some municipalities, we also use CLEC’s where Bell South is unavailable. We may also use other companies for some intermediate service for the frame network. We have used Verizon, Sprint and North State in the past. For internet, we use Liberty-Cavion, which is headquartered in Colorado. For cell phones and Blackberries, we have chosen Verizon because its push-to-talk service was best for our needs.

5. We changed our frame-relay data service from Sprint to Bell South three years ago, and we changed our long-distance service from Sprint to Bell South last year. I generally do changes or upgrades every three years. I usually go out for bids from available providers. In my region, there are three viable providers: Bell South, Sprint and MCI (now Verizon). Each of these companies can develop frame-relay networks on their own. Generally, I get quotes, give design specs, and receive contractual terms and discounts in deciding whom to go with. We are now set for the next three years.

6. I do not consider AT&T to be an option in Member’s market because they do not have appropriate offers and services for enterprises of our size in our area.

7. I do not see the merger between Bell South and AT&T as having any impact on the services that I purchase. Bell South provides most of the services that Member’s needs. I am also confident in the people whom I am working with at Bell South.

Bob Donley
CONFIDENTIAL

Statement of Andy Mercier (Merchants Company)

1. I am the President of Merchants Company in Hattiesburg, Mississippi. Because telecommunications are an integral component of our business, as President, I oversee and am familiar with our telecom agreements and operations.

2. Merchants Company is a 100 year-old food service distribution business that operates throughout Alabama, Louisiana, and Mississippi as well as in portions of Florida, Georgia, Kentucky, Tennessee, and Texas. Merchants is the nineteenth largest food service distribution business in the nation with over $250 million in annual sales. In addition to its Hattiesburg headquarters, the company has distribution centers in Jackson, Mississippi and Clinton, Alabama. The company serves a wide variety of customers on a next-day basis including independent and franchised restaurants, schools, and military bases.

3. Merchants has always been a BellSouth customer for local service. Because the company receives orders and delivers products to its customers the next day, the speed and reliability of Merchants' telecommunications network are of the utmost importance. Because of BellSouth's reliability, we have continued to use BellSouth for local service.

4. Since BellSouth began offering long distance in our area three years ago, Merchants has purchased long distance service from BellSouth. Prior to that, Merchants used MCI/Worldcom for long distance. When Merchants decided to switch from MCI/Worldcom as that company entered bankruptcy, we considered a number of alternative carriers. We believed that BellSouth provided the best local support and would be best positioned to quickly fix service interruptions. Since switching long distance providers, I have found that there are numerous advantages to having all of our voice services provided by the same company which can handle any service problems internally, without relying on or pointing fingers at other providers. In
particular, after Hurricane Katrina hit, BellSouth was able to get all of our lines up and running within 36 hours, allowing us to supply critical food supplies to rescue and relief efforts. Because BellSouth understood our needs and our impact on our community, they worked quickly to restore our voice and data service in a phenomenally short period of time.

5. Merchants has also used BellSouth for its data and networking services for the past three years. Originally, Merchants relied on MCI/Worldcom to provide these services before the company went bankrupt. BellSouth now provides us with T1 lines and frame relay links that connect our distribution centers with our headquarters.

6. Merchants purchases cellular service from Cellular South—the only company that was able to provide cellular service throughout the Katrina crisis. In the past, Merchants has used a number of other providers including T-Mobile and Cellular One. Because our operations are spread throughout several states, Merchants has not purchased cellular service exclusively from one provider.

7. Merchants, with the assistance of a computer consulting company, has looked at a number of newer technologies including satellite and wireless networks and VoIP as alternatives to our current communications network. I am comfortable that there are a number of competitors to BellSouth in these new technologies.

8. I do not believe that the merger of BellSouth and AT&T will reduce competition. If anything, the level of competition will be the same as it is now because the combination of these two companies will not be a big change.

9. I believe that the merger is a good business decision for both companies. My only concern is that a change in the level of local support. Because our company operates 24 hours a day, 7 days a week, Merchants cannot afford service interruptions and needs a local
representative of its telecom provider that understands what needs to be done to restore service quickly. Assuming the merged company maintains BellSouth’s local support structure, I think that adding the AT&T infrastructure and R&D department to BellSouth’s existing services will likely be beneficial to Merchants.

Andy Mercier
President
Merchants Company
STATEMENT OF DENNIS PFEIL OF METCO/MILWAUKEE ELECTRIC TOOL

1. I am the Director of Information Services for Milwaukee Electric Tool ("METCo"). In this capacity, I am responsible for METCO’s telecommunication needs and I am involved in virtually all aspects of telecommunications, including voice, data, technology, business support, and internet. I have held the position of Director of Information Services for ten years. I have worked within the field of information services since 1969. I have extensive experience with evaluating the purchase and selection of telecom products and services.

2. METCO is a manufacturer of electric power tools for professionals who use these tools for their trade. We are headquartered in Brookfield, Wisconsin, and our parent (Techtronics Industries) is headquartered in Hong Kong. We have twenty locations throughout the United States, comprised of fifteen service centers, four manufacturing plants, and one distribution center.

3. METCO’s total spend on telecom services (voice and data) is approximately $2 million annually. METCO purchases all types of voice and data services, such as basic line, long distance, data network, wireless, cell phones, and internet, from multiple carriers. METCO’s primary supplier is AT&T. Verizon provides some wireless service and certain local exchange carriers (Qwest, Southwestern Bell, CenturyTel) provide voice services. METCO regularly multi-sources its purchase of services.

4. Four years ago we ran a global competition for voice and data services. We hired an outside consultant with expertise in procuring telecom services and issued a formal, customized RFP. We considered many bidders, and the finalists included Sprint, MCI, AT&T, and Equant. There were also other parties we considered, but did not go with because of a lack
of global or national presence. At the end of this lengthy evaluation, AT&T won the award because of a combination of cost and level of service.

5. METCO periodically procures telecom services through a formal RFP process. On other occasions, we purchase services by direct negotiations with certain carriers, rather than through a formal RFP process. We perform due diligence to evaluate our price and service options in order to get a feel for the competitors in the market. Sometimes through our own internal resources we identify companies that have the service, quality, and products that we need. For example, recently our sister company received a competitive bid from Global Crossing that had a rate significantly lower than the rate we were entertaining. This information proved useful for negotiations. After we perform our diligence, we get a benchmark for price and services, and then we are able to negotiate with our current providers and other competitors.

6. I find the telecom industry to be very competitive. There are plenty of options out there for us and plenty of places to turn. Local providers are gaining additional access and international carriers are options as well. Sprint, MCI, Equant are all certainly viable. Global Crossing is another international player. We are definitely not lacking competition.

7. We are also seeing new options becoming available in the industry, such as wireless services and cable companies. We believe that these options will be very helpful in the coming years, particularly cable companies, as they are now able to sell select services. This additional competitive pressure coming from cable companies, wireless, and other sources works effectively to drive down prices for the customer.

8. We are examining and using various emerging trends as well, such as VoIP and IP convergence. We now use VoIP for internal corporate communications. These trends will
continue to exert price pressure in the marketplace, resulting in less costly services, which is advantageous for the customer.

9. METCO supports the proposed merger between AT&T and BellSouth. We have realized benefits from the merger between AT&T and SBC, including a higher level of service. We expect this merger will result in benefits for the customer as well. With one combined company instead of two separate companies, there will be a better coordination of efforts, resulting in less downtime and smoother service levels. Attaining access to our solutions under a single carrier will make service more reliable and result in added efficiency. A merger between AT&T and BellSouth will produce a company able to provide complementary services and create an integrated network capable of offering a high quality of service.

10. I believe that the merger between AT&T and BellSouth will not have any adverse effects on competition. As there is sufficient competition in the telecom industry, post-merger the competition will remain robust. Therefore, the merger will not have a negative effect on competition and instead will result in benefits for the customer.

Dated: 5/24/06

Dennis Pfeil
Director of Information Services
METCO/Milwaukee Electric Tool
STATEMENT OF
PETER BRODIN, METSO CORPORATION

1. My name is Peter Brodin and I am the Director of Information Technology for Metso Corporation in North and South America. I have held this position for five years. I participate in procurement decisions for purchasing telecom services for Metso.

2. Metso is a global engineering and technology corporation serving customers in the pulp and paper industry, rock and minerals processing, the energy industry and selected other industries. The corporation is headquartered in Finland. Our United States operation is based in Atlanta with facilities operating primarily in the eastern part of the country, but we have other facilities throughout the U.S.

3. Metso purchases telecom services from BellSouth in the southern parts of the country and from AT&T (formerly SBC) in the Midwest. We also purchase telecom service from Verizon.

4. Our company purchases long distance and data services from AT&T. We purchase wireless data and voice from Cingular and Verizon. Our local offices purchase services from local carriers who can meet their telecom needs.

5. We procure Metso’s telecommunications services using long-range, multi-year contracts. When deciding on a telecom vendor we look at market trends and have internal discussions to look at other alternatives. We sometimes ask for bids.

6. I believe that there is strong competition in the retail business sector for long distance voice, wireless data and wireless voice services.

7. I am in favor of the merger between AT&T and BellSouth. This will take the telecommunications business in the right direction. At this time it seems that there is an artificial split between local and long distance carriers. I welcome bringing these two functions under one roof to simplify our administration of telecom spend. This should allow us to leverage our purchases to receive better pricing. This merger should also lower the costs of the companies, because they probably have significant overlap in infrastructure, which will also make prices lower. I hope there will be wireless/wireline integration. Finally, I look at the broader footprint of the new company as a positive.

Peter Brodin

Date: 6/3/2006
DECLARATION OF ROGER GRAVES

1. I am Roger Graves, the Director of Telecommunications Services for the Mississippi Department of Information Technology Services. I have worked for the state since 1991 and have served in my current position for the last four years.

2. Our agency purchases telecommunications services for all of Mississippi’s state agencies and universities. Additionally, most community colleges, libraries, schools, as well as some municipal and local governments elect to purchase their telecommunications services under our contract. In all, the state spends about $40 to $50 million on telecommunications. The state buys data circuits, local service, Centrex, Internet access, in-state and out-of-state long distance, and data equipment, among other services and hardware.

3. In 2005, the state entered into a ten-year comprehensive contract with BellSouth covering all of the state’s requirements other than inter-LATA private lines, which is purchased from DeltaCom. The contract with BellSouth provides for price re-determinations every two years. Our agency will solicit pricing information from competing vendors and -- where market prices have declined -- give BellSouth the option to renegotiate to the fair market price. If BellSouth declines to lower its price, the state has the option to rebid this service.

4. Before entering the 2005 contract, the state undertook a two-year examination of the market. Our research looked at the offerings of AT&T, MCI, BellSouth, and DeltaCom. We found that these companies were all moving toward MultiProtocol Label Switching (MPLS). Accordingly, we decided that the state would include MPLS in our RFP along with the legacy ATM backbone network. The federal E-rate program is very important to the state, so the impact of the MPLS migration was a significant consideration in the RFP.

5. The state received ten to 12 different bids for the various voice and data services covered by our RFP and about five bids for the equipment. Qwest, AT&T, MCI and DeltaCom all made inquiries about the bid and were at least interested in bidding for the MPLS portion of the RFP. Several suppliers did not want to bid on the legacy services part of the RFP because those services are too costly to provide and, at the same time, are being phased out. Based on this experience, I believe the state will have more options for telecom service providers after the state completes the transition to MPLS.

6. Looking forward, my view is that Mississippi will have adequate competitive alternatives if BellSouth is acquired by SBC/AT&T. Our options include Verizon/MCI, Qwest, and DeltaCom. Sprint is also a strong company, which might be interested in using an account as large as ours to expand its presence in Mississippi.

7. I have been disappointed with the billing, accounting, and customer service provided by legacy AT&T, the long-distance company. In the past, the state purchased both long distance service and calling cards from AT&T. After these contracts expired, the state spent years closing out these accounts. AT&T customer support provided little help and our local

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Board Members - Stephen A. Adamoe, Jr., Chairman • Derek Gibbs, Vice-Chairman • John Hairaton • Cecil L. Waskie • Thomas A. Wicker
Legislative Advisors - Representative Gary V. Staples • Senator Billy Tennis
account representative was almost nonexistent. We have not had any experience with AT&T following its recent acquisition by SBC Communications.

8. One concern I have is the effect the potential merger will have between the state and our BellSouth State Government Account Team. We depend heavily on the local account team for all aspects of our contract including: network designs, provisioning, restorations, troubles, billing, and planning. The current partnership and working relationship is exemplary. I would hate to see the composition or the physical location change due to the merger.

9. Another concern I have is the unknown business philosophy that will emerge after the AT&T/BellSouth merger. If the merger combines AT&T’s assets with BellSouth’s customer support mentality, then it will be beneficial to the state. I hope that the new company will adopt the current LEC customer focus and business perspective we now share with BellSouth. I believe that the old AT&T big business attitude will be detrimental to the state.

10. I believe the merger of SBC/AT&T and BellSouth could potentially benefit Mississippi. As an example, BellSouth Long Distance currently buys service from other companies for resale to BellSouth customers. The combined company might be able to lower long distance costs if the company did not have to purchase these resources from other suppliers. Additionally, I expect that there would be savings and operational advantages from having both the local and long distance services together again under the same roof.

Date: MAY 11, 2006

Roger Graves
Department of Information Technology Services
State of Mississippi
STATEMENT OF DONNA RICHARDSON (MOTOR COACH)

1. I am the telecommunications manager for Motor Coach Industries (Motor Coach), a manufacturer of luxury coaches and buses, based in Schaumburg, Illinois.

2. I have direct supervisory responsibility for all matters pertaining to the purchase, use and maintenance of Motor Coach’s telephone services and equipment.

3. Motor Coach spends approximately $2 million annually purchasing telephone services and equipment for its 250 corporate offices and 2,000 plus employees. We use Avaya equipment for our phone system. AT&T provides our primary network connections and long distance telephone services. While we purchase most of our local telephone services from AT&T, other firms, including BellSouth and Verizon provide local services for some of our small offices.

4. Motor Coach does not solicit formal bids for its telecommunications purchases, but we shop around for competitive pricing, generally seeking and comparing quotes from at least three or four vendors, particularly when we make large purchases.

5. In the close to two years I have served as telecommunications manager for Motor Coach, I have found the market for the telecommunications services and equipment that Motor Coach purchases to be a very competitive market.

6. As I see it, the merger of AT&T and BellSouth will benefit Motor Coach in several ways. For example, it will create a single line supplier for the telecommunications services and equipment we now purchase, thus allowing us to combine our purchasing dollars to get volume discounts. The efficiencies made possible by the merger, such as consolidated billing and fewer support calls, will also produce significant economic benefits for Motor Coach and our customers.
STATEMENT OF ROY WITTMAN OF NACCO MATERIALS HANDLING GROUP

1. I am the Director of Global Infrastructure and the Director of Information Services for the Americas for NACCO Materials Handling Group, Inc. ("NMHG"). I have held the position of Director of Global Infrastructure for 1 1/2 years and I have held the position of Director of Information Services for the Americas for 11 years. In these capacities, I am responsible for all computer and data communications, hardware, and services globally. I have been involved with the selection and purchase of telecommunication products and services for over 30 years.

2. NMHG is a design manufacturer of lift trucks of all sizes. Our global headquarters is in Portland, Oregon. We have six locations throughout the United States.

3. NMHG's total spend on telecom services is approximately $4 million annually. NMHG purchases virtually every type of telecom service available, including voice, data, local service, internet, cell phones, and global network, from multiple carriers. NMHG's strategic global supplier is AT&T. AT&T has been a global supplier for 6 or 8 years, and our strategic global supplier for around 2 1/2 years. Various local exchange carriers provide voice services and we utilize numerous suppliers for cellular service. Sprint also provides telecom services for NMHG.

4. Three years ago we ran a global competition for voice and data services, excluding cellular service. Gartner, a global IT consulting company, assisted us with the competition. The entire formal RFP process took approximately one year to complete. We needed a supplier that could do business on a global basis and we initially considered seven bidders. We then narrowed the field down to three competitors, AT&T, Sprint, and Infonet. At
the end of this lengthy evaluation, AT&T won the award because it had the best pricing and the widest reach.

5. On other occasions, NMIIG procures telecom services by direct negotiations with certain carriers, rather than through a formal RFP process. As we like to single source in order to minimize complexity and drive down costs, we identify a few core suppliers and negotiate with those suppliers. Even though we have adopted a process whereby AT&T is our primary telecom supplier, we continue to check the competition periodically, and whenever we add services or change our existing services.

6. I find the telecom industry to be very competitive. We have many choices available to us. We are also seeing new options becoming available in the industry, such as cable companies. We have talked to cable companies on a local basis and we have looked to them for internet access. We believe that cable companies are having an effect on the marketplace currently and they will be very helpful in the coming years as well.

7. We are examining and using various emerging trends as well, such as Voice Over Internet Protocol (“VoIP”). We now use VoIP in our location in Italy, and are examining VoIP nationally. At this time, AT&T’s long distance services are more cost effective than VoIP. This trend, however, will have an increased effect on the telecommunications marketplace in coming years as it becomes more cost effective.

8. NMHG supports the proposed merger between AT&T and BellSouth. We supported the merger between AT&T and SBC and we expect this merger will result in benefits for the customer as well. We believe the proposed merger is a good thing for both BellSouth and AT&T customers because the merger will result in increased efficiency by allowing the customer to purchase multiple services from a single vendor. As BellSouth is primarily a local carrier and
AT&T is predominantly a national and global carrier, AT&T post-merger will have the capabilities of providing end-to-end service. BellSouth, as a local provider, generally handles the equipment and lines that run from a customer's location to a national carrier's equipment and lines. We have a strong preference for dealing with the operating company, and not the local company for that "final mile." Dealing with multiple suppliers results in operational issues, finger-pointing between suppliers, and overall uncertainty with service problems. The combined company will therefore eliminate much of these time-consuming and cost-inducing issues. The combined company will also have a broader portfolio and offer additional services. Further, the transaction costs involved with dealing with one company are lower than when dealing with multiple suppliers.

9. I believe that the merger between AT&T and BellSouth will have either a neutral or a positive effect on competition. I do not believe that the merger will have a negative effect on competition whatsoever. The telecom industry is highly competitive and the merger will result in significant benefits for the customer, including cost savings and added efficiency.

Roy Wittman  
Director of Global Infrastructure  
Director of Information Services  
NACCO Materials Handling Group, Inc.

Dated: 6/12/06
Statement of Tim Malloy (National City Corporation)

1. For the past five years, I have been the Sourcing Lead for National City Corporation and its affiliates. National City is the ninth largest financial institution in the United States with operations in 42 states. I am responsible for all telecom sourcing and acquisition for National City and its affiliates. The company purchases $113 million in telecom services annually.

2. We typically enter into master agreements with large providers for a range of telecom and data services. Currently, AT&T is our predominant data carrier while Verizon is our predominant voice carrier. Our annual telecom spend is split approximately in half between the two companies. For local service, we typically use the Regional Bell Operating Company. To that end, we use BellSouth for our locations inside their footprint and spend nearly $1.5 million annually on BellSouth local data and voice services.

3. For cellular service, we use Verizon, Sprint-Nextel, and Cingular, with Cingular being our smallest provider. Notably, Sprint-Nextel is the first provider that has been able to combine wired and wireless services into a single master agreement, since neither Verizon Wireless or Cingular Wireless are wholly owned companies.

4. Currently, only Verizon and AT&T are large enough to compete for our nationwide business. Logistically it becomes difficult to use a variety of providers such as Broadwing to provide our data and voice networks. Thus, we would not consider BellSouth, a regional carrier, for our nationwide contracts.

5. I anticipate that the merger will create some new opportunities for National City. In particular, because Cingular will become wholly owned by AT&T, we may be
able to enter into a master agreement with AT&T that includes both wired and wireless services. This is very material to us as wired or wireless are now becoming options for the last mile.

6. In addition, the merger will create synergies, allowing us to add the local services we currently obtain from BellSouth to our master agreements with AT&T.

7. Because BellSouth cannot currently compete for our nationwide contracts, the merger will not alter the level of competition that we currently have for our business. I do think that the merger does eliminate the potential of BellSouth partnering with another provider to offer nationwide services in the future. Because telecom services are commodities with prices that tend to fluctuate in cycles, we intend to try to insulate ourselves from any potential effects on the pricing of services by negotiating longer term agreements that will lock in acceptable prices.

Tim Malloy
National City Corporation
Declaration of Terry Freeze

1. I am Terry Freeze, Chief Information Officer of National Safety Associates, Inc. Headquartered in Memphis, Tennessee, NSA is a health products company with a global reach. As CIO, I am responsible for the procurement of telecommunications services for the company. I have been in this position for eleven years.

2. NSA purchases local service from BellSouth and long distance from Sprint. We also just purchased metro Ethernet service from BellSouth. What cellular service we do purchase is provided by Cingular and Nextel. There are other vendors available for certain of these and other such services, including Broadwing, Deltacom, Qwest, Sprint, Time Warner, Verizon, and XO, among others.

3. For instance, we recently purchased BellSouth metro Ethernet, moving from Time Warner to BellSouth, which seemed to be the best fit for the company. Another alternative to provide that service was Memphis Networks. Also, we have had many long distance providers other than Sprint, including Qwest and MCI.

4. I do not believe that the merger will have any dramatic effect on NSA. We are not a present or former AT&T customer, and, after the merger, there will still be a selection of telecommunications service providers available to the company.

Date: ___, 2006

Terry Freeze
Chief Information Officer
National Safety Associates
STATEMENT OF JOHN KILLEBREW

1. My name is John Killebrew. I am the Director of the North Carolina Research and Education Network (NCREN) for MCNC. MCNC is a private, non-for-profit corporation specializing in providing network services to higher education, non-profit and government customers in North Carolina. MCNC is contemplating expanding its focus to serve the full continuum of North Carolina educational customers ("K-20").

2. NCREN is the advanced network designed, built and operated by a collaborative among MCNC and the NCREN community that connects most private and public colleges and universities in North Carolina. MCNC manages NCREN by procuring network elements from a variety of carriers. We spend approximately $5 million annually on high-bandwidth services ranging from DS1s to dark fiber, metro ethernet services and wavelengths. We prefer services that allow us to incrementally expand bandwidth in response to customer requirements at relatively low cost.

3. The carriers MCNC procures network elements from include BellSouth, Time Warner (both Cable and Telecom), Cox, Sprint/Embarq, Verizon, Level 3, Qwest, DeltaCom, DukeNet and ERC (Educational Research Consortium) of the Western Carolinas. We have also solicited quotes from AT&T from time to time, but they have never been the lowest bidder on one of our projects.

4. In serving our non-profit customers, it is important for MCNC to buy the best value network elements we can get. Whenever we identify a new network bandwidth need, we contact every vendor we know that is able to serve our requirements and ask them to provide us a proposal for the best possible solution for our requirement. Rather than specifically identifying a network service (such as a DS3 from Raleigh to Durham), we more frequently
identify a need for flexible bandwidth between specified locations and give the vendors an 
opportunity to offer creative solutions to our requirements. We typically talk to half a dozen 
or more carriers for new contracts. In general, our contracts are for 1-3 year terms, and we 
go through a similar competitive evaluation with multiple carriers when the contract is up for 
renewal.

5. MCNC looks to the marketplace to provide us with increasingly attractive value over time – 
not necessarily lower rates, but more value for the same rates. In the past, there were only a 
few carriers able to serve MCNC's requirements on particular network elements. Now, there 
are more than 10 carriers that we work with, which has been very beneficial to MCNC. 
MCNC values innovation highly, and individuals within BellSouth, DukeNet and Level 3 
have stood out as offering particularly creative approaches to meeting MCNC’s 
requirements. In the last year, North Carolina’s cable companies (Cox, Charter and Time 
Warner) have also emerged to become very responsive and aggressive competitors for our 
bandwidth requirements. Telecom companies can take a long time to provide quotes, but the 
cable companies typically get back to me on a quote request by the next day.

6. The marketplace has evolved to feature a number of very capable providers. I believe that 
the merger of AT&T and BellSouth will be beneficial in creating another strong carrier able 
to provide both local and long-haul services.

John Killebrew
John Killebrew
May 5, 2006