

NEWMAN, COMLEY & RUTH

PROFESSIONAL CORPORATION

ATTORNEYS AND COUNSELORS AT LAW

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P.O. BOX 537

JEFFERSON CITY, MISSOURI 65102-0537

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ROBERT K. ANGSTEAD

ROBERT J. BRUNDAGE

MARK W. COMLEY

CATHLEEN A. MARTIN

STEPHEN G. NEWMAN

JOHN A. RUTH

August 31, 2004

The Honorable Dale Hardy Roberts
Secretary/Chief Regulatory Law Judge
Missouri Public Service Commission
P.O. Box 360
Jefferson City, MO 65102-0360

FILED

AUG 31 2004

Missouri Public
Service Commission

Re: PAETEC Communications, Inc.

Dear Judge Roberts:

Please find enclosed for filing in the referenced matter the original and five copies of an Application for Certification of Service Authority to Provide Basic Local Exchange Telecommunications Services and for Competitive Classification. I also enclose the original and five copies of a Motion for Protective Order concerning Exhibit C to the Application.

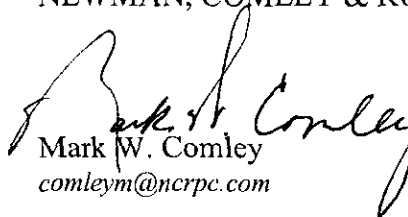
Would you please bring this filing to the attention of the appropriate Commission personnel.

Please contact me if you have any questions regarding this filing. Thank you.

Very truly yours,

NEWMAN, COMLEY & RUTH P.C.

By:


Mark W. Comley
comleym@ncrpc.com

MWC:ab

Enclosure

cc: Office of Public Counsel
General Counsel's Office
Larissa A. Herbowy

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

FILED

AUG 31 2004

In the Matter of the Application of)
PAETEC Communications, Inc. for)
a Certificate of Service Authority to)
Provide Basic Local Telecommunications)
Service in the State of Missouri)
and to classify said services and the)
company as competitive.)

Missouri Public
Service Commission

Case No. _____

**APPLICATION FOR CERTIFICATION OF SERVICE AUTHORITY TO PROVIDE
BASIC LOCAL EXCHANGE TELECOMMUNICATIONS SERVICE AND FOR
COMPETITIVE CLASSIFICATION**

COMES NOW PAETEC Communications, Inc. ("PAETEC"), by its undersigned counsel, and hereby applies pursuant to Sections 392.361, 392.420, and 392.430, 392.410, 392.450 RSMo, the Federal Telecommunications Act of 1996, and 4 CSR 240-2.060, for authority to provide facilities-based and resold basic local exchange telecommunications services in the entire state of Missouri and to classify said service and company as competitive. Pursuant to §392.420 and 4 CSR 240-32.010(2), Applicant seeks a waiver of certain of the Commission's requirements for basic local exchange telecommunications service offerings. In support of its application, PAETEC states as follows:

1. PAETEC is a corporation duly organized and existing under and by virtue of the laws of the State of Delaware. Copies of PAETEC's Articles of Incorporation, Certificate of Authority to transact business in the state of Missouri, and Certificate of Good Standing are attached hereto and incorporated herein as Exhibit A. PAETEC's registered agent in Missouri is C T Corporation System, 120 South Central Avenue, Clayton, MO 63105. PAETEC's principal office is located at:

PAETEC Communications, Inc.
One PAETEC Plaza
600 Willowbrook Office Park
Fairport, NY 14450

2. All inquiries, correspondence, communications, pleadings, notices, orders and decisions relating to the case should be addressed to:

Mark W. Comley
NEWMAN, COMLEY & RUTH, P.C.
601 Monroe Street, Suite 301
P. O. Box 537
Jefferson City, MO 65102-0537

Telephone: (573) 634-2266
Facsimile: (573) 636-3306
E-mail: comleym@ncrpc.com

With copies to:

Larissa A. Herbowy
PAETEC Communications, Inc.
One PAETEC Plaza
600 Willowbrook Office Park
Fairport, NY 14450

Telephone: (585) 340-2944
Facsimile: (585) 340-2563
Email: larissa.herbowy@paetec.com

3. PAETEC has no pending action or final unsatisfied judgment or decisions against it from any state or federal agency or court which involves customer service or rates, which action, judgment or decision has occurred within three years of the date of this application.

4. PAETEC has no annual report or assessment fees that are overdue.

5. Pursuant to this application, PAETEC seeks to offer and provide facilities-based and resold local telecommunications service, including two-way switched voice service throughout the exchanges currently served by SWBT, CenturyTel, Sprint and Spectra, and seeks classification of itself and its services as competitive. The exchanges in which Applicant seeks

authority are listed in approved tariffs of SWBT, CenturyTel, Sprint and Spectra. Pursuant to applicable law, and subject to PAETEC's right under federal and state laws to seek to offer and provide service in geographical areas smaller than an exchange or in market segmentations or to offer customer-specific pricing, similarly situated subscribers located within the listed exchanges will receive services on equal terms and conditions as set forth in PAETEC's tariffs.

6. Consistent with the treatment of other certified competitive local exchange telecommunications companies, PAETEC requests that the following statutes and regulations be waived for it and its resold and facilities-based basic local exchange service offerings in accordance with §392.420 and 4 CSR 240-32.010(2):

<u>Statutes</u>	<u>Missouri Public Service Commission Rules</u>
392.210.2	4CSR 240-10.020
392.240.1	4 CSR 240-3.545 (2) (C)
392.270	4 CSR 240-30.040
392.280	4 CSR 240-3.550 (5) (C)
392.290	4 CSR 240-33.030
392.300.2	
392.310	
392.320	
392.330	
392.340	

7. PAETEC further requests a temporary waiver of 4 CSR 240-3.510 (1) (C). This rule requires that an application for certificate of authority to provide basic local exchange service shall include a tariff with a forty-five day effective date. PAETEC finds it impossible at this time to develop tariffs to fully comply with this rule since it has not yet executed or received Commission approval of any interconnection agreements with incumbent local exchange carriers. At such time as all facts necessary for the development of such tariffs are known to PAETEC, it will promptly file said tariffs bearing no less than a forty-five day effective date with the Commission in a manner consistent with the Commission's practice in similar cases. In

any circumstance, PAETEC will file its proposed basic local exchange telecommunications service and switched exchange access tariffs no later than thirty days after Commission approval of the applicant's interconnection agreement(s).

8. PAETEC possesses the technical and managerial expertise and experience necessary to provide the services it proposes. Descriptions of backgrounds of PAETEC's management, which demonstrate the extensive experience and expertise, are attached hereto and incorporated herein as Exhibit B.

9. PAETEC also possesses the necessary financial resources. Twelve months of historical and recent company-wide financial statements, including a balance sheet and income statement, are submitted under seal as a separate Exhibit C, incorporated herein by reference.

10. Please note that the information provided in Exhibit C is privileged and confidential and therefore is being submitted separately as an appendix to the Company's *Motion for a Protective Order* ("Motion"). The Motion seeks confidential treatment of all information contained in Exhibit C and is being filed pursuant to proposed 4 CSR § 240-2.085, solely for the purpose of the Commission's *in-camera* review.

11. PAETEC will offer basic local telephone service as a separate and distinct service.

12. PAETEC will give consideration to equitable access for all Missourians, regardless of where they live or their income, to affordable telephone services in the proposed area.

13. PAETEC is willing to comply with all applicable Commission rules and is willing to meet all relevant service standards including, but not limited to, billing, quality of service, and the filing and maintaining of tariffs.

14. Notwithstanding the provisions of Section 392.500 RSMo., as a condition of certification and competitive classification, PAETEC agrees that, unless otherwise ordered by the Commission, PAETEC's originating and terminating switched exchange access rates will be no greater than the lowest Commission-approved corresponding access rates in effect for each ILEC within whose service area(s) PAETEC seeks authority to provide service. Additionally, pursuant to the Commission's Report and Order in Case No. TO-99-596, PAETEC agrees that if the ILEC in whose service area PAETEC is operating decreases its originating and/or terminating access service rates, PAETEC shall file an appropriate tariff amendment to reduce its originating and/or terminating access rates within thirty (30) days of the ILEC's reduction of its originating and/or terminating access rates in order to maintain the cap on switched exchange access rates.

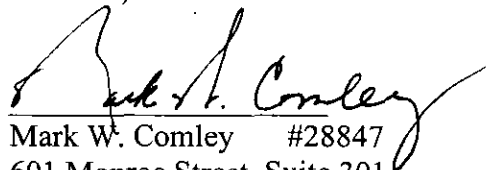
15. PAETEC submits that the public interest will be served by Commission approval of this application because PAETEC's proposed services will create and enhance competition and expand customer service options consistent with the legislative goals set forth in the Federal Telecommunications Act of 1996 and Chapter 392 RSMo. Prompt approval of this application will also expand the availability of innovative, high quality, and reliable telecommunications services within the State of Missouri.

WHEREFORE, PAETEC respectfully requests that the Commission grant it a Certificate of Service Authority to provide facilities-based and resold basic local exchange services as herein requested, classify PAETEC and its proposed services as competitive, and grant a waiver of the aforesaid statutes and regulations.

Respectfully submitted,

NEWMAN, COMLEY & RUTH P.C.

By:


Mark W. Comley #28847
601 Monroe Street, Suite 301
P. O. Box 537
Jefferson City, MO 65102-0537

Telephone: (573) 634-2266

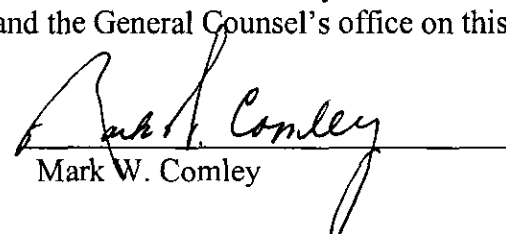
Facsimile: (573) 636-3306

E-mail: comleym@ncrpc.com

ATTORNEY FOR
PAETEC Communications, Inc.

CERTIFICATE OF SERVICE

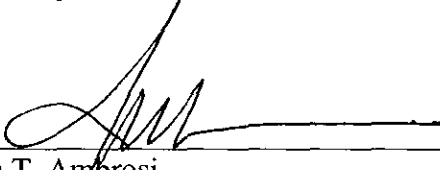
I hereby certify that a copy of this document has been sent by electronic mail or hand delivered to the Office of Public Counsel and the General Counsel's office on this 31st day of August, 2004.


Mark W. Comley

VERIFICATION

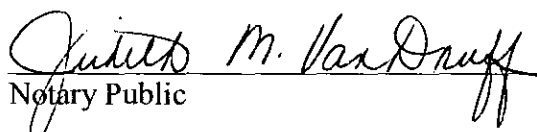
STATE OF New York)
) ss.
COUNTY OF Monroe)

I, John T. Ambrosi, being first duly sworn upon oath, do hereby depose and state that I am Vice President, Carrier and Government Relations of PAETEC Communications, Inc., a Delaware corporation, and am authorized to execute this verification; that I have read the above and foregoing application and know the contents thereof; that the contents are true in substance and in fact, except as those matters which are stated upon information and belief, and as to those, I believe the same to be true.



John T. Ambrosi,
Vice President Carrier and Government Relations

Subscribed and sworn to before me, a Notary Public, on this 25th day of August, 2004.



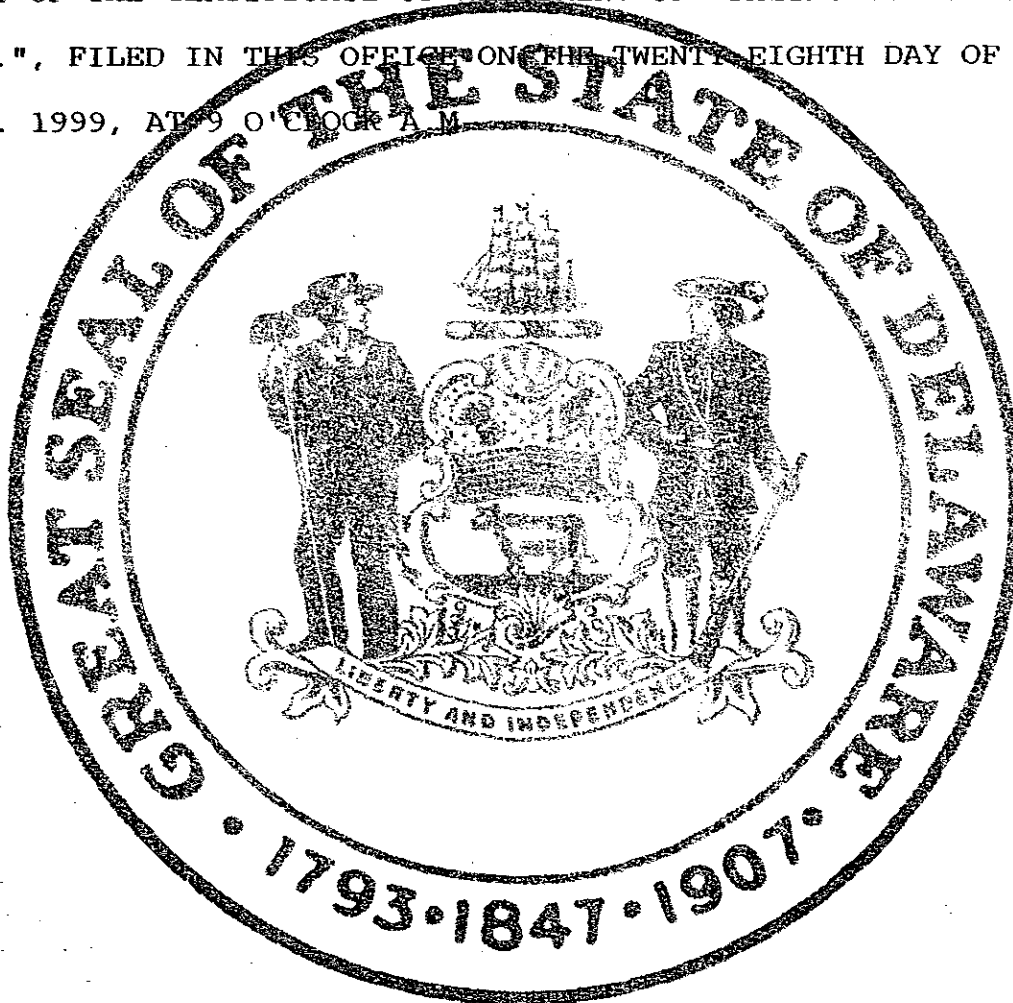
Notary Public

JUDITH M. VANDRUFF
NOTARY PUBLIC, STATE OF NEW YORK
NO. 4669116
QUALIFIED IN MONROE COUNTY
COMMISSION EXPIRES 2/28/07

EXHIBIT A

Office of the Secretary of State

I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF AMENDMENT OF "PAETEC COMMUNICATIONS, INC.", FILED IN THIS OFFICE ON THE TWENTY EIGHTH DAY OF OCTOBER, A.D. 1999, AT 9 O'CLOCK A.M.



2901942 8100

991470505


Edward J. Freel, Secretary of State

AUTHENTICATION:

0064898

DATE:

11-04-99

**CERTIFICATE OF AMENDMENT
OF
CERTIFICATE OF INCORPORATION
OF
PAETEC COMMUNICATIONS, INC.**

Pursuant to Section 242 of the General Corporation Law of the State of Delaware

PAETEC COMMUNICATIONS, INC., a corporation incorporated, organized and existing under the laws of the State of Delaware, hereby certifies as follows:

FIRST: The name of the corporation is **PaTec Communications, Inc.** (the "Corporation").

SECOND: The amendment to the Certificate of Incorporation to be effected is as follows:

Article **FOURTH** of the Certificate of Incorporation, relating to the shares of the Corporation is amended to read as follows:

"FOURTH: The aggregate number of shares which the Corporation shall have authority to issue is 1,500 shares, all of which shall be Common Shares with no par value."

THIRD: The Amendment set forth herein was duly adopted and approved by the Board of Directors of the Corporation by unanimous written consent as permitted under the Bylaws and Section 141(f) of the General Corporation Law, and by the written consent of the stockholder having a majority of the votes entitled to be cast, in accordance with Section 228 of the General Corporation Law. This Amendment was duly adopted in accordance with the provisions of Section 242 of the General Corporation Law.

IN WITNESS WHEREOF the undersigned, a duly authorized officer of the Corporation, has executed this Certificate on October 28, 1999.

PAETEC COMMUNICATIONS, INC.

By:


Daniel J. Venuti,
Secretary

Office of the Secretary of State

I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF AMENDMENT OF "PAETEC COMMUNICATIONS, INC.", FILED IN THIS OFFICE ON THE NINETEENTH DAY OF AUGUST, A.D. 1999, AT 9 O'CLOCK A.M.




Edward J. Freel, Secretary of State

2901942 8100

991347799

AUTHENTICATION: 9930923

DATE: 08-19-99

**CERTIFICATE OF AMENDMENT
OF
CERTIFICATE OF INCORPORATION
OF
PAETEC COMMUNICATIONS, INC.**

Pursuant to Section 242 of the General Corporation Law of the State of Delaware

PAETEC COMMUNICATIONS, INC., a corporation incorporated, organized and existing under the laws of the State of Delaware, hereby certifies as follows:

FIRST: The name of the corporation is PaeTec Communications, Inc. (the "Corporation").

SECOND: The amendment to the Certificate of Incorporation to be effected is as follows:

Article FOURTH of the Certificate of Incorporation, relating to the shares of the Corporation is amended to read as follows:

"FOURTH: The aggregate number of shares which the Corporation shall have authority to issue is 27,500,000 shares, all of which shall be Common Shares with a par value of \$.01 per share."

THIRD: The Corporation currently has outstanding 100 common shares with no par value. These shares will be exchanged for new common shares and will be canceled.

FOURTH: The Amendment set forth herein was duly adopted and approved by the Board of Directors of the Corporation by unanimous written consent as permitted under the Bylaws and Section 141(f) of the General Corporation Law, and by the written consent of the stockholder having a majority of the votes entitled to be cast, in accordance with Section 228 of the General Corporation Law. This Amendment was duly adopted in accordance with the provisions of Section 242 of the General Corporation Law.

IN WITNESS WHEREOF the undersigned, a duly authorized officer of the Corporation, has executed this Certificate on August 17, 1999.

PAETEC COMMUNICATIONS, INC.

By:


Daniel J. Vanuti
Secretary

State of Delaware
Office of the Secretary of State PAGE 1

I, EDWARD J. FREEL, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY THE ATTACHED IS A TRUE AND CORRECT COPY OF THE CERTIFICATE OF INCORPORATION OF "PAETEC COMMUNICATIONS, INC.", FILED IN THIS OFFICE ON THE TWENTY-EIGHTH DAY OF MAY, A.D. 1998, AT 3:05 O'CLOCK P.M.

A FILED COPY OF THIS CERTIFICATE HAS BEEN FORWARDED TO THE NEW CASTLE COUNTY RECORDER OF DEEDS.



Edward J. Freel, Secretary of State

2901942 8100

981205214

AUTHENTICATION. 9107400

DATE 05-28-98

May 28-98 04:32P National corporate

resda 302/341478

STATE OF DELAWARE
SECRETARY OF STATE
DIVISION OF CORPORATIONS
FILED 03:05 PM 05/28/1998
981205214 - 2901942**CERTIFICATE OF INCORPORATION****OF****PARTEC COMMUNICATIONS, INC.**

FIRST: The name of this Corporation is **PARTEC COMMUNICATIONS, INC.**

SECOND: Its Registered Office in the State of Delaware is to be located at 1209 Orange Street, in the City of Wilmington, County of New Castle 19801. The Registered Agent in charge thereof is The Corporation Trust Company.

THIRD: The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of Delaware.

FOURTH: The aggregate number of shares which the Corporation is authorized to issue is One Thousand Five Hundred (1,500), all of which are to be shares of common stock having no par value.

FIFTH: The name and mailing address of the incorporator is as follows:

Name: Thomas P. Young, Esq.
Mailing Address: 700 Midtown Tower
Rochester, New York 14604

SIXTH: The Board of Directors is authorized to make, alter or repeal the By-laws of the Corporation. Election of directors need not be by written ballot.

SEVENTH: Liability of Directors. A member of the Corporation's Board of Directors shall not be personally liable to the Corporation or its stockholders for monetary damages for a breach of fiduciary duty as a director, except for liability of the director (a) for any breach of the director's duty of loyalty to the Corporation or its shareholders, (b) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (c) under Section 174 of the Delaware General Corporation Law, relating to the payment of unlawful dividends or unlawful stock repurchases or redemptions, or (d) for any transaction from which the director derived an improper personal benefit. If the Delaware General Corporation Law is amended to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director of the Corporation shall be eliminated or limited to the fullest extent permitted by the Delaware General Corporation Law, as so amended. Any repeal or modification of this Paragraph by

the stockholders of the Corporation shall not adversely affect any right or protection of a director of the Corporation existing at the time of such repeal or modification.

EIGHTH: Indemnification.

(a) **Right to Indemnification.** Each person who was or is made a party or is threatened to be made a party to or is otherwise involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (hereinafter a "proceeding"), by reason of the fact that he or she is or was a director or officer of the Corporation, or as a director or officer of the Corporation he or she is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to an employee benefit plan (hereinafter an "indemnitee"), whether the basis of such proceeding is alleged action in an official capacity as a director, officer, employee or agent or in any other capacity while serving as a director, officer, employee or agent, shall be indemnified and held harmless by the Corporation to the fullest extent authorized by the Delaware General Corporation Law, as the same exists or may hereafter be amended (but, in the case of any such amendment, only to the extent that such amendment permits the Corporation to provide broader indemnification rights than such law permitted the Corporation to provide prior to such amendment), against all expense, liability and loss (including attorneys' fees, judgments, fines, ERISA excise taxes or penalties and amounts paid in settlement) reasonably incurred or suffered by such indemnitee in connection therewith, and such indemnification shall continue as to an indemnitee who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the indemnitee's heirs, executors and administrators; provided, however, that, except as provided in subparagraph (b) hereof with respect to proceedings to enforce rights to indemnification, the Corporation shall indemnify any such indemnitee in connection with a proceeding (or part thereof) initiated by such indemnitee only if such proceeding (or part thereof) was authorized by the Board of Directors of the Corporation. The right to indemnification conferred in this Paragraph shall be a contract right and shall include the right to be paid by the Corporation the expenses incurred in defending any such proceeding in advance of its final disposition (hereinafter an "advancement of expenses"); provided, however, that, if the Delaware General Corporation Law requires, an advancement of expenses incurred by an indemnitee in his or her capacity as a director or officer (and not in any other capacity in which service was or is rendered by such indemnitee, including, without limitation, service to an employee benefit plan) shall be made only upon delivery to the Corporation of an undertaking (hereinafter an "undertaking"), by or on behalf of such indemnitee, to repay all amounts so advanced if it shall ultimately be determined by final judicial decision from which there is no further right to appeal (hereinafter a "final adjudication") that such indemnitee is not entitled to be indemnified for such expenses under this Paragraph or otherwise.

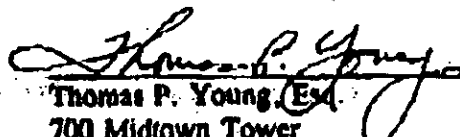
(b) Right of Indemnitee to Bring Suit. If a claim under subparagraph (a) of this Paragraph is not paid in full by the Corporation within sixty days after a written claim has been received by the Corporation, except in the case of a claim for an advancement of expenses, in which case the applicable period shall be twenty days, the indemnitee may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim. If successful in whole or in part in any such suit, or in a suit brought by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the indemnitee shall be entitled to be paid also the expense of prosecuting or defending such suit. In any suit brought by the indemnitee to enforce a right to indemnification hereunder (but not in a suit brought by the indemnitee to enforce a right to an advancement of expenses) it shall be a defense that the indemnitee has not met the applicable standard of conduct set forth in the Delaware General Corporation Law. In any suit by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking the Corporation shall be entitled to recover such expenses upon a final adjudication that the indemnitee has not met the applicable standard of conduct set forth in the Delaware General Corporation Law. Neither the failure of the Corporation (including its Board of Directors, independent legal counsel, or its stockholders) to have made a determination prior to the commencement of such suit that indemnification of the indemnitee is proper in the circumstances because the indemnitee has met the applicable standard of conduct set forth in the Delaware General Corporation Law, nor an actual determination by the Corporation (including its Board of Directors, independent legal counsel, or its stockholders) that the indemnitee has not met such applicable standard of conduct, shall create a presumption that the indemnitee has not met the applicable standard of conduct or, in the case of such a suit brought by the indemnitee to enforce a right to indemnification or to an advancement of expenses hereunder, or by the Corporation to recover an advancement of expenses pursuant to the terms of an undertaking, the burden of proving that the indemnitee is not entitled to be indemnified, or to such advancement of expenses, under this Paragraph or otherwise shall be on the Corporation.

(c) Non-Exclusivity of Rights. The rights of indemnification and to the advancement of expenses conferred in this Paragraph shall not be exclusive of any other right which any person may have or hereafter acquire under any statute, this Certificate of Incorporation, bylaw, agreement, vote of stockholders or disinterested directors or otherwise.

(d) Insurance. The Corporation may maintain insurance, at its expense, to protect itself and any director, officer, employee or agent of the Corporation or of another corporation, partnership, joint venture, trust or other enterprise, against any expense, liability or loss, whether or not the Corporation would have the power to indemnify such person against such expense, liability or loss under the Delaware General Corporation Law.

(c) Indemnification of Employees and Agents of the Corporation. The Corporation may, to the extent authorized from time to time by the Board of Directors, grant rights to indemnification, and to the advancement of expenses, to any employee or agent of the Corporation to the fullest extent of the provisions of this Paragraph with respect to the indemnification and advancement of expenses of directors and officers of the Corporation.

The undersigned, for the purpose of forming a corporation under the laws of the State of Delaware, makes, files and records this Certificate; and certifies that the facts herein stated are true, and I have accordingly hereunto set my hand this 28th day of May, 1998.


Thomas P. Young, Esq.
700 Midtown Tower
Rochester, New York 14604

STATE OF MISSOURI



Matt Blunt
Secretary of State

**CORPORATION DIVISION
CERTIFICATE OF GOOD STANDING**

I, MATT BLUNT, Secretary of the State of Missouri, do hereby certify that the records in my office and in my care and custody reveal that


PAETEC COMMUNICATIONS, INC.

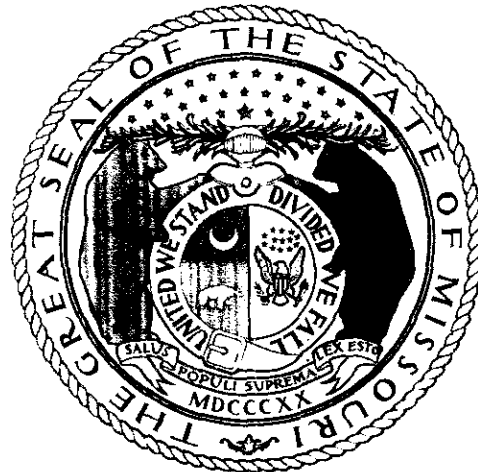
using in Missouri the name

**PAETEC COMMUNICATIONS, INC.
F00457323**

a DELAWARE entity was created under the laws of this State on the 24th day of June, 1998, and is in good standing, having fully complied with all requirements of this office.

IN TESTIMONY WHEREOF, I have set my hand and imprinted the GREAT SEAL of the State of Missouri, on this, the 26th day of August, 2004


Secretary of State



Certification Number: 6967519-1 Reference:
Verify this certificate online at <http://www.sos.mo.gov/businessentity/verification>

STATE OF MISSOURI



Rebecca McDowell Cook
Secretary of State

CORPORATION DIVISION - CERTIFICATE OF AUTHORITY

WHEREAS,
 PAETEC COMMUNICATIONS, INC.

USING IN MISSOURI THE NAME
 PAETEC COMMUNICATIONS, INC.

HAS COMPLIED WITH THE GENERAL AND BUSINESS CORPORATION LAW WHICH GOVERNS FOREIGN CORPORATIONS; BY FILING IN THE OFFICE OF THE SECRETARY OF STATE OF MISSOURI AUTHENTICATED EVIDENCE OF ITS INCORPORATION AND GOOD STANDING UNDER THE LAWS OF THE STATE OF DELAWARE.

NOW, THEREFORE, I, REBECCA MCDOWELL COOK, SECRETARY OF STATE OF THE STATE OF MISSOURI, DO HEREBY CERTIFY THAT SAID CORPORATION IS FROM THIS DATE DULY AUTHORIZED TO TRANSACT BUSINESS IN THIS STATE, AND IS ENTITLED TO ALL RIGHTS AND PRIVILEGES GRANTED TO FOREIGN CORPORATIONS UNDER THE GENERAL AND BUSINESS CORPORATION LAW OF MISSOURI.

IN TESTIMONY WHEREOF, I HAVE SET MY HAND AND IMPRINTED THE GREAT SEAL OF THE STATE OF MISSOURI, ON THIS, THE 24TH DAY OF JUNE, 1998.

Rebecca McDowell Cook
 Secretary of State



\$155.00

EXHIBIT B

Backgrounds of PAETEC's Management

Arunas A. Chesonis

Chairman, Chief Executive Officer, and President

Overview

Arunas A. Chesonis serves as Chairman of the board and Chief Executive Officer of PAETEC Corp., and its subsidiary PAETEC Communications, Inc. PAETEC is an integrated communications provider offering broadband services, including advanced voice and video, enhanced data, and communications management services to medium-sized and large businesses, colleges and universities, hospitals, governmental organizations and affinity groups. Formed in May of 1998 and headquartered in Fairport, NY, PAETEC serves customers in 27 markets and currently has over 1050 employees.

History

Prior to forming PAETEC in 1998, Mr. Chesonis served as President of ACC Corp., the parent company for all ACC-owned operations in the United States, Canada, Germany, and the United Kingdom, from February 1994 until April 1998 and was elected to its Board of Directors in October 1994. Mr. Chesonis first joined ACC in May 1987 as Vice President of Operations for the U.S. business unit. Prior to joining ACC, he held various positions within Rochester Telephone Corporation, now Citizen's Communications.

Awards

In 2003, Mr. Chesonis was awarded the Mercer Consulting Humanitarian Award. In 2001, he was awarded the Ernst & Young Entrepreneur of the Year Award. In 1998, he was selected as one of the recipients of the Rochester Area Community Foundation's Philanthropy Award.

Education

Mr. Chesonis holds a B.S. in Civil Engineering from the Massachusetts Institute of Technology, and an MBA from the Simon School at the University of Rochester.

John P. Baron

Chief Marketing Officer

Overview

Mr. Baron has served PAETEC Communications as President, Northern Region, and as an Executive Vice President since June of 1998. Mr. Baron possesses management experience spanning two decades, including several years in telecom sales and customer-service management.

History

Most recently, Mr. Baron served as Vice President of Sales and Customer Service for ACC Telecom's U.S. operations. In just under 3 years, Mr. Baron's commercial sales teams grew annual revenues from \$30 million to over \$100 million, and successfully transitioned ACC from traditional long-distance sales and service to a comprehensive product set, offering local, long-distance, Internet, and data services. During his tenure with ACC, in addition to U.S. sales, Mr. Baron managed Account Development, Customer Service, Sales Support, Information Processing, University Sales and Service, and Marketing.

Prior to joining ACC in 1995, Mr. Baron served as President of ETI Technical College, a 4-year engineering college in Cleveland, Ohio. In this capacity, Mr. Baron held full profit-and-loss responsibility, and returned the college to profitability following \$1 million in annual losses prior to his arrival in 1992. Mr. Baron also designed and built a multimillion-dollar campus and dormitory complex in the heart of downtown Cleveland. Mr. Baron served as Vice President of Corporate Sales and Telephonic Banking at Goldome Bank through the late 80s and early 90s, managing 114 people comprising the bank's largest and most profitable sales and customer-service groups. Mr. Baron also served as a regional manager for Allnet Communications for all of Western New York State and Pennsylvania from 1983 to 1987.

Education

Mr. Baron holds an MBA from Syracuse University with a concentration in marketing, graduating summa cum laude. He also holds a Bachelor of Science degree in Neuroscience from the University of Rochester.

Bradford M. Bono **Chief Operating Officer**

Overview

Bradford M. Bono has served PAETEC Communications as President, Eastern Region, and as an Executive Vice President and Director since June of 1998. Mr. Bono also was appointed President, Southern Region, in April of 2000.

History

Prior to joining PAETEC, Mr. Bono served as Vice President of Alternate Channel Sales for ACC Telecom. In this capacity, Mr. Bono held responsibility for the utilization of strategic business alliances, joint ventures, and other associations to market and sell products and services throughout the United States. Prior to joining ACC Telecom, Mr. Bono served as a co-founder of Vista International Communications, Inc., based in Mt. Arlington, New Jersey. Mr. Bono served as Executive Vice President and Chief Operating Officer of Vista, and served on the Board of Directors from 1991 to 1997. In August of 1997, Vista was acquired by ACC Telecom.

Awards

Mr. Bono was recently recognized by The New Jersey Business News as a recipient of their "40 Under 40" award. In 1995, Mr. Bono was the winner of the NatWest Bank/Morris County Chamber of Commerce, New Jersey Young Entrepreneur of the Year. Mr. Bono is on the Board of Trustees at the Ronald McDonald House in Camden, New Jersey.

Community

In 1997, Mr. Bono founded the Bradford M. Bono Charitable Trust. The trust was organized to assist several charities that specialize in the cure and treatment of various diseases affecting children.

Education

Mr. Bono holds a Bachelor of Arts in Political Science from the University of Delaware.

Jeffrey L. Burke

Executive Vice President, Managed Services and Information Technology

Overview

Jeffrey L. Burke serves PAETEC Communications as Executive Vice President, Managed Services and IT. He has held this post since March of 2003.

History

Prior to joining PAETEC, Mr. Burke served as president of CXO Partners, an independent consulting firm focused on assisting emerging technology companies in achieving their business objectives. He was previously the Chief Executive Officer and co-founder of NetSetGo, Inc., a regional Internet professional services firm with offices in eight states across the eastern United States. Mr. Burke also served in executive roles at both Xerox Corporation and Digital Equipment Corporation where he successfully developed new technology-based service businesses.

Community

Mr. Burke serves on the board of directors of the American Lung Association, Finger Lakes Region, and is a former board member and supporter of the Rochester & Syracuse Epilepsy Foundation. He also serves on the advisory board of numerous businesses, including Relevant Technologies, Emenete Business Services, Document Dynamics, 2Logical and Genesee Valley Trust.

Education

Burke holds a Bachelors of Science degree in Accountancy from Bentley College.

Edward J. Butler Jr.
Co-Chief Operating Officer

Overview

Edward J. Butler, Jr. serves PAETEC Communications as Co-Chief Operating Officer. In this capacity, Mr. Butler holds overall responsibility for PAETEC's Engineering and Operations organizations, as well as the company's Network division. Mr. Butler also oversees PAETEC's Wholesale Markets Group, including its reseller channel.

History

Mr. Butler possesses more than 20 years of experience in the telecommunications industry in a variety of roles. Mr. Butler joined PAETEC Communications as a member of the founding officer team in 1998. Prior to joining PAETEC, Mr. Butler served ACC Communications for more than a decade in a number of executive and managerial positions.

Community

Mr. Butler serves on the Comptel Alliance CEO Council. Mr. Butler is also Vice-Chairman for Compeer West, a not for profit United Way mentoring agency in Western New York.

Keith M. Wilson
Executive Vice President, Chief Financial Officer

Overview

Keith M. Wilson has served as PAETEC Communication's Chief Financial Officer since January of 2001. Mr. Wilson has been providing capital for telecommunications companies for more than a decade. He has been personally involved in raising and providing over \$15 billion in capital for telecommunications companies, including private equity, mezzanine debt, senior bank debt and public debt.

History

Mr. Wilson most recently served as Vice President and Team Leader for the Telecommunications Finance Group at Union Bank of California, where he focused on sourcing and providing capital for telecommunications services companies in the wireline, wireless, and data-services markets. Prior to joining Union Bank of California, he served as Vice President of Merchant Banking and Head of Syndicated Finance for First Dominion Capital, based in New York. Mr. Wilson also has held positions with NationsBank, Bank of Boston, and Fleet Bank.

Education

Mr. Wilson received a Bachelor of Arts degree from Dickinson College in Carlisle, PA where he was a Nisbet Scholar, and a master's degree from The University of Michigan, in Ann Arbor, MI.

Timothy J. Bancroft

Executive Vice President and Treasurer

Overview

Timothy J. Bancroft has served as a senior officer for PAETEC Communications since June of 1998.

History

From June 1993 to June 1998, Mr. Bancroft served as the Vice President, Finance for a subsidiary of Citizens Communications, Inc., a company engaged in a variety of telecommunications and utilities businesses. From 1971 to 1993, Mr. Bancroft held several financial positions with Rochester Telephone Corporation, now known as Frontier Communications Corporation.

Community

Mr. Bancroft serves on the boards of the Hillside Children's Center and the Al Sigl Center in Rochester, N.Y. as well as the Perinton Recreation and Parks Commission in Perinton N.Y.

Education

Mr. Bancroft holds a Bachelor of Science degree in Business Administration from the Rochester Institute of Technology.

Daniel J. Venuti

Executive Vice President, Secretary and General Counsel

Overview

Daniel J. Venuti has served as PAETEC Communication's Executive Vice President, Secretary and General Counsel since June 1998. Mr. Venuti has over 19 years of experience in corporate legal matters, with a concentration in telecommunications law.

History

Prior to joining PAETEC, Mr. Venuti served as Vice President and General Counsel for ACC Telecom in Rochester, New York, with responsibility for all of ACC's U. S. legal and regulatory operations. Mr. Venuti joined ACC in 1994 and actively supported all aspects of ACC's long-distance, CLEC, Internet, and data services product offerings. He also successfully guided ACC's publicly traded parent company, ACC Corp, through a number of acquisitions, financing transactions, and secondary stock offerings.

Prior to assuming the General Counsel role at ACC, Mr. Venuti spent just under 10 years in private practice with Bond, Schoeneck, & King in Syracuse, New York. Mr. Venuti built a successful general corporate practice serving the various needs of the business

community, while also developing a specialized practice focusing on telecommunications-related matters.

Affiliations

Mr. Venuti is a member of the American Corporate Counsel Association, the Federal Communications Bar Association, the New York State Bar Association, and the Onondaga County Bar Association.

Education

Mr. Venuti holds a J. D. from the State University of New York at Buffalo School of Law, where he graduated magna cum laude. He also has a Bachelor of Arts degree; magna cum laude, from Syracuse University.

Richard J. Padulo

Executive Vice President, Engineering and Operations

Overview

Richard J. Padulo has served PAETEC Communications as Executive Vice President, Engineering and Operations since joining PAETEC in June of 1998. Mr. Padulo has over 38 years of experience in the telecommunications industry; his technical experience includes central-office switching, operations, and teaching switch-center operations and management.

History

Mr. Padulo began his career in the U.S. Army as a communications specialist. Mr. Padulo followed his military service with employment at Rochester Telephone Corporation, now known as Frontier Corporation. In 1992, Mr. Padulo joined ACC Telecom as the Director of Operations, where he assisted in the management of the long-distance operations in the United States and Canada. In 1994, Mr. Padulo assisted in the start-up of ACC's local telephone subsidiary, ACC National Telecom, where he assisted with business planning, and subsequently assumed the position of Director of Operations and Engineering. He was also involved in building 9 switch sites and networks for the core of the business.

Chris Bantoft

President, Western Region

Overview

Chris Bantoft serves PAETEC Communications as President, Western Region.

History

Mr. Bantoft's career spans more than 30 years of international business management. Prior to joining PAETEC, Mr. Bantoft served as Chief Executive Officer for ACC

Telecom Europe, where, in a span of four years, he developed an entrepreneurial startup business into a \$140 million enterprise with 350 employees. Mr. Bantoft also architected the international expansion of ACC Telecom into Germany, and brokered the successful sale of the business. Prior to his tenure at ACC Telecom, Mr. Bantoft's career encompassed industries from consumer goods to office systems. His first role in the telecommunications industry was as Managing Director of Alcatel Business Systems in the United Kingdom.

Education

Mr. Bantoft holds a Bachelor of Science degree in Economics from London University.

Joseph D. Ambersley

Executive Vice President, Mergers and Acquisitions

Overview

Joseph D. Ambersley has served as an Executive Vice President for PAETEC Communications, Inc, since June of 1998, and was appointed Executive Vice President, Mergers and Acquisitions, in April of 2000. Mr. Ambersley has also served as President, Southern Region, of PAETEC Communications between June 1998 and April 2000.

History

Mr. Ambersley has worked in the telecommunications industry for more than two decades, beginning in 1983 with Microtel, Inc. in Boca Raton, Florida. He served as Vice President of Carrier Sales for ATC/Microtel, and for seven years was Vice President of Carrier Sales at National Tel of Florida. Mr. Ambersley was elected to the Board of Directors of ACTA, America's Carriers Telecommunications Association, one of the national trade associations representing interexchange carriers, and served in that capacity from 1995 to 1998. He has also served as the secretary/treasurer of the Associated Communications Companies of America (ACCA) since 1995. Prior to 1983, Mr. Ambersley served as the Athletic Director at the University of West Florida in Pensacola.

Education

Mr. Ambersley received a Bachelor of Science degree from Florida State University in 1972, and a Master's degree from Rollins College in 1976.

EXHIBIT C
FINANCIAL STATEMENTS
(Submitted under Seal)