EXHIBIT B

NEWS

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This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action. See MCI v. FCC. 515 F 2d 385 (D.C. Circ 1974).

FOR IMMEDIATE RELEASE
March 31, 2004

NEWS MEDIA CONTACT
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Press Statement of Chairman Michael K. Powell and Commissioners Kathleen Q. Abernathy, Michael J. Copps, Kevin J. Martin and Jonathan S. Adelstein On Triennial Review Next Steps

Today, we sent a letter to telecommunications carriers and trade associations urging them to begin a period of commercial negotiations designed to restore certainty and preserve competition in the telecommunications market. Ongoing litigation has unsettled the market. To address this uncertainty, we ask all carriers to engage in a period of good faith negotiations to arrive at commercially acceptable arrangements for the availability of unbundled network elements. We trust the parties will utilize all means at their disposal, including the selection of a third-party mediator, to maximize the success of this effort. The Communications Act emphasizes the role of commercial negotiations as a tool in shaping a competitive communications marketplace. After years of litigation and uncertainty, such agreements are needed now more than ever.

To provide additional time for these negotiations, we intend to petition the D.C. Circuit for a 45-day extension of the stay of its decision vacating our unbundling rules. We likewise will request that the Solicitor General seek a comparable extension of the deadline for filing a petition for certiorari. The express, limited purpose of this request is to allow these negotiations to take place and for the parties to reach commercial agreements. We have asked the carriers to indicate to us by Tuesday, April 6 whether they will participate and will support a stay of the court's mandate.

In the past, the Commission has been divided on these issues. Today, we come together with one voice to send a clear and unequivocal signal that the best interests of America's telephone consumers are served by a concerted effort to reach a negotiated arrangement. We call on all sides to commit to working in good faith toward a prompt negotiated resolution.

- FCC -

EXHIBIT C

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SAGE TELECOM CONTINUES TO ADD NEW RESIDENTIAL AND SMALL BUSINESS TELEPHONE CUSTOMERS.

Growth continues as competitors leave marketplace.

DALLAS, TEXAS, June 25, 2004

Sage Telecom announced early this morning that it will continue to add new local and long distance customers in the eleven states where it currently does business. Included are California, Illinois, Indiana, Kansas, Michigan, Oklahoma, Texas and Wisconsin. Sage will also actively market its services in Arkansas, Missouri and Ohio, three of the states in which AT&T Corp. has announced it will stop selling traditional local and long distance residential services.

Based on Sage's recently announced private agreement with SBC, Sage plans to continue its program of controlled expansion and growth in both the residential and business telephone segments. The agreement between Sage and SBC assures the continuation of competitive choices and innovative services in areas where SBC is the incumbent telephone company.

Sage is also expanding into data services and will introduce high speed internet service to many of its rural markets.

Sage Telecom currently serves over 550,000 residential and small business customers throughout the U.S. For more information about Sage Telecom services, consumers can call 1-888-972-7243 during normal business hours Monday through Saturday or visit the Sage Telecom website (www.sagetelecom.net).

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News Release

FOR RELEASE WEDNESDAY, JUNE 23, 2004

AT&T To Stop Competing In The Residential Local and Long-Distance Market In Seven States

MORRISTOWN, N.J. -- AT&T today announced that it will stop competing for local and long-distance residential customers in Ohio, Missouri, Washington, Tennessee, Louisiana, Arkansas and New Hampshire -- states comprising a population of nearly 38 million Americans.

This action is a result of a June 9 decision by the Administration and the FCC not to appeal a recent Federal court decision that overturned FCC wholesale rules put in place to introduce competition in local markets. The reversal of local competition policy by the Administration will permit the Bell companies to raise wholesale rates as early as November. This increase in wholesale rates means that AT&T will likely be unable to economically serve customers with the competitive bundles currently available.

The Administration's decision two weeks ago effectively eliminated pro-competition rules adopted by the FCC nearly 18 months ago. Without these rules, AT&T has been forced to reassess its ability to serve residential consumers in the other 39 states in which it provides local and long-distance service.

Today's announcement to stop competing in seven states for residential customers is a result of that reassessment. AT&T will make further announcements as it continues its review.

"We foresee a future with less choice for consumers," said David Dorman, chairman and CEO of AT&T. "Competitive alternatives are simply not available today for most Americans," he added, "because as AT&T loses the ability to provide them with an alternative to the Bell companies, they will have virtually no choice of telecommunications provider."

Dorman noted that for the consumer market, the ability of a competitor to bundle a variety of services -- particularly local and long-distance service -- has essentially been eradicated by the June 9 decision. Without an effective local product in its service bundle, AT&T foresees that it will not be able to effectively provide customers with a complete package of telecommunications services.

Since the passage of the Telecom Act in 1996, almost 30 million lines, representing more than 20 million consumers and small businesses, are receiving local phone service from a non-Bell service provider. Studies have shown that all purchasers of local phone service save over $11 billion a year because competition brings better pricing and improved service offers.

The company stressed that it will continue to serve its existing residential customers in the affected states, and that its announcement today does not affect its enterprise, government and other small- and medium-sized business customers. It will also not affect customers with DSL and cable modem offerings who subscribe to the company's Voice over IP offering, AT&T CallVantage℠ Service.

About AT&T

For more than 125 years, AT&T (NYSE "T") has been known for unparalleled quality and reliability in communications. Backed by the research and development capabilities of AT&T Labs, the company is a global leader in local, long distance, Internet and transaction-based voice and data services.

AT&T 'Safe Harbor'

The foregoing contains "forward-looking statements" which are based on management's beliefs as well as on a number of assumptions concerning future events made by and information currently available to management. Readers are cautioned not to put undue reliance on such forward-looking statements, which are not a guarantee of performance and are subject to a number of uncertainties and other factors, many of which are outside AT&T's control, that could cause actual results to differ materially from such statements. These risk factors include the impact of increasing competition, continued capacity oversupply, regulatory uncertainty and the effects of technological substitution, among other risks. For a more detailed description of the factors that could cause such a difference, please see AT&T's 10-K, 10-Q, 8-K and other filings with the Securities and Exchange Commission. AT&T disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. This information is presented solely to provide additional information to further understand the results of AT&T.

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Others Said to Be Poised

Z-TEL DROPS OUT OF CONSUMER MARKETS IN 8 STATES

Z-Tel, a CLEC with the one of the biggest national footprints, said Tues. it was suspending retail operations in 8 states as a result of the decision of the Administration not to pursue an appeal of the Triennial Review Order. Sources said other CLECs may be poised to take similar steps in the coming weeks, as they reassess their business plans as the unbundled network element platform (UNE-P) is eventually phased out. MCI, in particular, is rumored to be prepared to drop out of the consumer market, though sources said no decisions have been made.

Z-Tel sent regulators a letter on Mon. explaining its withdrawal. "Without rules in place that support vibrant competition in the telecommunications marketplace, competitive carriers and consumers are now unfortunately faced with great uncertainty," it said. "The victims of this dramatic shift in federal policy and the resulting uncertainty will be the consumers."

Z-Tel said it won't officially stop signing up customers until Oct. 5. Tom Koutsky, Z-Tel's Washington representative, said Z-Tel won't do any more marketing in the states and doesn't expect to add to its rolls. "We're going to redouble our efforts to become more focused on [VoIP] and business customers, but that has the unfortunate downside of leaving some of these residential customers without a choice," he said.

State regulators from 3 of the states disagreed Tues. on the significance of the announcement, during interviews. The states affected are W.Va., N.M., Me., Ark., Ia., Neb., Mont. and Ida. Z-Tel has about 250,000 residential lines in 48 states and about as many business lines. Paul Kjellander, pres. of the Ida. PUC, told us he was disappointed that Z-Tel, though not a major player at this point in the state, wouldn't pursue additional residential customers. "It's to be expected," he said: "We had heard from a lot of companies that if this order went a different way they would be out of business. This is a sign that some at least weren't crying wolf." Kjellander said of his mostly rural state: "As far as this being a hotbed of retail competition, it isn't. That's not to say it won't be or couldn't be. It's not."

Anne Boyle, chmn. of the Neb. PSC, said she was disappointed that the Administration made its decision not to appeal the Triennial Review Order based on what she viewed as an election year calculation. She saw the Z-Tel announcement as part of a trend of CLECs choosing not to serve rural America.

"It is bothersome to see that promises are being made to say we'll keep rates where they are until January, which is after the election," he said. "We have spent nearly 8 long years trying to implement what Congress asked us to do to bring about competition... I'm from a rural state. It's more difficult here. This decision [not to appeal] was very premature."

Tom Welch, chmn. of the Me. PUC, said he views the departure of Z-Tel as part of a market shakeout: "I can't say I'm surprised. You're always disappointed to see competitors leaving the market, but sometimes when some people leave others come in." Welch added: "I have never been a fan of UNE-P. From the very beginning it seemed at best a transition strategy."

One telecom analyst said both CLECs and ILECs would use announcements to show the Administration the effect the Appeals Court, D.C., decision had on the industry. "I would think there is a desire of these companies to punish or reward the Administration politically," he said. The analyst said while it was "perfectly plausible" the CLECs would announce lay-offs, the Bells had started announcing investments.

Also, BellSouth announced Mon. it would lay off 300 people in its wholesale division in Ga., prompting one CLEC industry source to speculate the Bell expects to process fewer CLEC orders. — ***Howard Buskirk, Susan Polyakova***

EXHIBIT D

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April 29, 2004

TELECOM REGULATORY NOTE

Triennial negotiations—headed to a train-wreck?

- On one track, the Triennial negotiation process appears to be making great progress. On another, it seems to be in danger of a train wreck. Two agreements have been signed and lots of offers have been announced, all either Region-wide or nation-wide (which in practice must be region-wide since no RBOC can sign for all RBOCs). But some state commissions are demanding that agreements be filed for approval. That raises lots of risks to the negotiations, above all the risk of conflict between region-wide economics in the deals vs. state jurisdiction that must focus on economics within the state's own borders. What this means for investors is that it is too soon to get very excited about the deal-making.

- Two actual agreements have been announced, by SBC (SBC-$25) and Sage and by Qwest (Q-$4) and Covad (COVD.OB-$2). All four RBOCs and Z-Tel (ZTEL-$2) have announced various Region-wide or national offers and AT&T (T-$18) is announcing its own offer today, a proposal that would give it a multi-year transition from UNEP to UNE-loop. Qwest held a meeting for 50 CLECs yesterday and is negotiating with MCI (MCIAV.PK-$17). All of that is enormously positive for the "negotiate rather than litigate" request the FCC made of the industry.

- Perhaps necessary from a legal perspective, but dangerous nevertheless to this process is that some states are asking companies to file their agreements. This is not because the states disapprove of the negotiation process—as far as we can tell, most state commissioners like it. Commissioner Nelson of Michigan, Chairman of NARUC's Telecom Committee, encouraged parties to participate in negotiations in Michigan even before the FCC made its own request. The problem is, as we have pointed out in the past, that the legal status of such agreements is very unclear.

- Both California and Michigan have asked SBC and Sage to file their agreement under sections 251 and 252 of the Telecom Act and Kansas has asked for an explanation of why it should not require them to do so. Sage has made it clear

Please see required disclosures on page 4

from the start that it considers the confidentiality of its agreement a key requirement, and as a result the companies have so far resisted filing it with any state. The states have indicated that confidentiality of some parts of the agreement is a possibility, but cannot guarantee it absolutely. Beyond the confidentiality issue, of course, is the question of what such a filing implies in terms of obligations on the RBOC---an issue that goes beyond this agreement, this RBOC, and these states. Thus, these SBC-Sage filing requests may well dampen, if not shut down, the negotiation process, by forcing the RBOCs to make only such agreements as they are willing to extend to all parties. Those kinds of agreements, in turn, may be less appealing to CLECs because they cannot be responsive to the CLECs' individual needs.

- The perspective of the states who require filing is that they have an obligation under sections 251-252 of the Telecom Act of 1996 (Act), as well as under their own state's legislation in some cases, to require the filing of negotiated interconnection agreements. With such a filing comes the potential for the state to approve or disapprove as well as the possibility that the agreement, in whole or part, becomes available to other parties. There is even the possibility that a state could stretch that initial set of obligations to impose TELRIC—i.e., before the Triennial is vacated on June 15th, can a state approve an agreement that is not consistent with the pricing standard that has been deemed to be "cost-based"? There is, above all, the problem that a Region-wide agreement such as the SBC-Sage deal could be disrupted if at least one state disapproves of the terms for its own state. In other words, the agreement balances terms across the whole Region, but each state has jurisdiction to approve only for its own state—it would have to look at it through the lens of its own state's view of public interest, just and reasonable pricing, etc. An agreement that may make economic sense at a price averaged across thirteen states might make no sense if a major state ruled that the price has to be changed for its state.

- The perspective of some CLECs is that they have a right under the Act to opt into such agreements, or parts thereof, that they find desirable. Their position is that a refusal by SBC to file would be like the past refusal of Qwest to file some of its agreements, something the FCC ruled to be in violation of the Act. At the same time, the perspective of other CLECs (or even the same CLECs) is that they need deals that work for their specific circumstances. It would not be to the advantage of a small CLEC to force the RBOCs to create generally available deals that have high prices for low volumes, for example, if that CLEC can get a better deal by throwing other items on the table that the RBOC might not want to make generally available but may agree to do for one party. Thus, the CLECs are divided both on the legal issue and the practical issue, with some CLECs wanting an individual deal but dubious about its legal status, others believing that they will do best if they can opt into a deal cut by a more powerful CLEC, and yet others believing that the individual deals are both legal and desirable.

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- The RBOCs have yet to articulate a unified legal position on the relationship of the deals they are offering vis à vis sections 251-252. While SBC is trying to keep the Sage deal private, SBC itself has made a separate open offer to all CLECs that would be effective from June 15th to the end of 2004, which it has agreed to treat as a 251-252 obligation, subject to state jurisdiction, as long as the CLECs accept that deal by June 15th. Qwest and Covad have reached a line-sharing agreement, which has not been filed, but which Qwest has said it would file if asked to do so (thus, this deal is presumably exempt from our train-wreck concerns, because it would be filed if that is necessary to preserve it). Qwest is engaging in negotiations with MCI under the auspices of a mediator, and held a meeting for 50 CLECs yesterday to discuss the negotiation process with them and encourage others to enter negotiations. Verizon (VZ-$38) has made an offer to negotiate with individual CLECs a three year deal that it outlined in general, in which pricing is dependent on terms such as usage and geography (state and zone). BellSouth (BLS-$26) put an offer on the table that would increase UNEP prices from their current levels in stages.

- In essence, if they agree to comply with requests like those of California and Michigan, the RBOCs will open the door to a whole slew of obligations to which they may no longer be subject once the D.C. Circuit vacatur of the FCC's Triennial Review Order takes effect, or even under the Triennial itself. While that Order is in effect till June 15th because of the extended stay, the RBOCs' UNEP obligations under the Triennial will be lifted after that point unless the stay is extended. The FCC probably will put some sort of interim patch in place until it can rewrite the rules, but the patch and final rewrite are unlikely to include a seven-year obligation like the SBC-Sage deal, or even a three-year obligation like the Verizon offer. The issue is not just the length of the term. These offers would make UNEP available throughout the RBOC's entire Region, while the Triennial itself made provision for UNEP to be eliminated from portions of each state as the RBOC demonstrates lack of impairment. The average price opens the rural zones to competition in states where those areas were priced too high for competitors in the past. There is tremendous value for the CLECs in being able to market their product across a whole Region without fear that their coverage will actually either have large holes in it or will require self-provisioning. In other words, if SBC opens itself to making the Sage deal—or even just the UNEP portions of it—available to all CLECs, it will be committing itself (and its RBOC-siblings by setting a precedent) to obligations that go further than anything that would be required of it even if the Triennial were upheld by the Supreme Court. It is getting a price that averages out Region-wide above the current TELRIC rate in exchange, but the FCC's TELRIC proceeding is headed toward raising that rate anyway.

- If they file their agreements, the companies also create the possibility that a single state's demand for revision will disrupt the entire multi-state contract. Assuming the CLECs like the deals they are signing, this is a risk for them as well as for the RBOCs. For CLECs who are heavily dependent on UNEP for their existence, that risk is much more severe than it is for the RBOCs, for whom UNEP is one factor out of many that determine revenues and earnings.

- The train wreck toward which all this seems to be headed is between the legal obligations of various parties and practical realities. From a practical perspective, the concept of "negotiate rather than litigate" makes tremendous sense. As Sage and Covad have demonstrated, CLECs as well as RBOCs have something to gain from and can reach commercial agreements that are tailored to the parties' specific business plans and needs. Z-Tel put a national plan on the table a few weeks ago and AT&T is doing so today. MCI is engaged in negotiation with Qwest. In essence in each of the actual or proposed deals, the CLECs are agreeing to a somewhat higher price and the RBOCs are agreeing to extend their unbundling obligations beyond what is required even under the Triennial. For both RBOCs and CLECs, there can be an advantage to a Region-wide or nation-wide agreement or which averages terms--including price--across the whole Region. For both parties there can be an advantage in tailoring the deals to the specific needs of the CLEC that is involved in a specific deal. Unfortunately, it is not clear at this point whether the law is consistent with such deals. At least some state commissions believe they are obliged to oversee such agreements. If they do, they cannot do so on a Regional or national basis. In fulfilling their legal obligations, some states may find themselves forced to destroy deals that all parties involved believe are advantageous.

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