

SELLERS DISCLOSURE SCHEDULE

This document is the "Sellers Disclosure Schedule" referred to in, and is dated as of the date of, that certain Stock Purchase Agreement (the "Purchase Agreement"), dated as of July 11, 2000, by and among Global Crossing Ltd., a company formed under the laws of Bermuda ("Global"), Global Crossing North America, Inc., a New York corporation and wholly-owned subsidiary of Global Crossing Ltd. ("GCNA" and together with Global, the "Sellers"), and Citizens Communications Company, a Delaware corporation (the "Buyer"). Capitalized terms used but not defined in this Sellers Disclosure Schedule shall have the meanings assigned to such terms in the Purchase Agreement, unless the context otherwise requires.

This Sellers Disclosure Schedule is qualified in its entirety by reference to the specific provisions of the Purchase Agreement. Matters reflected herein may not necessarily be limited to matters strictly required by the Purchase Agreement to be reflected in the Sellers Disclosure Schedule. To the extent that any such additional matters are included, they are included for informational purposes only. The inclusion of any fact or item herein shall not necessarily mean that such item or fact, individually or in the aggregate, is material to the business results, results of operations or financial condition of the Frontier LEC Business, is required to have been disclosed herein, is of a nature that would cause a Material Adverse Effect with respect to any Person or the Frontier LEC Business, that the commitments or liabilities relating to such item or fact exceed specified thresholds, or that such fact or item is probable.

Section headings have been placed on the sections of this Sellers Disclosure Schedule for the convenience of the parties only; such headings shall be given no substantive or interpretative effect whatsoever. Disclosure of any fact or item in this Sellers Disclosure Schedule referenced by a particular paragraph or section of the Purchase Agreement shall, should the existence of the fact or item be relevant to any other paragraph or section, be deemed to be disclosed with respect to that other paragraph or section whether or not a specific cross reference appears to the extent that the fact or item disclosed is reasonably clearly applicable to such other paragraph or section.

Performance Adjustment Calculation Methodology

Calculation of Pre-Closing Pro Forma Revenue

Pre-Closing Pro Forma Revenue shall be calculated using the actual amount of revenue for the Frontier LEC Business for the 12 calendar months ending as of the end of the month most recently completed prior to the Closing Date (the "Measurement Period") determined in conformity with GAAP consistently applied and on a basis consistent with the basis used in preparing the financial data and information described in clauses (ii) and (iii) of Section 2.6(a) of the Agreement, adjusted for the following items:

- Addition of Long Distance Revenue: Long distance revenue equal to the aggregate of actual long distance revenue, if any, that was billed to customers of the Frontier LEC Business on behalf of Global Crossing Telecommunications, Inc. during the Measurement Period, net of an assumed provision for uncollectible accounts of 3%, shall be added to actual revenue.
- Subtraction of Billing and Collection Revenue: Billing and collection revenue equal to the aggregate of actual billing and collection revenue, if any, that was billed by the Frontier LEC Business to Global Crossing Telecommunications, Inc. during the Measurement Period shall be subtracted from actual revenue.
- Subtraction of Agent Commissions: Agent commission revenue equal to the aggregate of the actual agent commission revenue, if any, that was charged to Global Crossing Telecommunications, Inc. by the Frontier LEC Business during the Measurement Period shall be subtracted from the actual revenue.

Calculation of Pre-Closing Pro Forma EBITDA

Pre-Closing Pro Forma EBITDA shall be calculated by subtracting the Pre-Closing Pro Forma Operating Expenses from the Pre-Closing Pro Forma Revenue, as calculated above. "Pre-Closing Pro Forma Operating Expenses" shall be calculated using actual operating expenses (excluding depreciation, amortization, net interest expense, and income taxes) for the Frontier LEC Business for the Measurement Period (excluding non-recurring revenues and expenses resulting from assets and liabilities being put on the balance sheet in the process of determining the amount of Combined Liabilities or Combined Working Capital) determined in conformity with GAAP consistently applied and on a basis consistent with information described in clauses (ii) and (iii) of Section 2.6(a) of the Agreement, adjusted for the following items:

- Inclusion of wholesale long distance expenses: Wholesale long distance expenses equal to the aggregate of the actual long distance minutes of use by customers of the Frontier LEC Business through Global Crossing Telecommunications, Inc. multiplied by an assumed average cost per minute equal to the average cost per minute actually incurred under the Carrier Services Agreement during the Measurement Period shall be added to actual operating expenses.

- Inclusion of other operating expenses: Assumed other operating expenses equal to: (i) \$0 if Frontier Communications of America, Inc. has commenced offering long distance services 12 months or more prior to the Closing Date, (ii) \$1,050,000 per calendar month for each full month in the Measurement Period prior to the date that Frontier Communications of America, Inc. has commenced offering long distance services if Frontier Communications of America, Inc. receives such approval during the Measurement Period or (iii) \$15,790,000 if Frontier Communications of America, Inc. has not commenced offering long distance services prior to the Closing Date shall be added to actual operating expenses.

Section 2.3

Absence of Violations or Required Consents

The following consents to this transaction are required for Sellers:

Georgia Public Service Commission
Illinois Commerce Commission
Iowa Utilities Board
Minnesota Public Utilities Commission
Mississippi Public Service Commission
New York Public Service Commission
Ohio Public Utility Commission
Pennsylvania Public Utility Commission
Federal Communications Commission

The following consent to this transaction may be required for Sellers:

Indiana Utility Regulatory Commission

Consent by municipal or other authority to the transfer of control of the cable television franchise in New Richmond, Wisconsin may be required.

The RUS, RTB and FFB loan documents, if any, may require consent from the RUS, RTA and/or current noteholders prior to the consummation of this transaction. Sellers will comply with written instructions received from Buyer, if any, regarding obtaining such consent.

Consent is required under the Credit Agreement dated July 2, 1999 among Global Crossing Ltd., Global Crossing Holdings Ltd., the Lenders party thereto, and the Chase Manhattan Bank, as Administrative Agent.

Nothing in this Schedule purports to identify any consent required in order for Buyer to complete the transaction.

Leased realty for which landlord consent is required prior to transfer of control:

Location
Burnsville, MN 14500 Burnhaven Drive Lease
Burnsville, MN 14500 Burnhaven Drive Sublease Source One
Burnsville, MN 14500 Burnhaven Drive Sublease MN Marketing Center
Burnsville, MN 14500 Burnhaven Drive Lease, 1st Amend., Easement
Apple Valley, MN 55121, 6900 151 Street West

Bloomfield, NY 12-14 Main Street
Canandaigua, NY Cable Vault
Fairport, NY 38 West Avenue
Gorham, NY 3779 Route 245
Penfield, NY 28 Willowpond Way
Rochester, NY 2060 Brighton-Henrietta Townline Rd. (A/P)
Rochester, NY 2060 Brighton-Henrietta Townline Rd. (Training)
Rochester, NY 3385 Brighton-Henrietta Townline Rd.
Rochester, NY 1225 Jefferson Road
Rochester, NY 3441 W. Henrietta Road
Rochester, NY 1350 Jefferson Road
Rochester, NY 460 Buffalo Road
Rochester, NY HSBC Bldg, 100 Chestnut Plaza
Rochester, NY Midtown Plaza 300 & 102
Rochester, NY Union Street Garage
Victor, NY 833 Phillips Road
Enterprise Telephone Company leases
King Industrial Park
Industrial Park, Rte 23, New Holland, PA

Leased realty for which assignment of the lease is prohibited: Webster, NY, 827 Ridge Road. This realty lease is for 8 parking spaces leased on a month-to-month basis at a total rate of \$360 per month.

Sellers and Buyer contemplate entering into assignment of certain agreements. In certain instances, third party consents to assignments are required.

See also Schedule to Sections 2.7 and 2.8.

Section 2.4 Minority Interests

Fairmount Cellular, Inc. owns a 25% interest in Georgia RSA 3.

The following cellular partnership interests are held by Frontier Communications of DePue, Inc.:

Illinois Valley Cellular RSA 2-I Partnership (6.66% interest)
Illinois Valley Cellular RSA 2-II Partnership (6.66% interest)
Illinois Valley Cellular RSA 2-III Partnership (6.66% interest)

In the ordinary course of business, the Companies and the Company Subsidiaries may receive ownership interests in customer bankruptcy or reorganization proceedings. Neither individually nor in the aggregate are these ownership interests material to the Frontier LEC Business.

A Company Subsidiary, Frontier Communications - Midland, Inc., holds an ownership interest in Illianet. This Company Subsidiary's investment was \$200,000. Disposal of this ownership interest is subject to a pending transaction which is expected to be consummated prior to the Closing Date.

Section 2.5

Entire Business

Frontier Communications of Sylvan Lake, Inc. ("Sylvan") and Global Crossing Telemanagement, Inc. are members of Global Crossing Telemanagement of VA, LLC. Sylvan's membership interest will be transferred to a different Global Crossing Ltd. subsidiary prior to the Closing. This membership interest is not part of the Frontier LEC Business.

See also Schedule to Sections 2.7 and 2.16.

Section 2.6

Financial Information

The Sellers have made available to the Buyer all Annual Reports filed by the Sellers with each state regulatory commission (PUC) requiring such reports for the years 1997, 1998 and 1999.

Section 2.7

Title to Assets: Related Matters

The Frontier LEC Business primarily holds as assets outside plant, equipment, and nominal amounts of real property. However, the Frontier LEC Businesses do not have title to the computing and technical infrastructure necessary for it to operate its business as currently conducted.

Global Crossing North America, Inc. and its various subsidiaries share assets and personnel with the relevant costs allocated among them. Certain of these assets and personnel perform services on behalf of the Frontier LEC Business. The Sellers will transfer to the Buyer assets or rights which are held by entities other than the Companies or Company Subsidiaries, even though these may be required to perform the Frontier LEC Business. Similarly, there are certain assets which may be held within the Frontier LEC Business which are required for other Global Crossing entities to function. Shared assets (those which are utilized by both the Frontier LEC Business and by other businesses of the Sellers) which currently are held by the Seller and which are not currently expected to be transferred to the Frontier LEC Business as part of this transaction include, but are not limited to, those assets listed on Schedule 2.7.1. Schedule 2.7.1 also includes other assets.

See also Schedules to Sections 2.11.1 and 2.11.2, 2.16 and 2.19.

The Frontier LEC Business and Global Crossing North America, Inc. share space at several locations. Among these is leased premises located at 180 South Clinton Avenue, Rochester, New York. The lease is in the name of Global Crossing North America, Inc. Any sublease will require the consent of the landlord. It is believed that numerous additional locations have commingled operations as of the Closing Date, including certain towers in New York State.

CONTRACTS

ILEC or Shared Operational Support Systems:

Vendor	Description	Owner (Legal Entity)	Used By	Future Allocation
NYNEX/DPI, IBM	RTO fully integrated OSS: Supports Customer Records, Billing, Order processing, Usage Processing, Repair Ticketing, POTS assignment, CARE, Directory Assistance, Treatment, Payment processing. Processes input for Directory Assistance and from TSPS.	Rochester Telephone Corporation	RTO 95%	Transfer the software to the Buyer, with temporary right by the Seller to obtain any services currently obtained. (Used for BSD toll and E911 processing)
In-House	Interfaced with DFI database to provide some GUI capability for the call center. Pre-loads customer data based on calling number.	FIT Inc.	RTO 100%	Transfer to the Buyer
In-House	System which allows customers to check their account balance, last bill date, last payment over the phone. Also processes credit card payments, sending info to outside source for validation, payments processed nightly	FIT Inc.	RTO 100%	Transfer to the Buyer
Soft Landing Systems, Inc.	Supports implementation of application software into the production environment.	FIT Inc.	Shared	No transfer - Buyer must procure relevant licenses
Hawkeye Info Systems	Program analysis and debugging tool	FIT Inc.	Shared	No transfer - Buyer must procure relevant licenses
Help Systems	Automated system monitoring tool	FIT Inc.	Shared	No transfer - Buyer must procure relevant licenses
Help Systems	Consolidates multiple systems into a single view for operations management	FIT Inc.	Shared	No transfer - Buyer must procure relevant licenses
Help Systems	Software used to identify an individual system.	FIT Inc.	Shared	No transfer - Buyer must procure relevant licenses
Help Systems	Tool to simulate manual input.	FIT Inc.	RTO 100%	Transfer to the Buyer
Help Systems	Tool to automatically save files	FIT Inc.	Shared	No transfer - Buyer must procure relevant licenses
Help Systems	Job scheduler	FIT Inc.	RTO 100%	Transferred to the Buyer
Sterling Commerce (NDM)	File Transfer software	FIT Inc.	RTO 100%	Transferred to the Buyer
ProData	Data Base Utility	FIT Inc.	Shared	No transfer - Buyer must procure relevant licenses
Brodink Data Systems	Report distribution system	FIT Inc.	RTO 100%	Transfer to the Buyer
Datamirror	Data replication for system high availability	FIT Inc.	Shared	Transferred to the Buyer, with temporary right by the Seller to obtain any services currently obtained.
New Generations	Query / data extraction tool	FIT Inc.	Shared	No transfer - Buyer must procure relevant licenses
BCD Software	Programming utility	Frontier Corporation	RTO 100%	Transferred to the Buyer
Ascend Solutions, Inc.	File compression software	FIT Inc.	RTO 100%	Transferred to the Buyer
Real Vision Software (RV)	Real Vision Software RTO Billing History (RV)	FIT Inc.	RTO 100%	Transferred to the Buyer
Utility Data Systems	PC software used to poll call data records from switches		RTO 100%	Transferred to the Buyer

Vendor	Description	Owner (Legal Entity)	Used By	Future Allocation
Saville	FCR Billing System. Run on Saville's computer in Toronto. Frontier bills printed in Rochester Data Center	Communications of Rochester	FCR 100%	System rights transferred to the Buyer (MSA and processing agreements)
Communications Data Group, Inc.	CARer Access Billing	Frontier Corporation	FTR, RTO, CLEC, shared	Transferred to the Buyer, with temporary right by the Seller to obtain any services currently obtained
Varies (major vendor believed to be Univis)	Payment processing equipment. Produces file which are sent to the Rochester mainframe for distribution to appropriate business unit systems.		FTR, RTO 100%	Transferred to the Buyer
In-House	Customer Account Record System (or Commercial Accounting Record System...) Primary system used for customer service processing. Houses customer information. Data Base is used by many integrated systems, as noted below.	Varying ownership - basic CARS is FTRs, with many updates, owned by FIT and GBLX-NA	FTR 100%	Transferred to the Buyer, with temporary right by the Seller to obtain any services currently obtained.
In-House	Customer service order processing - closely integrated with CARS		FTR 100%	Transferred to the Buyer
In-House	Billing system - closely integrated with CARS. Retail bill print outsourced to OTS. Wholesale bills printed in-house		FTR 100%	Transferred to the Buyer
In-House	Processing of usage data from the switch, call rating, preparation for billing.		FTR 100%	Transferred to the Buyer
In-House	POTS Trouble Ticketing - closely integrated with CARS. Interface to UDS.		FTR 100%	Transferred to the Buyer
In-House	Wholesale Management System - closely integrated with CARS. Processes wholesale local service requests from CLECs in Rochester Market. Manages notification back to CLECs (Reject, FOC, Jeopardy, Completion)		FTR 100%	Transferred to the Buyer
In-House	Processes payments as submitted from the CMR process		FTR 100%	Transferred to the Buyer
In-House	This process examines account billing and payment information to determine when additional action is necessary to obtain payment from customers.		FTR 100%	Transferred to the Buyer
In-House	Consists of approximately 150 MANTIS programs to handle miscellaneous items such as: Revenue Reporting, Off-line toll vouchers, Bill Message Inserts, Bill messages, Directory Advertising...		FTR 100%	Transferred to the Buyer
EDS	Cable Pair, CO line equipment and Telephone number assignment for POTS services - Interfaced with CARS, OF, RRS	FIT Inc.	FTR 100%	Transferred to the Buyer
Access Data Consulting Corp.	POTS Work Force Mgt. Interfaced with OF and RRS to determine outside technician assignments for Orders and Repair	Frontier Telephone of Rochester	FTR 100%	Transferred to the Buyer
In-House	Two way interface with IXCs for processing customer long distance carrier selections (PIC)		FTR 100%	Transferred to the Buyer
In-House	Interface with CLECs for processing customer long distance carrier selections. Also processes BNA (Billing Name & Address) requests from CLECs.		FTR 100%	Transferred to the Buyer
GE Global eXchange Services	Project underway with GEIS to implement EDI based LSR processing		FTR 100%	Transferred to the Buyer
GE Global eXchange Services	Project underway with GEIS to implement EDI based ASR processing		FTR 100%	Transferred to the Buyer
In-House	Facilities Request Engineering Design system. Used to record engineering info and track provisioning progress on orders which require engineering design.		FTR 100%	Transferred to the Buyer
Tridac	Special Services Circuit Inventory and design system	Frontier Corporation	FTR, RTO (Monroe) 100%	Transferred to the Buyer

	Vendor	Description	Owner (Legal Entity)	Used By	Future Allocation
NMA (M)	Telcordia	System for real-time monitoring of switches and intelligent network elements. Correlation of alarms and monitoring of trends to identify root cause - potential identification of problems before they become service affecting.		FTR, RTO 100%	Transferred to the Buyer
DCOS-2000 (M)	Telcordia	Traffic management system. Produces reports of network activity levels to ID blockage etc. Company and customer reports.		FTR, RTO 100%	Transferred to the Buyer
CADTEL	Cadtel	CAD engineering system utilized for Outside Plant engineering. Includes landbase maps, maps of all outside facilities. In use at Burnsville. In process of converting from FRAME system in Rochester, conversion to be complete Feb 2001 (AMFM & GIS)	FIT Inc.	FTR, RTO 100%	Transferred to the Buyer
Tapestry	Anritsu Company	System for Special Services Circuit Testing - Server	FTR	FTR, RTO 100%	Transferred to the Buyer
The Connection	Comnexn (formerly The Hutton Co.) Collaborative Solutions	Mechanized POTS Provisioning - automated switch updates based on order activity.	FTR	FTR, some RTOs 100%	Transferred to the Buyer
NESAP		Network Element Service Activation Platform: Mechanized POTS Provisioning - automated switch updates based on order activity.		Transferred to the Buyer	
CTP	Marconi (formerly Retlec) In-House	POTS Line testing	FTR	FTR 100%	Transferred to the Buyer
uCommand		Front end utilized for customer Web-based access to billing information. Planned to be expanded to include payment capabilities.	Portions in GBLX-NA and FIT	Shared	To be retained by Seller, but Buyer to be given option to either procure services from Seller for a fee, or to negotiate with Seller availability of rights that would allow Buyer to establish system on its own at its cost, with Seller retaining all intellectual property rights.
Aspect Phone Switch	Aspect Telecommunications Corp.	The RTO Virtual Call Center (Burnsville/Monroe) and the Rochester Call Center each have an Aspect Call Director system	Frontier Telephone of Rochester	RTO 100%	Transferred to the Buyer
MISC. PC / Client-Server Based Operational Support Systems					
ADSL	Cisco Mapinfo CompUSA	Sun 250's Solaris 2.6 Sybase Installation of ADSL services hardware only	Imprecise "Frontier Communications" is owner; benefit goes to FTR, FC-MN, FCNY, FC Sylvania	FTR, RTO FTR, RTO FTR, RTO	To be transferred to Buyer To be transferred to Buyer. To be transferred to Buyer
ALI Database/Paladium Audio Teleconferencing Application AudioTeli SYS 70 Call Verify	Lucent Multi-Link, Inc. Call Technologies	911 Lookup /Selective Routing Frontier Audio Teleconferencing service. Teleconferencing System Bridge (CALL VERT) Upon completion of orders, this system checks the switch to verify that features have been established properly		FTR, RTO FTR FTR FTR	To be transferred to Buyer To be transferred to Buyer To be transferred to Buyer To be transferred to Buyer
FMS	EDS	Operator Services Work Force Management - for scheduling work force		FTR	To be transferred to Buyer
ILAS	HPA (Chris Teumer)	ISDN Provisioning - assignment of facilities for ISDN service		FTR	To be transferred to Buyer
Imanager	In-house	Primary database for internet product. Used by Internet Technical support for trouble ticketing		Shared	TBD - presumably in Seller if Seller also remains in internet business, with Buyer rights to services
NETMAN Newbridge	Noriel	Noriel Summit MGT. (INM) Monitoring and network management for A-Plus services		FTR	To be transferred to Buyer
VDL	Grass Valley	Video Distance Learning - system used for scheduling Video Distance learning		FTR 100%	To be transferred to Buyer

Vendor	Description	Owner (Legal Entity)	Used By	Future Allocation
Voice Mail	Voice Mail	FCSI	FTR 100%	To be transferred to Buyer, after Seller determines alternatives for VM services for internal VM use.
Voice Mail	Voice Mail		RTO 100%	To be transferred to Buyer
Fax Gate	Communication application whereby FTR communicates on FIT, Inc wholesale provisioning to CLECS		FTR 100%	To be transferred to Buyer
Administrative Support Systems				
Infinium (SZK)	Accounting / Human Resource System	Frontier Corp.	Shared	No transfer - Buyer to work with the Seller to establish separate system of ILEC specific data.
BSA (Bonus + Salary)	Bonus and Salary processing, uses Infinium as the backend database.		Shared	No transfer - Buyer must establish its own system
MTR	Mechanized Time Reporting	FIT, Inc	FTR, RTO 100%	Seller will transfer the dedicated FTR, MTR software, and ILEC data to the Buyer, along with the related server. (Includes union payment rules.) The application server used is a shared asset, Buyer must procure its own system hardware.
CATS MTR front-end for data entry to time reporting systems through intranet	Front-end data entry into the SZK-400 for Mechanized Time Reporting. Entries update the MTR system. 3 current ILEC sites in use; 11 scheduled.	FIT, Inc	FTR, RTO 100%	To be transferred to Buyer
Enterprise Wide Systems				
Microsoft Corporation	Microsoft Select and EA Amendments (desktop & server OS, desktop productivity software)	FIT Inc.	Shared	No transfer - Buyer must procure relevant licenses
Novell	Contract for deployment, file services, print services, LAN workplace application suite	FIT Inc.	Shared	No transfer - Buyer must procure relevant licenses
Symantec	Anti-virus software	FIT Inc.	Shared	No transfer - Buyer must procure relevant licenses
Symantec	deployment software	FIT Inc.	Shared	No transfer - Buyer must procure relevant licenses
HP	Monitors the Internal Corporate Data Network	FIT Inc.	Shared	No transfer - Retained by Seller. Some servers may be able to be transferred to Buyer. Buyer must procure relevant licenses. Transition must take into account ILEC messages and other data that resides on files servers not transferring to the Buyer.
Netstage	e-mail, directory services, web access	FIT Inc.	Shared	No transfer - Buyer must procure relevant licenses
Additional Services				
Hyperan - Finance	Financial Reporting	Frontier Corp.	Shared	No transfer - Buyer must procure relevant licenses
Control - D / "uView"	Mainframe report distribution software	FIT Inc.	Shared	No transfer - resides on Rochester mainframe, and to free asset for Buyer, Seller will need to relocate the asset to the Detroit mainframe, with ownership established in Seller and \$350K relocation cost charged to the Buyer
QMS	Work Force Management - for monitoring performance in Operator Services	Frontier (unclear what entity)	ILEC 100%	To be transferred to Buyer
Clarify	Trouble reporting system. Used by Business Services and FIT Inc. help desks.	FIT Inc.	Shared	No transfer - Buyer must procure relevant licenses
Citrix	Internal data network remote access.		Shared	Final allocation TBD. The 30-35 CITRIX servers are shared. This software generally follows the hardware. In cases where the CITRIX configuration exclusively serves an ILEC, Seller will work with Buyer to transfer (e.g. Call Center function, CADTEL noted above). It is possible to restructure CITRIX servers so as to make more of them exclusive to Seller and to the ILECs.
Xerox	Service Contract	Frontier Corp	Shared	Not transferred. Seller may negotiate for partial transfer to Buyer. This is a master agreement for fax and copier machines and supplies.

Vendor	Description	Owner (Legal Entity)	Used By	Future Allocation
Sterling Software	Utilized for Data Backups (Formerly Systems Software Marketing)	FIT Inc.	Shared	Not to be transferred. Buyer must procure relevant licenses.
Seagull	Software for developing Graphical User Interfaces for legacy systems.	FIT Inc.	FTR, RTO 100%	To be transferred to Buyer
Siemens Telecom Networks (M)	Merchandise contract	Frontier Communications Midland Inc.	RTO 100%	To be transferred to Buyer
Siemens System Software (M)	Equipment and software upgrades - DCO System Software to support CARS, MEPS based license agreement	FIT Inc.	RTO 100% Shared	To be transferred to Buyer No transfer - Buyer must procure relevant licenses. Vendor willing to work to split contract.
Storage Tech	Media storage	Frontier Corporation	Shared	No transfer - Buyer must procure relevant licenses. Transition must consider transfer of ILEC data to Buyer.
Oracle (M)	Data base software license and services	FIT Inc.	Shared	No transfer - Buyer must procure relevant licenses
Informix	Data base software	FIT Inc.	Shared	No transfer - Buyer must procure relevant licenses
IBM Managed Hardware Service Agreement (M)	IBM Managed Hardware Service Agreement	FIT Inc.	Shared	No transfer - Buyer must procure relevant agreement, Vendor willing to work to split contract.
Lucent (M)	Merchandise contract	Frontier Corp	Shared	TBD - Buyer and Seller will probably want to negotiate new terms independently.
Illuminet (M)	Provision of certain shared services such as: LIDB lookups, 800 queries, Calling Name service, local number portability service (NPAC)	Frontier Telephone of Rochester, et al	Shared	TBD - Buyer and Seller will probably want to negotiate new terms independently.
Anixter Inc. (M)	Procurement and inventory of parts and supplies including cable and various network hardware	Frontier Corporation	Shared	No transfer - Buyer must procure relevant agreement
Fujitsu Inc.	Network management software and hardware	Frontier Telephone of Rochester	FTR, RTO 100%	To be transferred to Buyer
Nortel Purchasing Agreement (M)	Global purchasing agreement. Covers all Global Crossing entities for all Nortel products except CPR. Includes provision for shared product credits, advertising and training credits. Covers all purchase orders for Nortel products.	Global Crossing North America Networks Inc. (FCI)	Shared	TBD - Buyer and Seller will probably want to negotiate new terms independently.
411 System	Directory Assistance System	FTR	FTR	To be transferred to Buyer
TOPS System	Operator Services Switch	FTR	FTR	To be transferred to Buyer
Distributorship Agreement	Enterprise agreement allowing purchase of Nortel CPE products and distribution to other Frontier entities	FSTI	FTR, RTO 100%	To be transferred to Buyer
DMS10/100 Service	Spares Exchange Service Agreement	Frontier Corporation	RTO 100%	To be transferred to Buyer
R R Donnelly & Sons (M)	Master directory printing agreement	Frontier Corporation & Frontier Information Services	FTR, RTO 100%	To be transferred to Buyer
LM Berry (M)	Directory advertising sales and marketing	Frontier Corporation	FTR, RTO 100%	To be transferred to Buyer
CINCOM Systems (M)	Data base software used by CARS system	Rochester Tel Information Services and Technology, Inc.	FTR 100%	To be transferred to Buyer
SAMS for MVS	Mainframe disk management system	Frontier Corporation	Shared	No transfer - Buyer must procure relevant agreement
RG&E	Competitively priced electric services	Frontier Corporation	Shared	TBD - Buyer and Seller may be required to negotiate new terms.
IBM Credit Corp. (M)	Master lease agreement AS400's.	FIT Inc.	Shared	No transfer - Buyer must procure relevant agreement
IBM Corporation	Master Software Licenses Agreement	FIT Inc.	Shared	No transfer - Buyer must procure relevant agreement
IBM Corporation	OS/400 Software Maintenance Agreement	FIT Inc.	Shared	No transfer - Buyer must procure relevant agreement
Boote & Babbage	MSU based license agreement, mainframe automation software.	FIT Inc.	Shared	No transfer - Buyer must procure relevant agreement

Vendor	Description	Owner (Legal Entity)	Used By	Future Allocation
Look Smart Limited My Way	Content service for content @ frontnet.net	Frontier Corporation Frontier Corporation		Recently expired TBD - depending on action determined by Seller in connection with ability to transfer, and if so, time required
MDSI	Workforce Management Software	Frontier Telephone of Rochester, Inc.	FTR, RTO 100%	To be transferred to Buyer, with Buyer assuming alternative to be selected in near future of either proceeding (with \$344K credit for future work) or paying negotiated walkway price of \$240K.
Sybase DTS	Data base software Bill print vendor	Frontier Corporation FIT Inc.	Shared FTR, RTO 100%	No transfer - Buyer must procure relevant agreement Transfer to Buyer
PHH	Motor Vehicle Management Services. Assist in vehicle registration.	Frontier Corporation	Shared	TBD - Buyer and Seller may be required to negotiate new terms.
SUN Microsystems	Customer Support Program agreement	FIT Inc.	Shared	No transfer - Buyer must procure relevant agreement
Sprint Products Group and North Supply Company	Purchase of CPE	Frontier Corporation	ILEC 100%	To be transferred to Buyer (phones)
Iron Mountain	Off-site Storage facility	FIT Inc.	ILEC 100%	TBD - Buyer and Seller may be required to negotiate new terms.
IVAN Internet Service	Independent Vendor Access Network IP Back bone, Authentication server, Mail server, news, Domain Name Service, Web Service. Miscellaneous services related to dial-up and dedicated internet customers. Modems (for local and roaming services). Security Services. Equipment used by help desk. Management system (system monitoring). Remote system access through the Internet, to SYSA, PRDA, and S2K	FIT Inc.	Shared	No transfer - Buyer must procure relevant system TBD - Services include dedicated Internet access, proxy servers, and firewalls.
OpenConnect	Disaster Recover Agreement	FIT Inc.	Shared	No transfer - Buyer must procure relevant licenses
Comdisco		FIT Inc.	Shared	TBD - Buyer and Seller may be required to negotiate new terms.

M = Material Contract

SYSTEM HARDWARE

System	Vendor	Description of Application Utilizing Hardware	Owner	Used By	Future Allocation
Internal Data Network					
Routers		Hardware to support the corporate data network	FIT, Inc.	shared	Retained by Seller. Buyer will have to replicate system
Switches		Hardware to support the corporate data network	FIT, Inc.	shared	Retained by Seller. Buyer will have to replicate system
Hubs		Hardware to support the corporate data network	FIT, Inc.	shared	Retained by Seller. Buyer will have to replicate system
Circuits		Hardware to support the corporate data network	FIT, Inc.	shared	Retained by Seller. Buyer will have to replicate system. Buyer can negotiate with Seller arrangements for individual circuits (and related routers, switches and hubs) that pertain to ILEC-only sites, including all ILEC switch locations that would no longer be connected to the Seller's internal corporate network
Proxy servers		Hardware to support the corporate data network	FIT, Inc.	shared	Retained by Seller. Buyer will have to replicate system
DNS servers		Hardware to support the corporate data network	FIT, Inc.	shared	Retained by Seller. Buyer will have to replicate system
Firewalls		Hardware to support the corporate data network	FIT, Inc.	shared	Retained by Seller. Buyer will have to replicate system
Midrange Computers					
AS/400's and associated peripherals	IBM	Primary server that runs the DPI / Infinium software	FIT, Inc.	shared	Transferred to the Buyer (Infinium software would be moved to the HIAVAIL system for the Seller)
S2K400	IBM	Redundant server that mirrors the production DPI / Infinium software	FIT, Inc.	shared	Retained by Seller. Buyer must establish its own high availability solution
HIAVAIL	IBM	RTO billing history optical disk server for DPI	FIT, Inc.	RTO 100%	Transferred to the Buyer
OPTICAL	IBM	Robotic tape management system used to backup DPI / Infinium software and data	FIT, Inc.	shared	Retained by Seller. Buyer must establish its own automated backup system. Parties can negotiate for Buyer to purchase master unit and up to two storage units
Automated Tape Library	IBM		FIT, Inc.		Retained by Seller. Buyer will have to replicate system
COMMSRV	IBM	Communication server used file transfers, WCT billing information and Dexterity	FIT, Inc.	shared	Retained by Seller. Buyer will have to establish its own system
DEVELOP	IBM	DPI - development server	FIT, Inc.	RTO 100%	Transferred to the Buyer
RTODEV	IBM	DPI - cust. Training server	FIT, Inc.	RTO 100%	Transferred to the Buyer
STATSBORO	IBM	DPI - Switch data transfer server	FIT, Inc.	RTO 100%	Transferred to the Buyer
APPLE400	IBM	DPI - Switch data transfer server	FIT, Inc.	RTO 100%	Transferred to the Buyer
Servers					
File servers					
Messaging servers					
SNNYROCH01-52	SUN	Netscape Mail Srv	FIT, Inc.	shared	Retained by Seller. Buyer will have to establish its own system
SNNYROCH02-52	SUN	Netscape Mail Srv	FIT, Inc.	shared	Retained by Seller. Buyer will have to establish its own system
Internet servers					
home.east.frontiercorp.com	SUN	Intranet Server	FIT, Inc.	shared	Retained by Seller. Buyer will have to replicate system. Content specific to ILEC can be transferred to Buyer
Authentication servers		These systems facilitate file management, email distribution, and user identification for system access.			Retained by Seller. Buyer will have to establish its own system
Application servers					
SYB1_CLARIFY1	SUN	Production trouble ticket management server		shared	Retained by Seller. Buyer will have to establish its own system

System Hardware

SYBI_CLAR	SUN	Development trouble ticket management set	shared	Retained by Seller. Buyer will have to establish its own system
MAPPSEV1		File transfer server	Shared	Retained by Seller. Buyer will have to establish its own system
Remote Access servers SDI servers	RSA Inc.	Authentication servers for remote access. (FOBs)	shared	Retained by Seller. Buyer will have to establish its own system
CITRIX servers		See CITRIX software	shared	Allocation consistent with contract description of CITRIX software.
Video Equipment		Video equipment used for internal communication	shared	Equipment in the RTDs transfers to Buyer, but not in Rochester and elsewhere
Data Storage (Field SL)		Off-site storage of system backups.	Shared	No transfer.
Mainframe				
IBM Mainframe & Associated Peripherals	IBM	This system includes the FTR OSS system (CARS) and supporting systems.	shared	Transferred to the Buyer, if the Buyer assumes the cost for relocating shared software, with temporary right by the seller to obtain any services currently obtained.
Midrange Computers				
UNIX systems and associated peripherals		These systems provide integrated support for the FTR operation (UDS, Tapestry, Call Verify, etc.)		
UDSSRV1	HP	UDS	FTR 100%	Transferred to the Buyer
SCNYROCH01	Compaq	The Connection	FTR, RTO 100%	Transferred to the Buyer
SCNYROCH02	Compaq	The Connection	FTR, RTO 100%	Transferred to the Buyer
TAPESTRY1	SUN	Tapestry	FTR 100%	Transferred to the Buyer
TAPESTRY2	SUN	Tapestry	FTR 100%	Transferred to the Buyer
TAPGRAPH1	SUN	Tapestry	FTR 100%	Transferred to the Buyer
TAPGRAPH2	SUN	Tapestry	FTR 100%	Transferred to the Buyer
TAPGRAPH3	SUN	Tapestry	FTR 100%	Transferred to the Buyer
CALLVER1	HP	Call Verify	FTR 100%	Transferred to the Buyer
QMIS220	HP	Workforce Mgt (Operator Services)	FTR 100%	Transferred to the Buyer
QMIS320	HP	Workforce Mgt (Operator Services)	FTR 100%	Transferred to the Buyer
NMDSRV1	SUN	NDM - Network Data Mover for file transfers	FTR 100%	Transferred to the Buyer
		Telcordia System Servers	FTR, RTO 100%	Transferred to the Buyer
		CTP System servers	FTR 100%	Transferred to the Buyer
		CADTEL System Servers	FTR, RTO 100%	Transferred to the Buyer
		SATURN System Server	FTR, RTO 100%	Transferred to the Buyer
Personal Computers				
Desktops, laptops, and associated peripherals		These are the employee workstations, for employees who would transfer with the ILEC.		PCs and laptops that are associated with employees that will transfer to the Buyer will be transferred, with content transfer to be addressed separately

PROPERTY AND OPERATIONS		Future Allocation	
Property		Current Ownership	
Outside Plant and other property currently identified on CPR as ILEC-owned		Frontier LEC Business	All move to Buyer as part of property owned by each Frontier LEC. No transfer of any facilities in name of other entities used in providing their services within ILEC areas
Conduit and Duct Space		Frontier LEC Business generally, but occasional non-ILEC ownership for long distance network and local terminations)	As ownership currently exists, but with continuation of rights of use or occupancy of other party that exist today, and allowing growth as currently anticipated
Rights of Way Use		Mixed - ownership of all local rights of way generally in ILECs	No change in ownership. The operation would need to be moved to one of the remaining Sellers properties, while ILEC retains the real estate.
FIT Customer Support Center at Fitzugh St.		Not in the Frontier LEC Business	To be retained by Seller unless otherwise agreed, Buyer will have to establish independent system
180 South Clinton Avenue Data Center		Not in the Frontier LEC Business	No change; alternatives reflected in agreement
180 South Clinton Avenue Brighton - Henrietta Town Line Road Training Center		Global Crossing NA (same)	To be transferred to the Buyer, with access rights to telephone museum and all contents in Seller, and transition rights for training by Seller on current terms. FIT has assets in this location that have not been fully identified. In addition there are some shared operations within this location. (Physical)
Fitzugh St		Generally all in the Frontier LEC Business, however a long distance switch and the main hub for the WAN network are housed at this location.	Buyer will be able to utilize all space. Seller may negotiate for space if it is preferred not to move the network
Any other shared facility in the Rochester area		Generally all in the Frontier LEC Business	Buyer will be able to utilize all space, and Sellers will move any personnel currently located there except: Bauach and Lomb, One City Center, and Basin Tech. Real Estate lists should be reviewed to eliminate risk of liability. Final list will be approved by transition team.
Internet dial-up and other IT Help Desk		Not in the Frontier LEC Business - Internet services	Separate Phoenix help desk and Plymouth Ave (Rochester) help desk ownership, with Buyer to establish its own system to replicate Phoenix, or procure services needed for a fee, and Seller to take functions performed at Plymouth elsewhere so Plymouth is solely for Frontier LEC Business
LAN / WAN Help Desk (NCC) Network Computing Center		(same)	No transfer - Buyer must establish its own system
Domain names (all) (including "frontiercorp.com", "frontier.net", "frontier.com")		(same)	Initially retained by Seller with links to be negotiated. Domain names must be treated independently. Domain names should have all goodwill associated with assignment of the ownership. Objective is to permit transfer of "frontiercorp.com" to Buyer over a period of time, and also "frontier.net" in the event that customer issues can be adequately addressed. "frontier.com" is already being used by the ILECs and will transfer with other property. Any shared use of frontier.com will be phased out. (See reference on "frontiercorp.com" elsewhere, indicating need for adequate transition time, in a way transparent to customers and users.)
Class B and Class C Internet IP addresses		(same)	Buyer to procure own licenses and complete assignment of new IP addresses prior to corporate network separation
VPN System		(same)	TBD; if not able to be separated, to remain with Seller, and transition by Buyer to its own system
Microwave Towers in Baker Hill, NY, Canandaigua, NY, and Walden (Junction) NY		No change in ownership	The allocation will be based on the existing ownership and licensing agreements. Towers near Rochester tend to be owned by FTR with affiliate and other users, and towers away from Rochester tend to be owned by non-ILECs with occasional ILEC use.

(a) The transfers of assets described in the Schedule to Section 2.7 and 2.16 will take place between the date hereof and Closing.

As disclosed in the Schedule to Section 2.11, Sellers intend to take action to cause a certain Loan Agreement dated April 7, 2000 from Global Crossing North American Networks, Inc. to Frontier Cellular of Alabama, Inc. to cease to exist prior to the Closing Date.

(b) In the normal course of business Sellers regularly review and modify compensation and benefits programs. Seller has announced or is in the process of announcing certain changes to the compensation and benefits with respect to employees of the Frontier LEC Business which are expected to become effective in 2001. These include, among other things, one additional day of Paid Time Off for employees with fewer than 25 years of service, the establishment of Martin Luther King Day as a recognized company holiday, and the establishment of a Domestic Partner Benefits Program. Additionally, Seller shall establish a retention bonus program providing payments not to exceed \$2.5 million in the aggregate to select employees of the Frontier LEC Business as of the Closing Date. As an additional retention tool, Sellers have undertaken to accelerate as of the Closing Date the vesting of certain options for the common stock of Global Crossing Ltd. held by the employees of the Frontier LEC Business. In connection therewith, Seller shall take such actions as may be necessary to provide for the foregoing acceleration, which may include, without limitation, amending certain stock option plans and grant agreements. These changes will be announced after the date hereof.

Certain employees of the Companies and the Company Subsidiaries who, as of September 28, 1999 were employees of Sellers or certain of Sellers' affiliates, will receive a retention bonus if on September 28, 2000 such employee remains employed by an affiliate of Sellers and such employment continues through the payment date of the bonus to be paid by the Sellers (or Affiliates thereof).

Frontier Telephone of Rochester, Inc. employees received a bonus payment in February 2000 for performance related to achieving pre-established bonus targets for the performance year ending December 31, 1999.

Certain of the collective bargaining agreements applicable to covered employees of the Frontier LEC Business became renewable during Year 2000 and other collective bargaining agreements may expire in advance of the Closing Date. In the normal course of business and in accordance with general past practice, Sellers have negotiated and shall continue to negotiate renewals to these collective bargaining agreements. All collective bargaining agreements were amended to include a successorship clause.

Prior to Closing, Sellers anticipate transferring to the Frontier LEC Business certain employees of the Sellers and/or its affiliates who are principally engaged in the Frontier LEC Business as of the date hereof or whose costs are currently allocated fully to the Frontier LEC Business.

Prior to Closing, with respect to up to ten (10) employees (which group of employees shall include Martin Mucci and Gregg C. Sayre and others selected by the operating head of the Frontier LEC Business), the Sellers shall cause the Frontier LEC Business to either enter into severance protection agreements, or amend the existing Change in Control Enhanced Severance Plan, to provide, generally, that, upon a termination of employment without cause by the Company or any Company Subsidiary, or by any such employee for good reason, which termination occurs after the Closing, such employees will receive the following: (i) a lump sum payment equal to an applicable multiplier (not to exceed three times) of the sum of an employee's base salary plus the greater of most recent actual or then-target annual bonus; (ii) continuation of benefits for same number of years as severance multiplier; (iii) excise tax gross up, if applicable; and (iv) outplacement services.

Prior to the Closing, the Sellers may amend the Supplemental Management Pension Plan and/or the Supplemental Retirement Savings Plan to provide that: (i) each Business Employee who participates in such plan(s) shall become fully vested in all benefits accrued as of the Closing Date, (ii) no distributions shall be made out of such plan(s) to the Business Employees in connection with their termination of employment with GCNA resulting from the transactions contemplated in this Agreement, and (iii) distributions shall only be made at such time as a Business Employee's employment with the Buyer, the Company, the Company Subsidiaries and/or any other member of the Buyer Group, after notice is provided by such employee of such termination.

Prior to the Closing the Sellers will pay out to certain employees of the Companies and Company Subsidiaries the monetary value of "banked vacation," elected by the employees to date.

(c) On May 31, 2000, the Federal Communications Commission adopted a proposal for access charge and universal service reform advocated by the Coalition for Affordable Local and Long Distance Services ("CALLS"). Access Charge Reform, Price Cap Performance Review for Local Exchange Carriers, Low Volume Long Distance Users, Federal-State Joint Board on Universal Services, CC Docket Nos. 96-262, 94-1, 99-249, and 96-45 Sixth Report and Order in CC Docket Nos. 96-262 and 94-1, Report and Order in CC Docket No. 99-249, Eleventh Report and Order in CC Docket No. 96-45 FCC 00-193 (released May 31, 2000) Under the FCC's Order, price-cap-regulated incumbent local exchange carriers, including most of the Frontier LECs, were to reduce average traffic sensitive intrastate access charges by an industry-aggregate total of \$2.1 billion. The affected Frontier LECs filed the necessary tariff revisions to implement the FCC's order effective July 1, 2000. The FCC's Order contained certain provisions that permitted the Frontier LECs to ameliorate the negative financial effect of the FCC's Order and the

Frontier LECs have implemented such steps as they deemed appropriate under the circumstances.

(d) Currently, the Frontier LECs act as billing and collection agents and as agents, and also perform certain other ancillary services with respect to long distance services provided by Global Crossing Telecommunications, Inc. ("GCTI") to business and residential customers that reside within the franchised territories of the Frontier LECs for which they are compensated pursuant to intercompany agreements. The Frontier LECs, through their affiliate Frontier Communications of America, Inc. ("FCA"), intend to enter the long distance business directly as a reseller providing retail long distance service to their customers. Toward that end, FCA: (a) has entered into a Carrier Services Agreement with Global Crossing Bandwidth, Inc. to acquire rights to resell long distance capacity or services for resale to end-user customers which will be modified prior to Closing; (b) will enter into an Asset Purchase Agreement to acquire from GCTI the retail business and retail residential customer base of those customers that reside within the franchised territory of the Frontier LECs with the exception of certain nonregulated business services; (c) has initiated the process of seeking federal and state approvals to consummate the transaction described in (b) above; and (d) has initiated the process of applying for the necessary regulatory certifications and other authorizations to serve as a long distance carrier in the states in which it currently intends to operate as a long distance carrier where it does not possess such certifications or authorizations.

Currently, the Frontier LECs provide certain services to the competitive local exchange carrier ("CLEC") operations provided by Global Crossing Local Services, Inc., Global Crossing Telemanagement, Inc. and Global Crossing Telemanagement of Virginia, LLC. The Frontier LECs, through FCA, intend to enter the CLEC business directly. Toward that end, FCA has initiated the process of applying for the necessary regulatory certifications and authorizations to offer CLEC services in the states in which it presently intends to operate.

The Frontier LECs have recently begun to offer Web Hosting and related services and presently intend to expand this business.

The Frontier LECs are in the process of negotiating an agreement that will facilitate their entry into the Internet Yellow Pages Business.

As described in (1) and (2) above, the Frontier LECs provide certain services to Global Crossing's long distance and CLEC operations. These include, but are not necessarily limited to, billing, provisioning, call center services, engineering, 911 administration and related functions which will continue on the same conditions after Closing for a period of two (2) years.

(e) Sellers, Companies and Company Subsidiaries have regularly entered into compromises, settlements, waivers, releases, or adjustments with third parties. This is considered in the ordinary course of business. Other than a pending settlement with the

New York State Office of Real Property Services, relating to New York property taxes, none of these compromises, settlements, waivers, releases, or adjustments, individually is believed to be in excess of \$2.0 million.

- (i) See Schedule 2.9.1. attached hereto.

On July 16, 1996, AT&T Corp. filed formal complaints with the Federal Communications Commission against Frontier Communications of Mt. Pulaski, Inc., Frontier Communications - Midland, Inc. and Frontier Communications-Schuyler, Inc. AT&T Corp. v. Frontier Communications of Mt. Pulaski, Inc., et al., File No. E-96-36. In the complaints, AT&T alleged that these three Frontier LECs had entered into certain unlawful "revenue-sharing" agreements with certain information services providers ("ISPs") pursuant to which these Frontier LECs agreed to pay commissions to the ISPs based upon terminating access revenues that their services generated. The face amount of AT&T's claims is for approximately \$3.6 million plus prejudgment interest. The three Frontier LECs have denied any wrongdoing. This matter has been fully briefed to the FCC and is pending decision.

On June 2, 2000, Audiobridge of Illinois, Inc. -- one of the ISPs described in the preceding paragraph -- filed suit in the United States District Court for the Western District of New York against Frontier Communications-Midland, Inc., seeking unpaid commissions in the amount of approximately \$750,000 based upon the transactions described in the preceding paragraph. See Audiobridge of Illinois v. Frontier Communications-Midland, Inc., No. 00 CV 6203T(F). The Frontier LECs previously have received the benefit of any such payments.

During the past few years, a number of patent holders have contacted the Sellers asserting that certain business processes and systems used by the Frontier LECs may be infringing on those patents. Some of the patent holders have demanded that the Seller enter into licensing agreements covering all of its subsidiaries, and some have threatened patent infringement litigation. To the extent that Sellers enter into any license with respect to such patents that includes the Frontier LECs, Sellers will allocate the cost of such license on a relative use or other identified basis.

Global Crossing North America, Inc. or a subsidiary of Global Crossing North America, Inc. is defending a patent infringement suit in federal district court in Indianapolis relating to certain billing and call provisioning software and processes. It is uncertain whether those claims will implicate the Frontier LECs.

- (ii) In 1994, the New York State Public Service Commission approved the Open Market Plan.

Under the Open Market Plan, dividend payments from Frontier Telephone of Rochester, Inc. ("FTR") are temporarily prohibited until FTR receives clearance from the New York State Public Service Commission that service and debt rating requirements are being met or waived. Also, certain cash management agreements mandated by regulatory decisions in New York State and Illinois restrict short-term cash advances to affiliates.

The telephone industry is regulated by various agencies of the federal and state governments. A variety of regulatory plans impose certain obligations upon regulated companies. Plans specific to the Frontier LEC Business are in place in Minnesota, Wisconsin, Iowa, Pennsylvania and New York. From time to time, in the ordinary course of business, some of these regulatory plans are changed, amended, modified, updated or renegotiated. If approved, certain elements of these proposed plans may have an adverse impact on the Frontier LEC Business, even though such impact is not anticipated to constitute a Material Adverse Event.

As a regulated business, the operations of the Frontier LEC Business are subject to various orders of governmental regulatory agencies with responsibility to oversee their operations. In the normal course of business, various of the Companies and Company Subsidiaries have received public service commission orders which control various aspects of their business.

See also Schedule to Section 2.20.

Schedule 2.9.1

LITIGATION INVOLVING THE FRONTIER LEC BUSINESS:

CASE NAME	DATE FILED	POSITION IN CASE	TYPE OF CASE	NATURE OF CLAIM	AMOUNT OF CLAIM
RTC v. CC&E	Served in 1997	Plaintiff	Property Damage	Claim against bankrupt insurer to collect on earlier judgement, now pending against successor insurer CNA	\$3,055
RTC v. CC&E	1995	Plaintiff	Property Damage	Claim against bankrupt insurer to collect on earlier judgement, disclaimed, and now pending	\$273
RTC v. Scott Ervine	1996	Plaintiff	Property Damage	Small claims case settled in past but defendant has not made payments	\$1,031
Village of Fairport v. FTR	1999	Defendant	Property Damage	Company is codefendant in suit for damages in connection with damage to municipal electrical facilities during excavation. Company has demanded that primary defendant assume defense.	\$39,589
RTC v. Nory Construction	1998	Plaintiff	Property Damage	Claim for property damage against contractor, currently near final settlement.	\$39,135
Tim Thompson v. RTC	1996	Defendant	Personal Injury	Worksite fall. RTC is entitled to indemnification from plaintiff's employer who is a defendant. Matter is being handled by insurer, and company's maximum exposure is limited to the deductible.	\$1,000,000
Starwise Communications v. RTC	1996	Defendant	Breach of Contract (for telephone services)	Claim of loss based on telephone service problems. Company received summary judgement in mid-2000. Time for appeal has not yet expired.	\$5,000,000
RTC v. Lakeview Lawn	1999	Plaintiff	Property Damage	Subcontractor damaged company's underground cable and conduit. Claim to be amended to add additional \$16,000.	\$57,643
James Jordan v. FTR	1999	Defendant	Breach of Contract (telephone service interruptions)	Claimed loss due to interruptions and disconnections, likely subject to dismissal on tariff grounds	\$15,000
FTR v. Rochester Utility Contractors	1999	Plaintiff	Property Damage	Three claims for damage caused by subcontractor in outside plant construction	\$16,334
FTR v. Angelica Boring	1999	Plaintiff	Property Damage	Property damage claim against contractor where dispute is over existence and accuracy of stakeout.	\$124,945
FTR v. Madden Construction	1999	Plaintiff	Property Damage	Contractor damaged underground conduit	\$7,811
FTR v. Hal Kemp	2000	Plaintiff	Property Damage	Sewer construction led to cable cuts. Pending motion for default.	\$6,863
Passafiume v. Frontier and Vangalio	2000	Defendant	Personal Injury	Employee of company was hit by auto driven by unrelated third party during work hours.	\$126,000

Thomas Green v. RTC	1995	Defendant	EEOC claim	Termination and discrimination based on age, still under investigation at EEOC	None stated
CWA Unfair Labor Practice Charge	1996	(Defendant)	NLRB appeal	NLRB itself is pursuing an appeal of rejection of CWA's unfair labor practice claim arising out of 1995-96 labor relations and contract negotiations dispute. An ALJ has rejected the claim, and ordered dismissal of the complaint. This appeal within the agency to the full NLRB has been pending since early 1999.	None stated - exposure reflected in Schedules
Fred Lennon v. RTC	1996	Defendant	NY Div. Of Human Rights (NYDHR) claim	EEO-type claim of discrimination based on non-clinical weight problems. Probable cause determination was made in 1997, and public hearing was ordered, but it is unlikely to be held for some time.	None stated
Lorenzo Williams v. RTC	1996	Defendant	NYDHR claim	Sexual harassment claim awaiting conciliation conference	None stated
Shauna Cirafisi v. RTC	1998	Defendant	Sexual harassment	Temporary employee claims harassment while working at company. In discovery.	None stated
Pannelli v. FTR	1999	Defendant	NYDHR claim on disability accommodation	Dismissal for nonperformance is subject of complaint.	None stated
Leon Johnson v. FTR	1999	Defendant	Discrimination on basis of race	Claim based on treatment in job duties and assignments	N/A
MacDougal v. FTR	1999	Defendant	Discrimination on basis of age	Claim based on economic reduction in force	N/A
Morrissey v. FCNY	1998	Defendant	Personal Injury	Plaintiff seeking to hold company liable for fall from ladder to facilitate service visit	\$1,250,000
Rejo and Blaustein v. FCNY	1998	Defendant	Personal Injury	Auto accident claim based on Company truck backing into plaintiff's car, is presently near settlement.	\$850,000
Orange and Rockland Utilities v. Frontier Corp., et al.	1999	Defendant	Property Damage	Plaintiff claims damages based on low hanging wires below PSC requirements.	\$11,616
Orange Devt. Assn. v. FCNY	1999	Defendant	Property Damage	Claims of property damage that occurred in connection with construction project in Orange County	\$1,000,000
Pronet Computer Systems v. FCNY	1999	Defendant	Breach of Contract (service disruption)	ISP claims that dedicated services did not perform, causing loss to Internet service business	\$250,000
Larry Dise v. FCNY	1999	Defendant	Unpaid Wages	Retirees seek compensation for nonpayment of unused vacation at time of retirement	\$28,848
Frontier Comm of Mt. Pulaski and Frontier Comm. - Schuyler v. AT&T	1996	Plaintiff and Defendant	Access Charge and Regulatory Dispute	Referenced on other schedule sections - related to claim of AT&T that company paid commissions to a third party for certain information services billed in the territory, with associated claims of the ISP. Pending at FCC since 1998, with new claim just filed by ISP.	\$3,600,000

James Fitzgerald and Ernest Kerchen v. FC Iowa	1999	Defendant	Breach of Contract (Directory Advertising Error)	Claim based on failure to include listing in directory. Company is seeking indemnification from LM Berry Co.	N/A
Cook v. RGE and FTR	2000	Defendant	Personal Injury	Claim of cable TV installer based on injury sustained while climbing jointly owned pole.	N/A
Wilson v. FTR	Threat of suit	(Defendant)	Property Damage	Water damage resulting from underground repairs	N/A
David Ceracci v. FTR	Threat of suit	(Defendant)	Personal Injury	Claimant's snowmobile hit unmarked guy wire for pole.	N/A

Section 2.10

Insurance

None.

The following is a list of current interconnection, collocation and resale agreements entered into between the Frontier LECs and affiliated or unaffiliated third parties:

1. Resale Agreement between Global Crossing Local Services, Inc. and Frontier Communications of America, Inc.
2. Interconnection Agreement between Frontier Communications of Minnesota, Inc. and US West Communications, Inc. for Minnesota
3. Interconnection Agreement between Frontier Communications of Iowa, Inc. and CommChoice of Iowa, LLC
4. Frontier Telephone of Rochester Interconnection Agreement 2000 by and between Digital Broadband Communications, Inc. and Frontier Telephone of Rochester, Inc.
5. Frontier Telephone of Rochester Interconnection Agreement 1999 by and between PaeTec Communications, Inc. and Frontier Telephone of Rochester, Inc.
6. Frontier Telephone of Rochester Interconnection Agreement 1999 by and between AT&T Wireless Services, Inc. and Frontier Telephone of Rochester, Inc.
7. CMRS Interconnection Agreement by and between Sprint Spectrum L.P., d/b/a Sprint PCS, and Frontier Telephone of Rochester, Inc.
8. Frontier Telephone of Rochester Interconnection Agreement 1999 by and between Choice One Communications of New York, Inc. and Frontier Telephone of Rochester, Inc.
9. Frontier Telephone of Rochester Switched Access Meet Point Billing Agreement 1999 between Choice One Communications of New York, Inc. and Frontier Telephone of Rochester, Inc.
10. Frontier Telephone of Rochester Interconnection Agreement 1998 by and between Nextel of New York, Inc. and Frontier Telephone of Rochester, Inc.
11. Frontier Telephone of Rochester Interconnection Agreement 1998 by and between Genesee Telephone Company and Frontier Telephone of Rochester, Inc.
12. Frontier Telephone of Rochester Interconnection Agreement 1998 by and between Upstate Cellular Network, a New York general partnership, d.b.a. Frontier Cellular, and Frontier Telephone of Rochester, Inc.
13. Interconnection Agreement 1998 by and between Time Warner AxS of Rochester, L.P. and Frontier Telephone of Rochester Inc.
14. Frontier Communications of Georgia Interconnection Agreement 1999 by and between Hargray Wireless LLC and Frontier Communications of Georgia, Inc.
15. Frontier Communications of Georgia Interconnection Agreement 1999 by and between Bell South Personal Communications, Inc. for and on behalf of itself and on behalf of BellSouth Carolinas PCS, L.P. collectively doing

- business as BellSouth Mobility DCS, and Frontier Communications of Georgia, Inc.
16. CLEC/Frontier Communications of Iowa Interconnection Agreement 1999 by and between CommChoice of Iowa, LLC and Frontier Communications of Iowa, Inc.
 17. DTI/Frontier Communications of Minnesota Interconnection Agreement 1999 by and between Dakota Telecom, Inc and Frontier Communications of Minnesota, Inc.
 18. CLEC/Frontier Communications of Minnesota Interconnection Agreement 1998 by and between Crystal Communications, Inc. and Frontier Communications of Minnesota, Inc.
 19. CLEC/Frontier Communications of Iowa, Inc. Interconnection Agreement 1999 by and between Crystal Communications, Inc. and Frontier Communications of Iowa, Inc.
 20. Frontier Communications of New York Interconnection Agreement 1999 by and between Warwick Valley Telephone Company and Frontier Communications of New York, Inc.
 21. Interim Local Traffic Exchange Agreement by and between D&E Systems, Inc. d/b/a D&E Communications and Frontier Communications of Pennsylvania, Inc.
 22. CMRS Frontier Communications of Wisconsin, Inc. Interconnection Agreement 1998 by and between NEW-CELL Inc., and Frontier Communications of Wisconsin, Inc.
 23. PurePacket Communications, Inc. Request for Initiation of Interconnection Negotiations with Frontier Telephone of Rochester, Inc.
 24. Interim Local Meet Point Agreement by and between ACC National Telecomm Corp. and Frontier Telephone of Rochester, Inc.; terminated at the end of 12/31/99 but the parties still operate under the contract and are negotiating a new contract
 25. Collocation Agreement between Rochester Telephone Corporation and Time Warner AxS of Rochester, LP dated October 20, 1994
 26. Collocation Agreement between Frontier Communications of Iowa, Inc. and Crystal Communications, Inc.
 27. Collocation Agreement between Frontier Communications of Iowa, Inc. and CommChoice of Iowa, L.L.P.
 28. Master Collocation License Agreement between Frontier Telephone of Rochester, Inc. and Digital Broadband Communications, Inc., effective as of April 19, 2000
 29. Master Collocation License Agreement between Frontier Telephone of Rochester, Inc. and Choice One Communications of New York, Inc. effective as of January 27, 2000
 30. Lease Agreement (Rochester Switch) between Frontier Telephone of Rochester, Inc. and Rochester Telephone Mobile Communications, dated as of November 1, 1999

Various retention bonus opportunities will be made available to executive officers and key employees of the Frontier LEC Business. See Schedule to Section 2.8(b).

The following is a list of certain financial obligations of certain of the Companies or Company Subsidiaries:

1. Frontier Telephone of Rochester, Inc. 7.51% Medium Term Notes in the aggregate amount of \$40 million.
2. Vista Telephone Company of Minnesota, Inc. (now named Frontier Communications of Minnesota, Inc.) 7.61% Private Placement Notes in the aggregate amount of \$35 million.
3. RUS Loans at various Companies and Company Subsidiaries in an aggregate amount of approximately \$46.5 million. See Schedule 2.11.3 attached hereto.
4. Promissory Note dated July 6, 1993 from Highland Telephone Company (now named Frontier Communications of New York, Inc.) to Rochester Telephone Corporation (now named Global Crossing North America, Inc.) in the principal amount of \$3 million, plus interest at 6.5% from July 6, 1993, due and payable on July 6, 2003.
5. Promissory Note dated January 1, 1995 from Frontier Communications of New York, Inc. to Frontier Corporation (now named Global Crossing North America, Inc.) in the principal amount of \$5.9 million, plus interest at 8.4% from January 1, 1995, due and payable on January 1, 2005.
6. Promissory Note dated January 12, 1990 from Sylvan Lake Telephone Company, Inc. (now named Frontier Communications of Sylvan Lake, Inc.) to Rochester Telephone Corporation (now named Global Crossing North America, Inc.) in the principal amount of \$2.3 million, plus interest at 9.25% from January 12, 1990, due and payable on January 1, 2020.
7. Loan Agreement dated April 7, 2000 from Frontier Communications of Sylvan Lake, Inc. to Frontier Corporation (now named Global Crossing North America, Inc.) in the principal amount of \$2.4 million, plus interest at 8.4% from January 1, 1995, due and payable on January 1, 2005.
8. Loan Agreement dated April 7, 2000 from Global Crossing North American Networks, Inc. to Frontier Cellular of Alabama, Inc. in the principal amount of \$24,023,377 million, plus interest at 7.0% from January 31, 1997, due and payable on January 30, 2007. This Loan Agreement either will not be in existence as of the Closing Date or the right to receive loan repayments will be transferred, prior to the Closing Date, to an affiliate of Sellers which is neither a Company nor a Company Subsidiary.
9. In the normal and ordinary course of their business, intercompany advances are made from Sellers' subsidiaries to their parents. These amounts regularly fluctuate. As of May 31, 2000, approximately \$369,549,918 was advanced to Global Crossing North America, Inc. from the Companies and/or Company Subsidiaries.

Covenants not to compete:

- Frontier Telephone of Rochester and Roblen, Inc. (d/b/a Secrephone) entered into a noncompete agreement which will terminate on April 15, 2001 which provides that Frontier Telephone of Rochester will not enter the stand-alone answering service business in the Rochester market
- Frontier Telephone of Rochester and its affiliates have a noncompete agreement with ComExpo, Inc. which will terminate on June 15, 2002 which provides that such entities cannot sell or lease complex customer premises equipment ("CPE") as it was conducted by Frontier Network Systems prior to June 15, 1999 in Rochester, New York; Buffalo, New York; Syracuse, New York; Albany, New York; Highland, New York; Washington, D.C.; New York City, New York; Boston, Massachusetts; and Shelton, Connecticut; provided, however, that complex CPE does not include Centrex or similar network-based offerings.

Fairmount Cellular, Inc. owns a 25% interest in Georgia RSA 3.

The following cellular partnerships interests are held by Frontier Communications of DePue, Inc.:

Illinois Valley Cellular RSA 2-I Partnership (6.66% interest)
Illinois Valley Cellular RSA 2-II Partnership (6.66% interest)
Illinois Valley Cellular RSA 2-III Partnership (6.66% interest)

See also Schedules 2.11.1, 2.11.2., 2.11.3 and 2.14.

See also Schedule 2.7.1 for Contracts identified as material to be transferred to Buyer.

Schedule 2.11.1

MATERIAL CONTRACTS

The following contracts are material to the operation of the Frontier LEC Business. However, it is not always the case that a Company or a Company Subsidiary is a party to each of these contracts. Often, Sellers have entered into contractual relationships which benefit their subsidiaries and affiliates on an enterprise-wide basis. It may not be possible for the Frontier LEC Business to continue enjoying the benefits of such contracts following the Closing Date.

1. MIPS Based License Agreement between Frontier Information Technologies, Inc. and Computer Associates International, Inc. dated September 30, 1999
2. Master Software License Agreement between Software 2000, Inc. and Frontier Corporation dated June 29, 1995
3. Hyperion Software License Agreement between Hyperion Software Corporation and Frontier Corporation dated March 31, 1995
4. Corporate End User Software Order Form (with terms and conditions between Frontier Information Technologies and Netscape dated 5/29/98
5. Software License between NYNEX DPI Company and Rochester Telephone Corporation dated August 8, 1994
6. Software License and Services Agreement between Frontier Information Technologies, Inc. and Oracle Corp.
7. IBM Managed Hardware Services Agreement dated Oct. 10, 1998
8. Contract for Services between Frontier Communications Services, Inc. and Ambassador Communications, Inc. d/b/a Voice-Net dated April 7, 1998)
9. Master Services Agreement between Saville Systems US, Inc. and Frontier Communications of Rochester, Inc. dated September 15, 1994
10. Processing Services Agreement between Saville Systems US, Inc. and Frontier Communications of Rochester, Inc. dated September 15, 1994
11. Statement of Work 01 for Frontier Telephone of Rochester, Inc. by Bell Communications Research, Inc. dated December 22, 1998

12. Communications Data Group CABS License Agreement between Communications Data Group, Inc. and Rochester Telephone Corporation dated as of March 6, 1992
13. U.S. Intelco Networks, Inc. Master Service Agreement for the provision of SS-7 based services between U.S. Intelco Networks, Inc. and Frontier Telephone of Rochester, Inc., et al. dated October 5, 1993 and Modules thereto
14. Illuminet, Inc. Standard Terms and Conditions for the provision of SS-7 based services between Illuminet, Inc. and Frontier Telephone of Rochester, Inc., et al. effective as of December 29, 1997 and Modules thereto
15. Material Supply/Integrated Supply Agreement between Frontier Corporation and Anixter, Inc. dated January 1, 1999
16. Purchase Agreement between Fujitsu Network Communications, Inc. and Frontier Telephone of Rochester, Inc. dated January 1, 1999 for the purchase of network management software and hardware
17. General Agreement between Frontier Telephone of Rochester and Lucent Technologies, Inc.
18. Microsoft Select Enterprise Enrollment Agreement between Frontier Information Technologies, Inc. and Microsoft Corporation
19. Global Purchase Agreement between Frontier Communications International Inc. and Nortel Networks, Inc. effective January 1, 1999 for the purchase of telecommunications equipment
20. Master Directory Printing Agreement between Rochester Telephone Corporation and R.R. Donnelly & Sons Co. dated as of December 31, 1995
21. Purchase Agreement for Telecommunications Systems between Siemens Stromberg-Carlson and Frontier Communications-Midland, Inc. dated November 15, 1996
22. Directory Advertising Sales and Marketing Agreement between Frontier Corporation and L.M. Berry and Company dated July 9, 1998
23. Independent Contractor/Consultant Agreement between Frontier Corporation and Tridec Development Corporation dated May 14, 1998 for the provision of engineering database services.

Schedule 2.11.2

ADDITIONAL CONTRACTS ENTERPRISE

The following contracts do not fall within the definition of a Material Contract. It is not always the case that a Company or a Company Subsidiary is a party to each of these contracts. Often, Sellers have entered into contractual relationships which benefit their subsidiaries and affiliates on an enterprise-wide basis. It may not be possible for the Frontier LEC Business to continue enjoying the benefits of these contracts following the Closing Date.

1. Master Consulting and System Support Agreement between Access Data Consulting Corporation and Frontier Telephone of Rochester dated as of January 1, 2000
2. Software License Agreement between Cincom Systems, Inc. and Rochester Tel Information Services and Technologies, Inc. dated January 7, 1991
3. Master License Agreement between Systems Software Marketing, Inc. and Rochester Telephone Corporation dated March 5, 1990
4. Global License Program Foundation Agreement between Symantec Corporation et al. and Frontier Information Technologies dated 12/29/99
5. Individual Service Agreement between Frontier Corporation and Rochester Gas and Electric Corporation dated June 1, 1996
6. Agency Agreement between Mark Russell & Associates, Inc. and Frontier Corporation dated Oct. 10, 1997
7. U.S. End-User License Agreement for Proprietary between Electronic Data Systems Corporation and Frontier Information Technologies, Inc. dated June 30, 1998
8. Term Lease Master Agreement between Frontier Information Technologies, Inc. and IBM Credit Corp.

Schedule 2.11.3

ILEC Debt Summary

Medium Term Notes			
Frontier Telephone of Rochester, Inc.	7.51%	3/27/1002	40,000,000
Private Placement Notes			
FC- of Minnesota, Inc.	7.61%	2/01/2003	35,000,000
RUS Aggregated Loans (including RTB and FFB)			
	2.00%-9.00%	2000-2026	
FC- of AuSable Valley, Inc.	-	-	3,701,259
FC- of Seneca-Gorham, Inc.	-	-	1,807,668
FC- of Breezewood, Inc.	-	-	2,181,507
FC- of Canton, Inc.	-	-	821,263
FC- of Oswayo River, Inc.	-	-	908,294
FC- of Alabama, Inc.	-	-	6,996,746
FC- of Lamar County, Inc.	-	-	2,329,272
FC- of the South, Inc.	-	-	8,722,057
FC- of Fairmount, Inc.	-	-	2,543,561
FC- of Mississippi, Inc.	-	-	6,295,008
FC- of Illinois, Inc.	-	-	806,575
FC- of Lakeside, Inc.	-	-	131,594
FC- - Midland, Inc.	-	-	1,085,418
FC- - Prairie, Inc.	-	-	52,778
FC- of Thorntown, Inc.	-	-	148,703
FC- of Mondovi, Inc.	-	-	1,316,757
FC- - St. Croix, Inc.	-	-	1,869,042
FC- of Viroqua, Inc.	-	-	285,522
FC- of Michigan, Inc.	-	-	<u>4,508,787</u>
Total RUS			46,511,811

Section 2.12

Permits and Licenses; Compliance with Law

The entities which constitute the Frontier LEC Business may not possess all local franchises, business licenses, street occupancy permits and the like to conduct their incumbent local exchange and/or cable television operations. It is believed that such franchise, licenses and/or permits could be obtained or reinstated and that the absence of such is not believed material to the Frontier LEC Business.

Certain of the individual microwave, paging and land mobile licenses held by a Company or a Company Subsidiary may lapse or have lapsed due to inactivity with respect to the frequencies or other incidental noncompliance with FCC rules and regulations. It is believed that, to the extent that this may have occurred, these licenses may be reinstated or other noncompliance may be cured.

See the Schedule to Section 2.13.

Section 2.13

Environmental Matters

1. Materials associated with motor vehicle service center operations were discharged through a trench-type floor drain into a storm water drainage ditch at the 3441 West Henrietta Road leased facility. The contaminated soils were excavated and disposed as part of a remediation project undertaken by an environmental engineering firm on behalf of Sellers in 1995.
2. Underground Storage Tanks (USTs) were removed from Sellers' facilities from the late 1980's through 1997. In the following locations, hazardous materials were released from the tanks, and remediation efforts were undertaken as part of the tank removals: Ashton, Corning and Early, Iowa in 1997; Fairmont, Rosemount and Okabena, Minnesota in 1997; New Holland, Pennsylvania in 1990; West Henrietta Road, Rochester, New York in 1990; and Union Street and Whitney Road sites in Rochester, New York in 1989. In Atmore, Alabama, an underground storage tank was removed in 1991 and the State Agency is requesting monitoring wells. In Vredenber and Thomaston, Alabama, two (approximately) 75 gallon USTs were removed in 1991 with indications of minor leakage, and no remediation.
3. Gasoline has been detected in the soil and groundwater at the Union Street garage facility, in Rochester, New York. A leaking oil / water separator has also resulted in a release of waste oil to the environment. Sellers have recently completed preliminary soil and ground water testing and are about to commence an evaluation of possible remediation response alternatives.
4. It is standard in the local telephone company industry to treat telephone poles with creosote or some other preservative material. Although Sellers have no specific knowledge of any release of this material to the environment, it is possible that a release may have occurred at the location of individual poles or at pole yards. Sellers never treated the poles, as this was done at the manufacturer's site.
5. Sellers operate fleet vehicles that periodically release gasoline or hydraulic fluids to the environment in the event of a tank or hose malfunction. It has been the practice of Sellers to have an environmental cleanup company respond to these incidents.
6. In accordance with the Superfund Amendments and Reauthorization Act of 1986 (SARA) Title III, Sections 311 and 312, all filings for Sellers have been completed for the past three years (Reporting years 1997, 1998 and 1999) with the exception of Frontier Communications of Michigan. Filings for SARA Title III in Michigan were not submitted for reporting years 1997 and 1998, but will be completed and submitted to the respective SERCs/LEPC's by week ending July 14, 2000.

7. Fleet Service Operations are or have been conducted at Mt. Morris, Whitney Road, Union Street and West Henrietta Road garages in Western, New York. Although Sellers have no specific knowledge of such occurrences, incidental releases to the environment may have occurred at these sites.
8. Sellers, Companies and Company Subsidiaries have not treated obsolete computer equipment as a hazardous material for disposal purposes.

Section 2.14

Employee Benefit Matters

1. Change of Control Severance Plan for Salary Band Levels 25 and Above Maintained by GCNA
2. Global Crossing Ltd. Stock Incentive Plan
3. Human Resources Bulletin (11/97)
4. Human Resources Bulletin (3/97)
5. Bargaining Unit Employees' Retirement Savings Plan
6. Craft Pension Plan - I
7. CWA AFL-CIO Local 1170 Retirement Plan
8. CWA Adoption Assistance Plan
9. CWA Family Care Leave Plan
10. CWA Termination and Separation Allowance Policy
11. Craft Pension Plan - II
12. Craft - II Termination and Separation Allowance Policy
13. Trust Agreement Under the Deferred Compensation Plan for Executive Salaries, Plan for the Deferral of Officer and Department Head Bonuses
14. Plan for the Deferral of Directors' Fees
15. Directors' Common Stock Deferred Growth Plan
16. Directors' Stock Incentive Plan
 - Non-Qualified Stock Option Agreement
 - Stock Award Agreement
17. Educational Assistance Fund
18. Educational Assistance Program
19. Employee Assistance Program
20. Global Crossing Employees' Stock Option Plan/Frontier Corp. Employees' Stock Option Plan
 - Non-Qualified Stock Option Agreement
21. Employees' Retirement Savings Plan
22. Extraordinary Medical Expense Plan
23. Frontier Corporation Management Stock Incentive Plan
 - Restricted Stock Agreement
 - Non-Qualified Stock Option Agreement
 - Incentive Stock Option Agreement
24. Non-Union Severance Policy
25. Frontier Omnibus Incentive Plan
26. Frontier Corporation Plan for Welfare Benefit Policies
27. Pension Plan for Non-Bargaining Employees
28. Pre-Tax Parking / Mass Transit Benefit
29. Paid Time Off (PTO)
30. RTWA Adoption Assistance Plan
31. RTWA Family Care Leave Plan
32. Share Builder Plan (payroll deduction feature)
33. Supplemental Management Pension Plan
34. Supplemental Retirement Savings Plan

35. Telecommunications Benefit Program
36. Frontier Tel Flex Plan (includes medical, dental, vision, life insurance, flexible spending accounts, short and long term disability, AD&D)
37. Adoption Financial Support Program
38. AYCO Survivor Support Program
39. Employee Referral Program
40. Vision in Action Program
41. Executive Development Program
42. Frontier Executive Compensation and Perquisite Program
43. Frontier Salary Treatment and Bonus Program
44. Frontier Sales Incentive Programs
45. Parking Allowance
46. Travel Insurance
47. Frontier Communications of Minnesota, Inc. Retirement Pension Plan for Bargaining Unit Employees
48. Frontier Communications of New York, Inc. Craft Employee Benefit and Retirement Plan
49. Frontier Communications of Sylvan Lake, Inc. Craft Retirement Plan
50. Frontier Communications of Minnesota, Inc. & Frontier Communications of Iowa, Inc. - VEBA's Bargaining and Non-Bargaining

The CWA AFL-CIO Local 1170 Retirement Plan was established as a defined contribution plan on December 30, 1998. CWA Local 1170 and Frontier LEC management continue to discuss alternative plan designs and administration for the plan. Consequently, plan account statements have not been sent to participants.

Section 2.15

Labor Relations

The labor organizations recognized as representing the employees of the Frontier LEC Business are:

LOCATION	UNION	CONTRACT TERM	NO. OF MEMBERS
Frontier Communications of AuSable Valley, Inc.	Local 2176 International Brotherhood of Electrical Workers (IBEW)	05/11/98-05/10/02	10
Frontier Communications of Iowa, Inc.	Local 7171 Communications Workers of America (CWA)	06/01/00-05/31/03	69
Frontier Communications of Lakeside, Midland, Illinois, Mt. Pulaski and Prairie	Local 51 International Brotherhood of Electrical Workers (IBEW)	12/18/97-02/28/01	18
Frontier Communications of Michigan, Inc.	Local 1106 International Brotherhood of Electrical Workers (IBEW)	10/05/97-10/07/00	17
Frontier Communications of Minnesota, Inc.	Local 7270 Communications Workers of America (CWA)	06/01/00-05/31/03	240
Frontier Communications of New York, Inc.	Local 503 International Brotherhood of Electrical Workers (IBEW)	02/14/97-01/31/01	176
Frontier Communications of Sylvan Lake, Inc.	Local 320 International Brotherhood of Electrical Workers (IBEW)	11/10/97-01/31/01	13
Frontier Telephone of Rochester, Inc.	Local 1170 Communications Workers of America (CWA)	12/14/98-01/31/02	821
Frontier Telephone of Rochester, Inc.	Rochester Telephone Workers Association	01/26/00-02/28/03	642

All of the Frontier LEC collective bargaining agreements contain a successorship clause which requires the Buyer to assume the respective agreements and maintain all of the terms and conditions contained therein. Written notice to the Unions of the Buyer's acceptance is required thirty (30) days prior to the Closing Date.

Local 1170 CWA of Rochester, New York and Global Crossing North America, Inc. entered into a Partnership for Progress Agreement dated June 3, 1993. This Partnership for Progress Agreement contains commitments between the CWA and Global Crossing North America, Inc. with respect to employment security, successorship, arbitration and

union affiliation. This Partnership for Progress Agreement supplements the Local 1170 collective bargaining agreement.

(iii) Pending Unfair Labor Practice Charges: On April 8, 1996 FTR (Formerly Rochester Telephone Corp.) declared impasse and unilaterally implemented its final contract offer with respect to the contract negotiations with Local 1170 of the Communications Workers of America in Rochester, New York. In response, CWA Local 1170 filed four unfair labor practice charges against FTR. On June 28, 1996 the Regional Director of Region 3 of the NLRB dismissed two bargaining related charges, i.e., charges related to bargaining in bad faith and surface bargaining. (The other two charges dealt with the use of contractors and with an information request. The charge involving the contractors was dismissed by the Regional Director and affirmed by the General Counsel. The other charge was not related to the bargaining issues and was resolved between the parties.)

On appeal, the General Counsel affirmed the dismissal of the bad faith and surface bargaining charge, but directed that a Complaint issue on the question of impasse. The case, (NLRB Case No. 3-CA-2004-2) was tried before ALJ Robert T. Snyder in May and June 1997. On October 30, 1998, ALJ Snyder issued his Decision and Order dismissing the Complaint. Exceptions have been filed to the Decision by both the Counsel for General Counsel and the Union. FTR filed cross exceptions in March 1999. This matter is currently awaiting decision by the National Labor Relations Board.

Despite the pending appeal of the decision to declare impasse, the parties have reached two successive negotiated collective bargaining agreements. The current agreement does not expire until January 31, 2002. As a result, any potential exposure to the Company is limited to a fixed period of time should the Board reverse the ALJ's decision.

(iv) Compliance with all Laws and Government Orders: Currently, Sellers are in the process of completing a Cultural/Diversity audit and employment practices review. It is anticipated that recommendations to amend or supplement existing employment practices and procedures will be contained in the issued report, and if so, management will act in connection with such recommendations as it deems appropriate.

Section 2.16

Intellectual Property

Certain trademarks are currently held by Sellers. At Closing Sellers will transfer to the Companies or Company Subsidiaries or Buyer trademarks which use the word "Frontier" with exception of "Frontier GlobalCenter", "Frontier Optronics Network" and "Internet at Frontier." Sellers will transfer the mark "Orange County Insights." No additional marks owned by the Sellers will be transferred to the Companies or Company Subsidiaries whether or not other marks currently used by the Frontier LEC Business are required for the business' continued operations, nor is any representation made that Sellers will transfer any additional required marks since they may be also shared by other of Sellers' companies.

See Schedule to Section 2.9.

The IRS began field work on audits of the 1996 and 1997 returns on Wednesday July 5, 2000. No issues have been identified at the present time.

A Company Subsidiary previously held a cellular partnership interest in Wisconsin RSA #8 Limited Partnership. This partnership interest was sold in 1998. The Wisconsin RSA #8 is under an IRS audit of its 1996 tax return.

Sellers are contesting a forced deconsolidation in Indiana. The amount in dispute is \$4,923.

Sellers record tax reserves on a consolidated basis. The Sellers represent that the closing balance sheet will record all material tax reserves on the Frontier LEC Business in accordance with GAAP.

Sales and Use Tax Audits:

Frontier Communications of Fairmount: Sales and use tax audit for period October, 1996 through September, 1999. Audit in progress, no issues are identified yet.

Frontier Communications of Minnesota : Sales and use tax audit for period July, 1995 through May, 1997. Audit scheduled to begin September, 2000.

Frontier Communications of Seneca-Gorham: Sales and use tax audit for period September, 1996 through August, 1999. Audit not yet scheduled to begin.

Frontier Telephone of Rochester: Sales and use tax audit for period January, 1995 through February, 1999. Audit in progress, no issues identified yet.

State Income Tax

A portion of the Frontier LEC Business is currently under audit in New York State for the period 1995 through 1998. Sellers do not know the potential liabilities.

Property Tax

Sellers have filed a complaint with the New York State Board of Real Property Services requesting a 50% reduction in the tentative assessment for Special Franchise Property in the City of Rochester.

Various Frontier LECs hold, or have held, minority interests in partnerships that are subject to TEFRA audits. To the best of Sellers' knowledge, the following audits/appeals may be open:

1. GTE Mobilenet of Fort Wayne (FC of Indiana, partner) -- 1993/1994
2. Georgia RSA #3 LP (Fairmount Cellular, partner) -- 1991 thru 1997
3. Georgia RSA #1 LP (Fairmount Cellular, partner) -- 1991 thru 1994
4. Georgia RSA #8 LP (Statesboro Cellular, partner) -- 1994 thru 1996
5. Illinois Independent RSA #3 GP (OT Cellular, partner) -- 1993/1994
6. Des Moines MSA GP (Schuyler Telephone, partner) -- 1992/1993

Certain tax returns due by certain Companies and Company Subsidiaries may not have been timely filed, but these are not material to the Frontier LEC Business taken as a whole.

Sellers are currently contesting real property assessments in a number of locations in New York State and elsewhere. These assessments have been paid and refunds are currently being sought through the appropriate appeals or litigation process. Refunds received after Closing related to any overpayments allocated to the Frontier LEC Business will become the property of the Buyer.

The Sellers have entered (or plan to enter into) the following affiliate transactions which, other than agreements among and terminable by the Sellers, are expected to continue after the Closing Date:

Provisioning and dial tone services provided by the Minnesota Frontier LEC to Sellers' Competitive LEC and long distance entities.

CABS (Carrier Access Billing System) billing services provided by the Minnesota and New York Frontier LECs to Sellers' Competitive LEC entity.

Wholesale contract between Sellers and Frontier Communications of America (FCA), part of the Frontier LEC business, covering services to be resold by FCA.

Accounting Instruction No. 1, which provides for allocations of the costs of centrally provided services to the New York Frontier LEC business entities by their affiliates, predominantly from the holding company level.

Market development work for 911 information feed for Sellers' CLEC operations.

Billing integrity services provided to Sellers' CLEC operations.

Billing and collection and customer service arrangements between FCA and Sellers, which will provide for Sellers to perform billing and collection and customer services for long distance customers to be sold by an affiliate of Seller to FCA but will require such customer to be billed and served from Seller billing and customer service platforms that are not part of the Frontier LEC business.

In addition to the affiliate transactions described above, certain affiliates of FTR lease space in certain of FTR's central office buildings or on FTR-owned towers and rooftops for the placement of transmission, switching and related equipment.

See also the financial obligation contracts disclosed at Section 2.11.

1. Agreement for the Provision of Billing and Collection Services (G2 Customers) between Frontier Communications of Rochester, Inc. and Rochester Telephone Corp., and Amendment to G2 Billing and Collection Agreement. G2 Customers are Frontier Communications of Rochester Centrex customers temporarily billed by RTC pending transfer to Frontier's billing system. The contract provides for billing and collection services from RTC. The amendment includes Frontier Communications International toll messages on RTC bills for G2 customers.
2. Agreement for the Provision of Repair Answer Services between Frontier Communications of Rochester, Inc. and Rochester Telephone Corp. This contract provides for

RTC to answer after-hours repair calls from customers of Frontier Communications of Rochester.

3. Toll Clearinghouse Agreement (Type B) between Rochester Telephone Corp. and Frontier Communications of Rochester, Inc. This contract sets up a Clearinghouse under which RTC purchases messages from long distance and local exchange carriers (Type A arrangements) and sells them to local exchange carriers (Type B arrangements). This Clearinghouse is one alternative to allow billing where it becomes convoluted and difficult, e.g., an FCR customer accepts a collect intraLATA toll call from a Time Warner customer with an RTC ported number; an FCR customer accepts a collect interLATA toll call made over the facilities of a long distance carrier other than the customer's presubscribed carrier. The originating carrier may know only that the terminating number is an RTC number, not that the customer is served by FCR. This type of Clearinghouse requires originating carriers to sign Type A arrangements and the billing carriers to sign Type B arrangements.

4. Agreement for the Provision of Data Collection Services between Frontier Communications of Rochester, Inc. and Rochester Telephone Corp. Under this contract, FCR establishes customer profiles for RTC using RTC data as well as data from other affiliates. All data are treated as RTC data, and no Frontier personnel are allowed access except to perform the contract.

5. Calling Card Information Services Supplement to Operating Agreement for the Provision of Billing and Collection Services between Frontier Communications International Inc. and Rochester Telephone Corp. Under this contract, when RTC issues a calling card with which a customer may make FCI calls using an FCI "800" number, RTC provides FCI with the customer's billing name and address, billing telephone number and card PIN number.

6. Agreement for the Provision of Credit Application Services between Frontier Communications International Inc. and Rochester Telephone Corp., and a similar agreement with Frontier Communications of Rochester, Inc. Under these contracts, RTC verifies FCI or FCR customer names and addresses at the affiliate's request. RTC will notify FCI or FCR on a yes or no basis whether the investigation indicates fraud or unpaid claims but provides FCI or FCR no detailed information or credit history.

7. Agreement for the Provision of Customer Service Representatives between Rochester Telephone Corp. and Frontier Communications of Rochester, Inc. This is a restatement of the "rent-a-rep" agreement filed 1/30/95. The terms and conditions for work assignments and payment are simplified.

8. Facilities Agreement between Frontier Communications of Rochester, Inc. and Rochester Telephone Corp. This contract is a sublease of a portion of FCR's Frontier stores to give RTC space for an RTC customer service representative to take orders and payments for RTC services.

9. Agreement for the Provision of Credit and Collection Services between Rochester Telephone Corp. and Frontier Communications of Rochester, Inc. This contract is an expansion

of the "rent-a-rep" contract filed 1/30/95 to include customer service representatives to perform credit and collection work for FCR.

10. Supplement to Toll Clearinghouse Agreement (Type A) between Rochester Telephone Corp. and Frontier Communications of Rochester, Inc. The contract provides for RTC to rate all "0+" intraLATA operator service messages that originate from FCR's end users served by resold RTC facilities and pass the rating to FCR's billing system in a mutually agreeable format.

11. Services Agreement between Frontier Communications of Rochester, Inc. and Rochester Telephone Corp. The contract provides general terms and conditions for the provision of local telephone, Centrex, Centrex Management System and Special Facilities and Equipment services by RTC to FCR.

12. Agreement for the Provision of Network Monitoring Services between Rochester Telephone Corp. and Frontier Communications of Rochester, Inc. The contract states prices, terms and conditions for the provision of network monitoring services for Off Track Betting's Newbridge network by RTC to FCR.

13. Amendment Number One to Lease Between Rochester Telephone Corp. and Rochester Telephone Mobile Communications. The contract provides price, terms and conditions for the extension of a ten year lease covering a cellular tower site, originally effective as of July 1, 1986.

14. Amendment to Billing and Collection Services Agreements Between Rochester Telephone Corp. and Frontier Communications of Rochester, Inc. The contract revises the calculation of estimated actual uncollectibles applicable to FCR customers billed by RTC to make the calculation consistent with that used for interexchange carriers for which RTC performs billing and collection services.

15. Agreement for the Provision of Call Center Services Between Rochester Telephone Corp. and Frontier Communications of Rochester, Inc. The contract establishes prices, terms and conditions for call center services (including customer service, billing inquiries, provisioning and implementer service) provided by RTC to FCR.

16. Agreement for the Provision of Local Usage Detail Elimination Between Rochester Telephone Corp. and Frontier Communications of Rochester, Inc. The contract establishes prices, terms and conditions for the elimination of local usage detail on RTC's daily detailed billings to FCR with respect to customer accounts specified by FCR.

17. Indemnification Agreement between Rochester Telephone Mobile Communications and Rochester Telephone Corp. The contract requires RTC to perform all tenant's obligations under a lease, originally between Pioneer Properties Company of Rochester as landlord and RTMC as tenant, that RTMC assigned to RTC. The leased premises are office space now being used by RTC.

18. Provisioning Services Agreement between Frontier Communications of New York, Inc., Frontier Communications International Inc. and Frontier Telemanagement Inc. The contract establishes terms, conditions and pricing for FCNY to provide order processing, coordination, provisioning and customer services for FCI's and FTI's competitive local exchange carrier activities in a number of states other than New York.

19. Provisioning and Engineering Services Agreement between Frontier Communications of New York, Inc. and Frontier Local Services Inc. The contract establishes terms, conditions and pricing for FCNY to provide order processing, coordination, provisioning, data processing, network engineering, host switching and customer services for FLS's competitive local exchange carrier activities in New York City.

20. Regional Telephone Company and Frontier Communications Services Inc. Sales and Marketing Services Agreement. The contract establishes terms, conditions and pricing for Frontier Communications of AuSable Valley, Inc., Frontier Communications of Seneca-Gorham, Inc., Frontier Communications of Sylvan Lake, Inc. and Frontier Communications of New York, Inc. to market FCSI's interexchange telephone services.

21. Amended Agreement for the Provision of Repair Answer Services between Frontier Communications of Rochester and Rochester Telephone Corp. (now Frontier Telephone of Rochester, Inc.). The contract restates the terms, conditions and pricing for FTR to answer and respond to after-hours repair calls from FCR's customers.

22. Agreement for the Provision of Telecommunications Services by Rochester Telephone Corp. The contract establishes terms, conditions and pricing for provision of directory assistance and directory assistance call completion services by FTR to Upstate Cellular Network (Frontier Cellular).

23. Provisioning Services Agreements between Rochester Telephone Corp. and Frontier Telemanagement Inc. The contracts establish terms, conditions and pricing for FTR to provide order processing, coordination and provisioning services for FTI's competitive local exchange carrier activities in a number of states other than New York State.

24. Agreement for the Provision of Telecommunications Services by Rochester Telephone Corp. The contract establishes terms, conditions and pricing for FTR to provide operator, directory assistance and directory assistance call completion services to Frontier Local Services, Inc., for areas outside of FTR's service area.

25. Pole Attachment Agreement by and between Frontier Telephone of Rochester, Inc. and Frontier Communications of Rochester, Inc. The contract establishes terms, conditions and pricing for FCR to attach telecommunications facilities to FTR's telephone poles.

26. CARE Clearinghouse Agreement between Frontier Telephone of Rochester, Inc. and Frontier Communications Services Inc. The contract establishes terms, conditions and pricing

for FTR to handle Billing Name and Address requests from interexchange carriers to FCS's Competitive Local Exchange Carrier operations.

27. Agreement for the Provision of Advertising Billing Service between Frontier Communications of Rochester, Inc. and Frontier Telephone of Rochester, Inc. The contract establishes terms, conditions and pricing for FCR to bill and collect directory advertising charges on behalf of FTR from FCR's customers advertising in FTR's directories.

28. Agreement for the Provision of Telecommunications Services between Frontier Telephone of Rochester, Inc. and Frontier Communications Services Inc. The contract establishes terms, conditions and pricing for FTR to provide directory assistance services to FCSI.

29. Interconnection Agreement between Frontier Telephone of Rochester, Inc. and Upstate Cellular Network (Frontier Cellular). This interconnection agreement pursuant to the Telecommunications Act of 1996 was filed with the Public Service Commission and approved by order issued October 8, 1998 in Case 98-C-1044.

30. Underground Conduit Agreement between Frontier Telephone of Rochester, Inc. and Frontier Communications of Rochester, Inc. The contract establishes terms, conditions and pricing for FCR to occupy space in FTR's conduit systems.

31. Lease between Frontier Telephone of Rochester, Inc. and Rochester Telephone Mobile Communications. The lease establishes terms, conditions and pricing for RTMC to occupy space for cellular communications equipment on and alongside a tower in the Village of Caledonia, Livingston County, New York.

32. Agreement for the Provision of Call Center Services between Frontier Telephone of Rochester, Inc. and Frontier Communications International, Inc. The contract establishes terms, conditions and pricing for FTR to provide call center services for the purpose of provisioning services for FCI's end users.

33. Cellular Agreement and Paging Services Agreement between Upstate Cellular Network (Frontier Cellular) and Frontier Telephone of Rochester, Inc. These contracts establish the terms, conditions and pricing for cellular and paging services provided by Frontier Cellular to FTR.

34. Facilities and Maintenance Agreement between FTR and Upstate Cellular Network. The contract provides prices, terms and conditions for DS-3 communications service between UCN's location at 133 Calkins Road, Rochester, NY and the interface between UCN and FTR at FTR's Plymouth CO, and associated terminal equipment.

35. Sales and Marketing Services Agreement between Frontier Communications of New York, Sylvan Lake, AuSable Valley and Seneca-Gorham and Frontier Communications Services Inc. The contract provides prices, terms and conditions for the Frontier incumbent local exchange carriers to sell the long distance services of Frontier Communications Services Inc.

36. Provision of Billing and Collection Services between Frontier Telephone Companies and Frontier Communications Services Inc. The contract amends the previous billing and collection agreement and provides new prices, terms and conditions for billing and collection services provided by Frontier Communications of New York, Sylvan Lake, AuSable Valley and Seneca-Gorham to Frontier Communications Services Inc.

37. Agreement for the Resale of Internet Services between Frontier Communications of Rochester, Inc. and Frontier Telephone of Rochester, Inc. The contract provides prices, terms and conditions for FCR's resale of FTR's Internet services.

38. Agreement for the Provision of Software between Frontier Telephone of Rochester, Inc. and Frontier Communications Services Inc. The contract provides prices, terms and conditions for the license of software by FTR to FCSI that converts the format of AMA data with respect to FCSI's operator services calls.

39. Agreement for the Provision of Voice Mail Services between Frontier Communications Services Inc. and Frontier Telephone of Rochester, Inc. The contract provides prices, terms and conditions for the provision of voice mail services by FCSI to FTR.

40. Revised Addendum to Agreement for the Provision of Telecommunications Services by Rochester Telephone Corp. (now Frontier Telephone of Rochester, Inc.). This Revised Addendum to the 1997 Agreement changes the pricing for directory assistance and directory assistance call completion services provided by FTR to Upstate Cellular Network.

Section 2.20 Telephone Operations

Section 2.20(g) Rate Reductions or Moratorium
and (h)

There are a number of federal and state regulatory initiatives that require or may require reductions in rates or preclude the filing of requests to increase rates. The major ones are:

The FCC's adoption of the CALLS initiative;

State Alternative Form of Regulation plans that are company-specific: Minnesota, Wisconsin, Iowa, Pennsylvania and New York;

The Rochester Open Market Plan and any amendments or extensions thereto;

Illinois order approving the 1999 Global Crossing/Frontier merger.

In addition, a number of state regulatory initiatives have or may restrict the Sellers' ability to dividend or otherwise flow cash to the parent company. These include, but are not necessarily limited to:

State Alternative Form of Regulation plans that are currently in effect or may be up for renegotiations;

Cash management arrangements that are in effect for the Frontier New York and Illinois LECs;

The Rochester Open Market Plan or other extensions or renewals thereof;

Iowa and Illinois orders approving the 1999 Global Crossing / Frontier merger.

In addition, the terms of the RUS or RTB loans may restrict the issuance of dividends. A loan for the Minnesota properties may also restrict the issuance of dividends.

Schedule 2.20(i) Improvements Required by Governmental Authorities

There are a number of federal and state regulatory initiatives that will require the Company or Company Subsidiaries to make upgrades, enhancements or changes to physical plant. These include, but are not necessarily limited to:

State Alternative Form of Regulation plans that may be company-specific;

The Rochester Open Market Plan and restated orders and any amendments of or extensions thereto (including requirements that Frontier Telephone of Rochester,

Inc. deploy a flow-through Operational Support System ("OSS") and deload loops of less than 18,000 feet in length among others);

State or company specific service standards requirements;

Certain orders approving the 1999 Global Crossing/Frontier merger;

The FCC's Truth-in Billing Orders any similar state orders or initiatives;

The FCC's Slamming Orders and any similar state slamming, cramming, and related initiatives;

Orders, regulations or requirements emanating from the Carrier Assistance to Law Enforcement Act;

The FCC's Wireless E911 Orders;

The FCC's Local Number Portability Number Orders;

The FCC's Unbundled Network Elements and Collocation Orders.

Schedule 2.20(j) Access Lines

Attached hereto is the May 2000 Access Line Count Report for the Frontier LECs. See Schedule 2.20.1.

Schedule 2.20.1

Telephone Operations – May 2000 Access Lines by Segment

	May 2000							YTD Growth						
	Basic							Basic						
	Res	Business	Centrex	PBX/T1	Coin	WATS	Total	Res	Business	Centrex	PBX/T1	Coin	WATS	Total
Alabama														
FC of Alabama	10,750	1,580	780	221	139	2	13,472	237	-10	21	0	-1	0	247
FC of Lamar County	2,111	294	0	19	15	0	2,439	44	-2	0	0	0	0	42
FC of the South-AL	9,075	1,837	180	176	167	0	11,435	217	-24	-25	11	-3	0	176
Total Alabama	21,936	3,711	960	416	321	2	27,346	498	-36	-4	11	-4	0	465
Florida														
FC of the South-FL	4,219	345	8	3	24	0	4,599	117	12	0	0	-1	0	128
Total Florida	4,219	345	8	3	24	0	4,599	117	12	0	0	-1	0	128
Georgia							0							
FC of Fairmount	2,330	266	0	12	23	5	2,636	153	11	0	0	3	0	167
FC of Georgia	12,845	5,882	5,341	244	374	15	24,701	-442	152	63	3	-2	0	-226
Total Georgia	15,175	6,148	5,341	256	397	20	27,337	-289	163	63	3	1	0	-63
Iowa														
FC of Iowa	42,584	12,834	3,159	1,204	243	9	60,033	548	135	55	-7	4	0	735
FC of Schuyler-IA	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total Iowa	42,584	12,834	3,159	1,204	243	9	60,033	548	135	55	-7	4	0	735
Illinois														
FC of Deque	733	83	0	0	9	0	825	6	-26	0	0	0	0	-20
FC of Illinois	4,186	571	65	384	18	0	5,224	23	14	3	96	0	0	136
FC of Lakeside	749	132	10	0	17	0	908	11	7	0	0	0	0	18
FC of Midland	4,203	394	15	120	22	0	4,754	57	25	0	24	0	0	106
FC of Mt. Pulaski	1,603	348	121	0	4	0	2,074	8	13	0	0	0	0	21
FC of Orion	1,647	400	0	0	7	0	2,054	18	13	0	0	0	0	31
FC of Prairie	918	176	8	0	7	0	1,109	15	2	0	0	0	0	17
FC of Schuyler-IL	2,304	716	58	0	14	0	3,092	-24	7	-11	0	-2	0	-30
Total Illinois	16,343	2,818	277	504	98	0	20,940	114	65	-8	120	-2	0	279
Indiana														
FC of Indiana	2,364	421	0	0	14	0	2,799	24	106	0	0	-2	0	128
FC of Thornown	2,419	354	0	108	20	0	2,901	60	12	0	52	0	-3	121
Total Indiana	4,783	775	0	108	34	0	5,700	84	118	0	52	-2	-3	249
Ivan of Michigan														
FC of Michigan	22,611	1,722	2,037	768	203	0	27,341	268	171	138	240	5	0	822
Total Michigan	22,611	1,722	2,037	768	203	0	27,341	268	171	138	240	5	0	822
Minnesota														
FC of Minnesota	99,357	19,532	7,955	1,196	594	12	128,646	977	307	101	-99	-5	0	1,281
Total Minnesota	99,357	19,532	7,955	1,196	694	12	128,646	977	307	101	-99	-5	0	1,281
Mississippi														
FC of Mississippi	5,721	610	27	19	55	10	6,442	130	101	1	-4	1	0	229
Total Mississippi	5,721	610	27	19	55	10	6,442	130	101	1	-4	1	0	229
New York														
FC of Ausable Valley	5,258	965	274	68	81	1	6,647	250	18	53	0	-2	0	319
FC of New York	54,412	17,368	3,884	509	658	4	76,835	1,594	585	963	-87	-14	0	3,041
FC of Seneca Gorham	8,277	1,333	431	0	29	0	10,070	550	-3	-3	0	0	0	544
FC of Sylvan Lake	16,961	2,724	1,070	36	131	0	20,922	840	46	600	-13	-14	0	1,459
Total New York	84,908	22,390	5,659	613	899	5	114,474	3,234	646	1,613	-100	-30	0	5,363
Pennsylvania														
FC of Benezewood	3,590	688	49	70	40	11	4,448	25	-13	0	-18	2	0	-4
FC of Canton	3,611	564	88	0	28	0	4,291	58	2	-4	0	1	0	57
FC of Lakewood	1,364	240	0	42	13	5	1,664	25	16	0	-3	-1	-1	36
FC of Oswayo River	2,022	301	0	0	14	3	2,340	16	0	0	0	0	0	16
FC of Pennsylvania	18,115	6,088	5,712	191	136	5	30,247	244	119	60	1	-12	-1	411
Total Pennsylvania	28,702	7,881	5,849	303	231	24	42,990	368	124	56	-20	-10	-2	516
Wisconsin														
FC of Lakeshore	0	0	0	0	0	0	0	0	0	0	0	0	0	0
FC of Mondovi	2,090	389	5	179	17	1	2,681	52	-3	0	10	0	0	59
FC of St. Croix	6,678	1,461	1,123	536	66	0	9,864	234	25	19	3	-4	0	277
FC of Viroqua	2,846	1,258	57	31	49	0	4,241	74	52	0	0	-1	0	125
FC of Wisconsin	19,900	2,810	3,770	1,198	167	0	27,845	439	100	-2	26	4	0	567
Total Wisconsin	31,514	5,918	4,955	1,944	299	1	44,631	799	174	17	39	-1	0	1,028
Total Regional Telcos	377,653	84,684	36,227	7,334	3,298	83	509,579	6,848	1,970	2,032	235	-44	-5	11,036
Total FTR	368,509	111,202	67,617	33,629	5,437	186	576,580	2,530	256	-871	1,691	-113	-14	3,479
Telephone Operations	746,362	195,886	93,844	40,963	8,835	269	1,086,159	9,378	2,226	1,161	1,926	-167	-19	14,516

Section 2.20 of the Disclosure Schedule

Calculation Methodology

Calculation of 1999 Pro Forma Revenue

1999 Pro Forma Revenue of \$805,204,000 was calculated using actual 1999 revenue for the Frontier LEC Business as reported in conformity with GAAP as applied in the financial statements, which equaled \$729,229,000, adjusted for the following items:

- Addition of Long Distance Revenue: \$88,095,000 of long distance revenue was added in calculating 1999 Pro Forma Revenue. The \$88,095,000 represents the actual long distance revenue that was billed to customers of the Frontier LEC Business on behalf of Global Crossing Telecommunications, Inc., for whom the Frontier LEC Business was acting as agent, net of an assumed provision for uncollectible accounts of \$2,725,000, which represented 3% of the gross long distance revenue.
- Subtraction of Billing and Collection Revenue: \$6,951,000 of billing and collection revenue that was included in the actual revenue of the Frontier LEC Business was subtracted in calculating 1999 Pro Forma Revenue. The \$6,951,000 represents the actual billing and collection revenue that was billed to Global Crossing Telecommunications, Inc. by the Frontier LEC Business.
- Subtraction of Agent Commissions: \$5,169,000 of agent commission revenue that was included in the actual revenue of the LEC Business was subtracted in calculating 1999 Pro Forma Revenue. The \$5,169,000 represents the actual agent commission revenue that was charged to Global Crossing Telecommunications, Inc. by the Frontier LEC Business (except that it represents an estimate for Frontier Communications of Rochester, Inc.).

Calculation of 1999 Pro Forma EBITDA

1999 Pro Forma EBITDA of \$386,769,000 represents 1999 Pro Forma Revenue, as calculated above, less pro forma operating expenses (excluding depreciation, amortization, net interest expense, and income taxes) for the Frontier LEC Business. Pro forma operating expenses equals the actual operating expenses (excluding depreciation, amortization, net interest expense, and income taxes) of \$355,426,000, calculated in conformity with GAAP as applied in the financial statements, adjusted for the following items:

- Inclusion of wholesale long distance expenses: \$47,219,000 of wholesale long distance expenses were added to actual operating expenses in calculating 1999 Pro Forma EBITDA which has the effect of decreasing 1999 Pro Forma EBITDA. The \$47,219,000 represents actual long distance minutes of use by customers of the Frontier LEC Business through Global Crossing Telecommunications, Inc. multiplied by an assumed average cost per minute of 8.26 cents.

Inclusion of other operating expenses: \$15,790,000 of other operating expenses were added to actual operating expenses in calculating 1999 Pro Forma EBITDA which has the effect of decreasing 1999 Pro Forma EBITDA. The \$15,790,000 represents additional costs that might be incurred for marketing and product development, commercial call center operations, billing of commercial accounts, charges to Global Crossing Telecommunications, Inc. for consumer call center services that will no longer be charged to Global Crossing Telecommunications, Inc., and other miscellaneous SG&A expenses.

Annex A to Section 2.20

Zephyrus Financials	Fiscal Year Ending December 31					
	1995A	1996A	1997A	1998A	1999A	1999 PF
Financial Statistics						
Revenues						
Switched Network Access Lines	\$184,026	\$192,204	\$201,635	\$215,527	\$227,522	\$227,522
Switched Network Usage	221,943	220,309	222,632	218,075	214,612	214,612
Non-Switched Circuit Services	30,743	33,502	38,837	45,381	54,081	54,081
Public Telephone	6,634	5,764	6,563	7,325	9,050	9,050
Enhanced Services	30,333	34,533	40,097	47,261	52,608	52,608
Equipment Sales/Lease	34,984	34,753	31,852	31,803	31,896	31,896
Directory	44,799	48,357	50,465	52,913	55,505	55,505
Long Distance	NA	NA	NA	NA	NA	88,096
Operator Services	9,184	10,579	9,959	9,480	10,131	10,131
Other	59,079	63,013	65,036	74,170	73,733	61,612
Total	\$621,725	\$643,013	\$667,078	\$701,855	\$729,229	\$806,204
Expenses						
Personnel Expenses	\$143,207	\$142,375	\$131,404	\$146,429	\$146,337	\$146,337
Corporate / IT Charges	45,964	56,771	65,328	62,484	70,523	70,523
Direct Controllable	140,846	130,788	124,365	134,851	138,984	201,993
Regional Eliminations	(1,047)	(1,644)	(1,967)	(2,107)	(418)	(418)
Total	\$328,970	\$328,290	\$319,101	\$341,868	\$355,426	\$418,436
EBITDA	\$292,755	\$314,723	\$347,975	\$360,277	\$373,803	\$386,768
D&A	104,419	102,349	110,103	112,924	131,175	NA
EBIT	\$188,336	\$212,374	\$237,872	\$247,353	\$242,628	NA
Balance Sheet & Cash Flow Statistics						
Net Working Capital	\$129,199	\$144,321	\$221,615	\$253,398	\$350,596	NA
Capital Expenditures	73,786	101,342	108,782	153,901	177,952	NA
Net PP&E	646,660	639,230	646,807	696,532	968,951	NA
Total Assets	1,142,432	1,076,501	1,105,427	1,245,524	1,680,129	NA
Total Debt	167,257	189,013	141,839	138,914	135,972	NA
Shareholders Equity	710,335	704,008	802,333	892,095	1,109,288	NA
Operating Statistics						
Employees	2,860	2,638	2,485	2,740	2,914	2,914
Access Lines						
Residential	672,956	686,977	700,790	718,113	736,984	736,984
Business	276,034	296,069	308,182	327,006	334,660	334,660
Total	948,990	983,046	1,008,972	1,045,121	1,071,644	1,071,644
Revenue / Avg. Access Line per Month	\$54.60 ¹	\$55.47	\$55.81	\$56.95	\$57.42	\$63.40
Access Minutes of Use ('000)	4,031,719	4,299,035	4,526,464	4,682,202	4,909,345	4,909,345
Penetration Rates per Customer						
Internet Dial-Up	NA	1.2%	3.2%	6.1%	8.5%	8.5%
Second Line	NA	NA	NA	NA	11.3%	11.3%

- 1 Pro forma for the purchase from Global Crossing of the rights to the long distance customers that were previously served on an agent basis.
- 2 1995A revenue per average access line per month based on year-end number of access lines.
- 3 Includes net inter-LEC charges and adjustments

Annex B to Section 2.20

The chart below presents charges for shared services and mutually beneficial cost allocations to the Frontier LEC Business in 1998 and 1999 including \$(8,487,000) of net inter-LEC charges and adjustments in 1998 and \$4,129,000 in 1999. Such charges are based on a cost allocation methodology developed in accordance with FCC and state regulatory guideline and consistent with past practices.

<i>(Dollars in Thousands)</i>	1998	1999
Corporate Overhead	\$7,015	\$7,547
Operating Overhead	16,237	17,523
Marketing Costs	6,163	1,985
IT Support	38,507	34,111
Other	(5,439)	9,358
Total Corporate / IT Charges	\$62,484	\$70,523

Annex C to Section 2.20

(Dollars in Thousands)	1999 PF ¹ Revenue	1999 PF ¹ EBITDA ²	Access Lines YE 99
ILEC			
Rochester	\$383,813	\$157,493	573,101
RLEC			
New York	102,679	51,329	109,111
Minnesota	97,382	55,543	127,365
Iowa	44,989	22,928	59,298
Wisconsin	36,009	19,734	43,603
Pennsylvania	31,777	16,889	42,474
Alabama	31,333	17,313	31,352
Georgia	25,434	16,251	27,396
Illinois	22,005	12,626	19,761
Michigan	19,664	10,480	26,519
Mississippi	5,519	3,027	6,213
Indiana	4,600	2,738	5,451
Total RLEC	421,391	228,858	498,543
Total	\$805,204	\$386,769	1,071,644

¹ Pro forma for the purchase from Global Crossing of the rights to the long distance customers that were previously served on an agent basis.

² 1999 PF EBITDA adjusted for regional eliminations.

**LEC Consolidated
Operations Based Build-Up**

(Dollars in thousands, except per line amounts)	1995 A	1996 A	1997 A	1998 A	1999 PF
Total Revenue	\$621,725.4	\$643,913.4	\$647,076.0	\$701,835.0	\$809,203.7
Residence Access Lines	\$94,322.7	\$96,892.9	\$103,014.8	\$107,951.7	\$114,594.9
Business Access Lines	50,709.3	53,022.1	55,985.2	60,077.3	61,580.3
CALC	36,094.0	40,289.0	42,835.0	47,496.0	51,367.1
LNP Surcharge	0.0	0.0	0.0	0.0	0.0
Switched Network Access Lines	\$184,026.0	\$192,204.0	\$201,835.0	\$218,527.0	\$227,522.3
Number of Access Lines - Residence	672,956	686,677	700,790	718,113	736,984
Growth Rate (%) - Residence	--	2.1%	2.0%	2.5%	2.6%
Monthly Revenue per Line - Residence (\$)	\$11.67	\$12.00	\$12.25	\$12.53	\$12.96
Number of Access Lines - Business	276,034	296,069	308,182	327,008	334,860
Growth Rate (%) - Business	--	7.3%	4.1%	6.1%	2.3%
Monthly Revenue per Line - Business (\$)	\$18.31	\$14.82	\$15.14	\$15.31	\$15.33
Number of Access Lines - CALC	948,990	963,046	1,008,972	1,045,121	1,071,844
Monthly Revenue per Line - CALC (\$)	\$3.43	\$3.42	\$3.52	\$3.79	\$3.99
Monthly LNP Surcharge - FTR (\$)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
LMS & LMU	\$32,406.0	\$33,268.0	\$31,957.0	\$31,555.0	\$31,943.3
Switched Access	156,296.0	156,329.0	162,172.0	155,186.0	156,707.3
USF Support Payment	11,018.0	12,156.0	10,858.0	18,390.0	11,858.0
Mutual Compensation (MC)	1,594.0	4,191.0	5,333.0	4,386.0	4,702.0
IntraLATA Toll (ILT)	20,831.0	14,378.0	12,312.0	10,578.0	9,401.2
Switched Network Usage	\$221,943.0	\$220,309.0	\$222,632.0	\$218,075.0	\$214,611.8
Number of Access Lines - LMS & LMU	948,990	963,046	1,008,972	1,045,121	1,071,844
Monthly Revenue per Line - LMS & LMU (\$)	\$2.85	\$2.82	\$2.64	\$2.52	\$2.48
Base LEC Minutes of Use - SASR ('000)	4,031,719	4,299,035	4,526,464	4,882,202	4,909,345
Rate per Minute - SASR (\$)	\$0.039	\$0.036	\$0.036	\$0.033	\$0.032
Growth Rate (%) - USF	--	10.3%	-10.7%	50.9%	-27.7%
Terminating Minutes of Use - MC ('000)	83,720	184,568	245,781	273,840	324,061
Rate per Minute - MC (\$)	\$0.019	\$0.023	\$0.022	\$0.018	\$0.015
Number of Access Lines - ILT	948,990	963,046	1,008,972	1,045,121	1,071,844
Monthly Revenue per Line - ILT (\$)	\$1.81	\$1.22	\$1.02	\$0.84	\$0.73
Non-Switched Circuit Services	\$30,743.0	\$33,901.8	\$38,837.0	\$45,381.0	\$54,980.7
Growth Rate (%)	--	9.0%	15.9%	16.8%	19.2%
Public Telephones	\$6,834.0	\$5,764.0	\$6,563.0	\$7,326.0	\$9,050.2
Growth Rate (%) - PTCR	--	-13.1%	13.9%	11.6%	23.6%

Page 2 of Annex D to Section 2.20

LEC Consolidated
Operations Based Build-Up

(Dollars in thousands, except per line amounts)		1995 A	1996 A	1997 A	1998 A	1999 PF
Calling Features (CF)		\$30,329.0	\$32,351.0	\$34,456.0	\$36,182.0	\$39,549.2
Internet - Dial up		4.0	2,182.0	5,641.0	9,079.0	13,149.0
Internet - DSL		0.0	0.0	0.0	0.0	0.0
Web Hosting		0.0	0.0	0.0	0.0	0.0
Enhanced Services		\$30,333.0	\$34,533.0	\$40,097.0	\$47,261.0	\$52,698.2
Number of Access Lines - CF	Months	948,990	983,046	1,008,972	1,045,121	1,071,644
Avg. Monthly Revenue per Line - CF (\$)	12	\$2.96	\$2.74	\$2.85	\$3.04	\$3.06
Number of Customers - Dial up		17	9,261	24,085	47,003	66,599
Penetration Rate - Dial up (%)		0.0%	0.9%	2.4%	4.5%	6.2%
Avg. Monthly Revenue - Dial up (\$)	12	\$333.3	\$181,833.3	\$470,083.3	\$756,583.3	\$1,095,732.5
Dial-Up Price @ Year End		\$19.95	\$19.83	\$19.52	\$18.10	\$18.45
Addressable Lines (% Access Lines)		0.0%	0.0%	0.0%	0.0%	0.0%
Addressable Lines - Potential Market (DSL)		0	0	0	0	0
Penetration Rate - DSL (%)		0.0%	0.0%	0.0%	0.0%	0.0%
DSL Lines (Yr. End)		0	0	0	0	0
Avg. Monthly Revenue per Line - DSL (\$)	12	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
DSL Price		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Growth Rate (%) - Web Hosting		--	NM	NM	NM	NM
Equipment Sales/Lease/Maintenance (ESLM)		\$34,984.0	\$34,783.0	\$31,852.0	\$31,803.0	\$31,896.3
Directory / Yellow Pages		\$44,799.0	\$48,357.0	\$50,465.0	\$52,913.0	\$55,304.8
Billing & Collection (B&C)		\$26,417.0	\$27,458.0	\$26,436.0	\$25,321.0	\$13,787.7
Long Distance		\$0.0	\$0.0	\$0.0	\$0.0	\$84,096.0
Growth Rate (%) - ESLM		--	-0.7%	-8.3%	-0.2%	0.3%
Growth Rate (%) - Directory / YP		--	7.9%	4.4%	4.9%	4.9%
Growth Rate (%) - B&C		--	3.9%	-3.7%	-4.2%	-45.5%
Directory Assistance & Other Operator Svcs. (DA&OS)		7,233.0	8,317.0	7,977.0	7,542.0	8,153.0
Third Party Contracts (TPC)		1,951.0	2,262.0	1,962.0	1,936.0	1,978.4
Operator Services		\$9,184.0	\$10,578.0	\$9,959.0	\$9,480.0	\$10,131.4
Number of Access Lines - DA&OS		948,990	983,046	1,008,972	1,045,121	1,071,644
Avg. Monthly Revenue per Line - DA&OS (\$)		\$0.64	\$0.71	\$0.96	\$0.80	\$0.63
Growth Rate (%) - TPC		--	15.9%	-12.4%	-2.2%	2.1%
Other 1		\$16,478.0	\$16,919.0	\$16,722.0	\$24,543.0	\$23,700.1
Other 2		(96.0)	3,334.0	4,029.0	4,541.0	5,145.0
Gross Revenue Surcharge (GRS)		11,305.0	9,821.0	9,864.0	9,758.0	9,821.1
Uncollectibles		(3,504.0)	(5,116.0)	(4,831.0)	(4,998.0)	(4,559.4)
Other 3		8,449.4	10,596.7	12,816.0	15,005.0	13,917.4
Total Other		\$32,662.4	\$35,594.7	\$38,600.0	\$48,849.0	\$47,824.2
Number of Access Lines - Other 1		948,990	983,046	1,008,972	1,045,121	1,071,644
Avg. Monthly Revenue per Line (\$) - Other 1		\$1.45	\$1.43	\$1.38	\$1.98	\$1.64
Growth Rate (%) - Other 2		--	--	20.8%	12.7%	13.3%
GRS (% Revenues)		1.9%	1.8%	1.5%	1.5%	1.4%
Uncollectibles (% Revenues)		-0.6%	-0.9%	-0.7%	-0.8%	-0.7%
Growth Rate (%) - Other 3		--	25.4%	20.9%	17.1%	-7.2%
Total Revenue		\$621,725.4	\$643,013.4	\$667,076.0	\$701,835.0	\$805,203.7

LEC Consolidated
Operations Based Build-Up

(Dollars in thousands, except per line amounts)	1995 A	1996 A	1997 A	1998 A	1999 PF
Salary	\$108,824.4	\$109,282.8	\$103,866.1	\$116,446.4	\$113,234.4
Benefits	31,473.8	32,980.2	28,296.0	22,917.3	26,231.0
Bonus	2,909.2	111.7	1,241.9	7,065.5	6,872.0
Personnel Expense	\$143,207.2	\$142,374.8	\$131,404.1	\$146,429.2	\$146,337.4
Number of Base LEC Employees	2,860	2,838	2,485	2,740	2,914
Avg. Rate / Employee - Salary (\$'000)	\$38.05	\$41.43	\$41.80	\$42.50	\$38.86
Benefits (% Salary)	28.9%	30.2%	25.3%	19.7%	23.2%
Bonus (% Salary)	2.7%	0.1%	1.2%	6.1%	6.1%
Corporate / IT / InterTelco Charges (CIT)	\$45,864.1	\$56,771.1	\$65,328.1	\$62,483.7	\$70,523.0
Growth Rate (%) - CIT	--	23.5%	15.1%	-4.4%	12.9%
Directory / Yellow Pages	\$21,025.0	\$23,005.8	\$24,813.3	\$25,064.2	\$27,559.9
Mutual Compensation (MC)	1,945.8	3,852.3	7,714.0	8,304.4	10,213.7
Rent & Utilities (RU)	9,452.9	10,013.6	10,319.3	10,455.0	12,618.5
Equipment & Materials (E&M)	14,741.9	18,005.3	9,302.1	14,418.9	18,788.7
Voice & Data Com. (VDC)	3,690.9	5,153.9	5,021.7	7,871.9	12,268.4
Marketing & Advertising (Mkt&Ad)	3,186.2	3,759.8	3,943.1	950.0	4,218.9
Long Distance	0.0	0.0	0.0	0.0	63,009.0
Property Taxes (PTx)	15,834.8	15,876.4	16,070.3	16,448.0	18,801.4
Revenue Taxes (RTx)	20,285.1	18,899.8	18,210.1	18,294.3	19,548.0
Other	49,686.9	33,077.8	27,174.7	26,940.0	18,551.8
Direct Controllable Expenses (DCE)	\$138,799.1	\$128,144.2	\$122,368.8	\$132,744.8	\$201,574.2
Directory / YP (% Revenue)	48.9%	47.8%	48.8%	47.4%	49.7%
Originating Minutes of Use - MC ('000)	37,556	172,314	454,003	729,577	1,250,621
Rate per Minute - MC (\$)	\$0.05	\$0.02	\$0.02	\$0.01	\$0.01
Growth Rate (%) - RU	--	5.9%	3.1%	1.3%	20.7%
Growth Rate (%) - E&M	--	22.1%	-48.3%	55.0%	30.3%
Growth Rate (%) - VDC	--	40.0%	-2.6%	58.8%	55.8%
Growth Rate (%) - Mkt&Ad	--	18.7%	4.9%	-75.9%	344.1%
Growth Rate (%) - Property Taxes	--	-1.0%	2.5%	2.3%	2.1%
Revenue Taxes (% Revenue)	3.3%	2.6%	2.7%	2.7%	2.4%
Growth Rate (%) - Other	--	-33.4%	-17.8%	10.2%	-44.7%
Total Expenses	\$328,870.5	\$328,290.0	\$318,100.8	\$341,637.8	\$418,434.7
EBITDA	\$292,755.0	\$314,723.4	\$347,876.2	\$360,277.5	\$386,788.0
Depreciation	104,418.2	102,349.0	110,103.3	112,924.1	131,175.0
Depreciation (% PP&E)	16.1%	16.0%	17.0%	18.2%	13.5%
EBIT	\$188,335.8	\$212,374.3	\$237,871.9	\$247,353.4	\$255,593.9
Capital Expenditures	73,766.2	101,341.5	108,781.9	153,901.2	177,952.0
Number of Access Lines	948,990	983,046	1,008,072	1,045,121	1,071,644
Monthly CapEx per Line (\$)	\$6.48	\$8.59	\$8.98	\$12.27	\$13.84

Section 4.1

Conduct of the Business Prior to Closing - Access

- (a) See Schedules to Sections 2.4; 2.5; 2.8; 2.19

The Frontier LECs note that certain services disclosed in Schedule 2.19 that Frontier LECs provide to current affiliates may be required to be offered to similarly-situated non-affiliates on the same terms and conditions.

Prior to the Closing, Sellers may elect to pay or to net out intercompany debt.

A Company Subsidiary has entertained an offer to sell a parcel of its excess real estate. The market value of the parcel is believed to be less than \$1,000 and the parcel is not of a sufficient size for the Company Subsidiary to use in any of its business operations. Prior to the Closing Date, Frontier Communications of the South, Inc. may accept a purchase offer and sell this parcel of nominal value.

Section 4.9

Use of Global Crossing and Frontier Names

Buyer will assume the contract for the naming rights to Frontier Field.

Sellers will retain the internet domain name frontiercorp.com, frontiernet.net and related names.

Transition Services

These transition services can be made available by Seller or a Seller affiliate, pursuant to the request of the transition team, for the Frontier LEC properties and operations pursuant to Section 4.11 of the Agreement except to the extent a software license or other contract prohibits it.

1. Payroll administration
2. Benefits administration
3. Accounts payable
4. Accounts receivable
5. Collections of accounts/credit office operations
6. Risk Management
7. Billing and collection arrangements resulting from the allocation of shared assets pursuant to this Agreement related to customers
8. Purchasing
9. Software license administration
10. Environmental compliance
11. Real Estate administration
12. Training
13. Economic development initiatives
14. Safety education
15. OSHA compliance
16. Short term (interim) corporate compliance
17. Staffing services
18. Network planning
19. Diversity development services
20. Legal services in connection with outside counsel supervision, and litigation related to collections, bankruptcy, tax litigation, HR and discrimination claims, and collective bargaining, grievance handling
21. Corporate giving recommendations
22. Short term (interim) tax compliance
23. Help desk (internal) to the extent currently shared
24. IT services to the extent currently shared for systems on a system-by-system basis
25. Building security
26. Travel Services
27. Building Maintenance
28. Cash Management
29. Budget administration and reporting
30. Regulatory compliance (interim)
31. Accounting
32. Public Relations

These transition services can be made available by Buyer or a Buyer affiliate, pursuant to the request of the transition team, for Sellers and their affiliates pursuant to Section 4.11 of the Agreement except to the extent a software license or other contract prohibits it.

1. Collections of accounts/credit office operations
2. Billing and collection arrangements resulting from the allocation of assets pursuant to this Agreement related to customers
3. Purchasing
4. Software license administration
5. Environmental compliance
6. Real Estate administration
7. Training
8. Safety education
9. OSHA compliance
10. Staffing services
11. Short term (interim) tax compliance
12. Help desk (internal) to the extent currently shared
13. IT services to the extent currently shared for systems on a system-by-system basis
14. Building security
15. Building Maintenance
16. Cash Management
17. Budget administration and reporting
18. Regulatory compliance (interim)
19. Legal services consultation on historical regulatory issues, and HR and employee relations issues

Section 8.5 Collective Bargaining Agreements

See Schedule to Section 2.15.