



March 29, 2001

Michigan Department of Career Development
WorkForce Transition Unit
201 N. Washington Square
Lansing, Michigan 48913

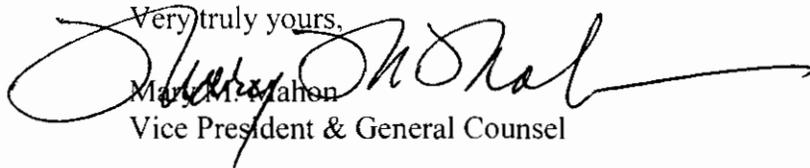
To Whom it May Concern:

In compliance with the Worker Adjustment and Retraining Notification Act ("WARN"), this is to notify you that, on March 30, 2001 NetworkTwo Communications will begin terminating employees at its Company facility at 650 KMS Place, Ann Arbor, Michigan 48108. This will occur in the context of the closing of both of the Company's locations, including the above-referenced facility in Ann Arbor. The first separations will occur on the above-date, and the Company anticipates that the additional separations will occur during the next 60 to 90 days. Attached is a list of job classifications of the employees to be affected, the number of affected employees in each job classification, and their expected separation dates. There is no opportunity for employees to retain their jobs by displacing other employees. The closing is expected to be permanent.

The Company has reduced the 60-day notice period under WARN because it had been actively seeking capital that would have been sufficient, if obtained, to enable the Company to avoid or postpone the shutdown. We believe that had the Company given the 60-day notice, it would have precluded us from obtaining the needed capital.

If you desire additional information about this matter, please contact the undersigned at 15950 N. Dallas Parkway, Suite 575, Dallas, Texas 75248 or 972-663-4195.

Very truly yours,



Mary M. Mahon
Vice President & General Counsel

Enclosure

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WORKFORCE TRANSITION