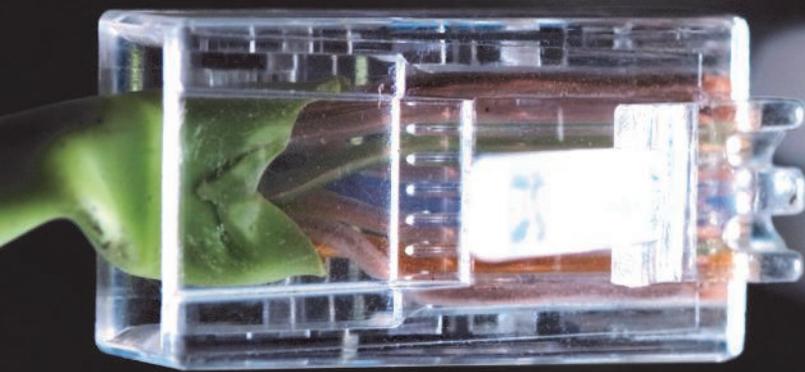


Dispute Resolution, Expert Witness Services & Telecom Tax Litigation





LB3 is a leader in representing enterprise customers in disputes with service providers, whether arising out of service problems, shortfalls, overcharges, soured relationships, or market changes.

General Dispute Resolution Services

Litigating in state or federal court is not the only way to resolve a dispute. Depending on the services and the issues, alternatives include complaint proceedings before the Federal Communications Commission (FCC) or state public utility commissions, arbitration, and mediation. LB3 lawyers are well-acquainted with all of these options, and they use their experience and expertise to help clients choose the best forum and to achieve the best results. In many instances, LB3 can work directly with a service provider to settle a dispute without involving a third party.

LB3 has successfully recovered tens of millions of dollars in refunds for clients after carriers initially denied their overcharge claims. Our skills in this area have proven particularly useful to consulting firms that, in their representation of an enterprise client, have run out of non-legal options after being stonewalled by the carrier.

Similarly, LB3 has helped agents and partners obtain the full value of the commissions or other compensation to which they are entitled. For example, we recently helped a non-profit association recover over \$1M in unpaid commissions from a major carrier.

In proceedings before the FCC, LB3 has represented clients (using the agency's traditional formal complaint mechanism, accelerated docket, and mediation services) in a variety of disputes, including claims against carriers involving:

- unlawful billing practices (e.g., excessive back-billing, and failure to implement contracted rates);
- failure to provide timely disconnects; and
- imposition of unreasonable shortfall and early termination charges

Because telecommunications services are mission-critical, a timely settlement is usually the preferred option. While not every dispute can be resolved amicably, LB3 has frequently been able to craft a workable solution. Here are some recent examples:

- On behalf of a major energy services company, LB3 restructured a long-term contract worth over \$225M to resolve problems with a defective fiber-optic network that jeopardized the control system for infrastructure critical to US energy security. The settlement produced a new system that met the client's reliability requirements at a dramatically reduced price.
- On behalf of a systems integrator, LB3 resolved (through a restructured services agreement) an action initiated by a service provider that claimed nearly \$7M in early termination charges.
- On behalf of a quasi-governmental authority, LB3 "right-sized" a network services agreement, saving millions of dollars while maintaining high levels of reliability.

We cannot guarantee success – no one can – but LB3's knowledge of the carriers and of their approach to both transactions and disputes has yielded a record of helping many enterprise customers and their representatives achieve positive results.

Litigation Assistance

We often assist clients and their counsel when communications and technology issues arise in the course of litigation, mediation and/or arbitration. LB3 has provided assistance in many ways on many subjects, including:

- the interpretation of telecom contract and tariff terms;
- application of the "filed tariff doctrine";
- the cost, reliability, and service levels of custom networks and network services;
- limitations on carrier liability;
- "liquidated damages" in the form of early termination charges; and

- discrimination between customers in rates, terms, and conditions.

Distressed Carriers and Customers

Financial distress or bankruptcy raises significant issues in telecommunications agreements. Turbulence in the telecommunications market breeds instability, and LB3 frequently represents customers facing a loss of service through no fault of their own. When negotiating new agreements with troubled carriers, LB3 helps its clients to manage their risk going forward. For example, LB3 was counsel to the *Ad Hoc WorldCom Enterprise Customer Committee*, composed of twenty major customers, in the WorldCom bankruptcy. LB3, working with the Committee, worked successfully with MCI and the bankruptcy court to protect the interests of MCI's enterprise customers by preventing operational disruptions or cost increases.

On the other side of the coin, LB3 counsels financially-distressed clients facing large shortfall charges in the wake of a decline in their telecommunications needs.

Expert Witness Services

Senior partners at the firm have appeared a dozen times before judges and arbitrators to testify on a wide range of telecommunications-related issues. The subjects they have addressed include:

- interpretation of the filed tariff doctrine;
- interpretation of ambiguous or technical clauses in network services and internet agreements;
- industry custom with respect to the completeness of telecommunications agreements;
- the meaning and application of FCC orders, rules and regulations;
- the standard of care applicable to attorneys practicing communications law; and
- the "trade secret" status of telecom consulting techniques and know-how.

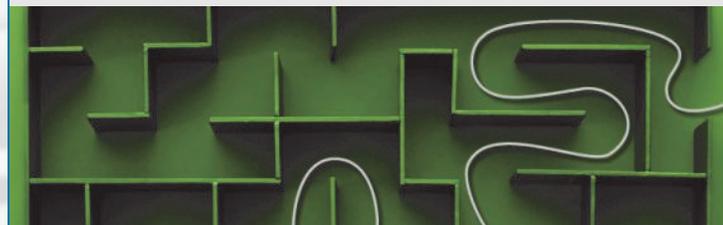


Interested in What LB3 and TC2 have to Say?

LB3 and TC2 assist enterprise customers with network service and IT procurements, benchmarking, compliance management, regulatory issues and disputes. Learn more about industry developments and the challenges facing enterprise users:



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