# **EXHIBIT C**

#### **EXHIBIT "C"**

# **Description of Services Rendered**

CTA, in the ordinary course of its business, does not keep detailed time records in connection with its assignments. As an accommodation to the Court in this interim application, however, CTA has provided a summary of the work performed and the CTA representatives performing such work on a weekly basis for the Compensation Period below:

Jan 10, 2003 - Jan. 27, 2003.

Off-site: (Jared E. Abbruzzese, Peter Aquino, Wayne Barr, Jr., Robert Keltgen) CTA obtained and reviewed available public information on Focal Communications as part of its initial preparation for engagement. Participated in several teleconferences with Committee members regarding current situation.

Week of Jan 27, 2003

Off-site: (Peter Aquino, Robert Keltgen, Patrick Doyle)

CTA obtained and reviewed Company's available public financial and operating information in preparation for initial meetings and interviews with Focal management team. Began development of an initial operating analysis of the Company.

On-site: (Peter Aquino, Robert Keltgen)

Due Diligence Work Session – January 29, 2003

CTA met with Focal at Chicago HQ. Meeting with Focal's senior management team, along with representatives of Chanin Capital Partners. Interviews were conducted with the following Company Executives, including Kathleen Perone, President & CEO, Dick Metzger, General Counsel, Dan Montgomery, VP – Engineering, Dave Cushing, VP - Operations, Mike Zumach, VP - Business Analysis, Revenue Assurance, Jay Sinder, CFO.

The senior management team shared its thoughts on the current state of the Company and the Company's business model. Each executive presented an overview.

Off-site: (Robert Keltgen, Patrick Doyle, Peter Bade)

CTA obtained the Company's Business Model and forecasts. Off-site work began on analysis of this data for incorporation into a preliminary report.

Week of Feb 3, 2003

Off-site: (Robert Keltgen, Patrick Doyle, Peter Bade, Peter Aquino, Wayne Barr) CTA worked actively with Focal's counsel to obtain Non-Disclosure Agreement

(NDA) satisfactory to Focal in order to gain appropriate on-site access to Focal personnel and data.

CTA received Focal's cash forecasts and requested additional due diligence information and began its analysis prior to gaining full on-site access to the Company.

CTA determined where Focal's business model was supported by historical results and reasonable industry assumptions and where additional data and interviews were required to fully support the Company's assumptions and projections. Numerous additional data requests were made, and Focal provided partial responses. Conducted further business model analysis and continued work on preliminary report.

## Week of Feb 10, 2003

Off-site: (Peter Aquino, Wayne Barr, Patrick Doyle, Peter Bade, Robert Keltgen) CTA continued to work with Focal despite lack of NDA; limited access to information and no on-site access.

CTA scheduled on-site meetings with Focal management, and provided detailed due diligence requests and meeting agenda. Meeting postponed due to NDA issue. CTA received additional due diligence data from Focal and continued its business model analysis and work on its preliminary report. CTA also reviewed initial valuation analysis data in support of term sheet development with Chanin.

### Week of Feb 17, 2003

Off-site: (Peter Aquino, Wayne Barr, Patrick Doyle, Robert Keltgen, Peter Bade) CTA continued to work with Focal despite lack of NDA; limited access to information and no on-site access. Continued participation in discussion of acceptable term sheet in support of Chanin.

CTA once again scheduled and cancelled on-site meetings with Focal, pending NDA resolution. CTA received cash reports from FTI Consulting on behalf of Focal, and incorporated this data into its analysis. CTA continued its business model analysis and work on its preliminary report.

# Week of Feb 24, 2003

On-site: (Patrick Doyle, Robert Keltgen, Peter Aquino).
Resolved NDA issue. Beginning February 25, 2003, CTA conducted on-site due diligence at Focal's Headquarters involving the senior management team as well as Vice President, Director and Manager level representatives of each organization.

CTA conducted detailed interviews with Gary Sloan, VP – IS, Dave Cushing, VP – Operations, and Dan Montgomery, VP – Engineering. Follow-up discussions were scheduled.

Off-site: (Peter Aquino, Wayne Barr, Patrick Doyle, Robert Keltgen, Peter Bade) CTA continued its support of term sheet development efforts, working with advisors and parties-in-interest. Participated in conference call discussions in support of valuation agreement.

CTA received additional cash reports from FTI Consulting on behalf of Focal, and incorporated this data into its analysis. CTA continued its business model analysis and work on its preliminary report, incorporating on-site interviews and subsequent due diligence information provided by Focal.

Week of Mar 3, 2003

Off-site: (Patrick Doyle, Robert Keltgen, Peter Bade, Peter Aquino) CTA received preliminary December and January, 2002 Income Statement results from Focal. Received additional cash reports, and capital budget forecasts, and management incentive data. Incorporated new data and continued business model analysis and refinement of preliminary report.

Scheduled additional on-site meetings with Focal management for following week and provided detailed data requests for these meetings.

Week of Mar 10, 2003

On-site: (Patrick Doyle, Robert Keltgen)

CTA continued its on-site due diligence on March 11 and 12 with more detailed reviews of departmental data with the certain Company managers, including Elizabeth Vanneste, EVP – Sales and Marketing, Debra O'Shea, VP – Corporate Planning and Investor Relations, Gary Sloan, VP – IS, Mike Zumach and Dave Wattenabe, Finance, and Gerard Laurain, VP – Field Marketing. Additional data requests made.

Off-site: (Patrick Doyle, Robert Keltgen, Peter Bade)

CTA incorporates newly acquired data into existing analysis. Follow-up requests made to Focal. Additional cash reporting received and incorporated into CTA's continuing analysis.

Week of Mar 17, 2003

On-site: Chicago (Patrick Doyle, Shawn O'Donnell, and Robert Keltgen via conf call)

Conferences (in-person and telephonically) with Focal management, including Dick Metzger, Sr VP and General Counsel, Gerard Laurain, Harry Lalor, VP – Product Management, Sarah Koehn, Director – Service Delivery, and Dave

Cushing, VP – Operations. Further discussion of Operations Metrics, including suggested metrics for measurement.

On-site: Arlington Heights, III.: (Patrick Doyle, Shawn O'Donnell, and Robert Keltgen via conf call)

Conferences with Focal management, including Dick Anderson, Director of Operations, and Cornelius (Sandy) Stephens, Director – National Operations Center.

Off-site: (Patrick Doyle, Shawn O'Donnell, Robert Keltgen)
Document on-site due diligence findings. Incorporate new data into analysis and reporting. Follow-up diligence requests made to Focal. Additional cash reporting received and incorporated into CTA's continuing analysis.

Week of Mar 24, 2003

Off-site: (Patrick Doyle, Peter Bade, Robert Keltgen, Peter Aquino)
Asset Valuation data is received from Focal for incorporation into CTA analysis.
CTA makes additional detailed data requests based on interview findings. New Focal business model is provided and additional cash results and forecast is received and incorporated.

Meeting with Debra O'Shea, VP – Corp Planning and Inv Relations (via conference call)

CTA continued its analysis and report generation incorporating the new data received. CTA begins analysis of contracts and potential rejections under bankruptcy. Review and analysis of FTI Consulting report received from Focal.

Week of Mar 31, 2003

Off-site: (Patrick Doyle, Robert Keltgen, Peter Bade, Peter Aquino) Meeting with Debra O'Shea, VP – Corp Planning and Inv Relations (via conference call).

Continued receipt of additional detail on financial results, and preliminary YE 2002 results. Received complete December 2002 Company results and incorporated into analysis. Begun detailed analysis of Focal's new business Model and incorporate changes into trend analyses, performance tracking and preliminary report. Release additional internal draft of findings. Supporting data for new business model requested and partially received. Additional resulting analyses are initiated and additional data requests detailed to Company.

Week of April 7, 2003

Off-site: (Patrick Doyle, Robert Keltgen, Peter Aquino, Shawn O'Donnell, Wayne Barr) Meeting with Michael Zumach, VP – Finance, and Michaela Torres,

Real Estate Manager (via conference call). Detailed review of real estate contracts, and site requirements for administrative staff and Focal's network equipment. Reviewed each contract and decision to reject, accept, or renegotiate. Discussion of market rate appropriateness and leverage to negotiate with landlords for switch sites.

Continued analysis of contracts, newly provided financial data, and supporting documentation for Company's new business model. Revision of preliminary reports to incorporate new business model continued. Additional data requests and re-iteration of previous unfulfilled requests are made to Company. Additional cash reports are received and incorporated into analysis. Participated in negotiation and conference call with creditor parties in support of finalizing valuation and term sheet.

## Week of April 14, 2003

On-site: (Patrick Doyle, Shawn O'Donnell)

Continued due diligence meetings with Management including follow up meetings with Debra O'Shea, Dave Cushing, Elizabeth Vanneste, Jay Sinder. Discussion of CTA's preliminary views on the Company Plan, performance, cooperation, and progress.

Off-site: (Patrick Doyle, Robert Keltgen, Peter Bade, Shawn O'Donnell) CTA reviewed accounting data from Company. CTA continued its business model analysis and work on its preliminary report. Continued development of detailed financial, operational performance, network structure and cost reduction analyses and reports. Continued documentation provided by Company in response to due diligence requests and integrated into CTA analysis and reports.

#### Week of April 21, 2003

Off-site: (Patrick Doyle, Robert Keltgen, Shawn O'Donnell) Built operations model for workforce forecasting. CTA continued its business model analysis and work on its preliminary report.

# Week of April 28, 2003

**On-site:** (Patrick Doyle, Peter Aquino)

Meetings with parties-in-interest in Chicago, and subsequent follow-up conference calls regarding continued work efforts. In brief, CTA's principal continuing work efforts include assistance and advice with respect to Profitability Analysis: Product, Segment and Market, Capital Budget Analysis, Network Structure and economic alternatives and development of an Operational Metrics Reporting Package

Off-site: (Patrick Doyle, Robert Keltgen, Peter Bade, Shawn O'Donnell) CTA continued its business model analysis and work on its preliminary report. Scheduled further on-site interviews and due diligence to target Profitability,

Capital Budget, Network Structure and Operational Metrics efforts. Further work is done on operational model. Received Q12003 preliminary financial from the Company. Incorporated this data into analysis and reporting and released final draft of its Preliminary Report for internal review and finalization.

# Week of May 5, 2003

On-site: (Patrick Doyle, Tom McClung)

Meetings with Focal Management, including Dan Montgomery, VP – Engineering, Dave Cushing, VP – Operations, Nancy Zarkos, Director – Commercial Transactions and Senior Counsel, and Dave Tatak, Director – Regulatory.

Off-site: (Patrick Doyle, Tom McClung, Shawn O'Donnell, Peter Bade, Robert Keltgen)

CTA creates and releases Q1 2003 Focal Flash report, incorporating newly received Q12003 preliminary, unaudited results. Initial Network Structure cost savings are outlined.

#### Week of May 12, 2003

On-site: (Peter Bade, Shawn O'Donnell, Patrick Doyle)
Meetings with Focal Management, including Sarah Koehn, and Director – SDI,
Christine Hines, Director – Marketing Analysis.

Off-site: (Patrick Doyle, Peter Bade, Shawn O'Donnell, Tom McClung, Peter Aquino, Robert Keltgen)

Preliminary Report released to counsel to unsecured creditors committee Continued analysis and Phase II report creation.

### Week of May 19, 2003

On-site: (Peter Bade, Patrick Doyle, Shawn O'Donnell, Tom McClung) Meetings with Focal Management, including Dan Meldazis, Sr Manager – Regulatory, and Kim Beckfeld, Project Manager – Operations.

Follow-up conf call with Dave Cushing (from Focal Detroit office).

Meeting with Focal Management, including Sandy Stephens, Director – NNOC (Network Operations Center), Christine Hines, Director – Marketing Analysis, Ken Veltri, Manager – Cost Assurance, Yulita Nickolov, Sr. Mgr – Network Facilities, Brett Scorza, VP – IS Development, and Rosemary Hackett, VP – IS Delivery

Off-site: (Patrick Doyle, Shawn O'Donnell, Tom McClung, Peter Bade, Peter Aquino, Robert Keltgen)

Meeting via conference call with certain parties-in-interest and Focal Management represented by Jay Sinder, EVP &CFO and Debra O'Shea, VP –

Corporate Planning and Investor Relations. Discussion of potential contract rejections related to Network Cost Structure analysis and alternatives recommended by CTA.

Continued incorporation of new data into business model analysis, company performance improvement recommendations, and Phase II Report. Analysis and incorporation of cash reports and newly released March audited financials into reports. Initial savings analysis modeled. Contract reviews are completed in lieu of planned rejection deadline approaching.

# Week of May 26, 2003

On-site: (Peter Bade, Patrick Doyle, Shawn O'Donnell, Tom McClung) Meetings with Focal Management, including Dan Montgomery and Dave Cushing (remotely), reviewing CTA's proposed network structure for EEL eligible circuits. Answered questions and obtained input on assumptions for CTA's savings model. Discussion of operational considerations for Focal to implement recommended architecture. Additional meetings with Debra O'Shea, joined briefly by Jay Sinder, CFO to discuss various finance matters

Meetings with Sharon Ahrends and Christine Hynes regarding various customer care and marketing issues.

Off-site: (Peter Bade, Patrick Doyle, Shawn O'Donnell, Tom McClung) Continued incorporation of new data into business model analysis, company performance improvement recommendations, and Phase II Report. Analysis and incorporation of cash reports and newly released April audited financials into reports. Further refined CTA's Network Structure Analysis and recommendations.

### Week of June 2, 2003

On-site: (Peter Bade, Patrick Doyle, Shawn O'Donnell, Tom McClung) Meetings with Focal Management, including Cruz Alba, Financial Analyst: Discussion of SG&A line items in support of profitability analysis. Provided initial data for CTA analysis and follow-up. Follow-up meetings with Christine Hynes, Sharon Ahrends, Dan Montgomery, and Dan Meldazis. Met with Sarah Koehn and Tom Yuen.

Off-site: (Peter Bade, Patrick Doyle, Shawn O'Donnell, Tom McClung)
Debra O'Shea (conf call) - Variance Report discussion pertaining to April audited results, including variance discussion

Brief Madison Dearborn Partners (by conf call), CTA to continue to perform diligence on specific items, including attrition by customer and sales productivity.

Continued analysis and report creation. Draft Operational Metrics report for review with Focal staff. Issued April Flash report to Creditors Committee, Focal and Madison Dearborn. Began to analyze April Variance in detail.

### Week of June 9, 2003

On-site: (Peter Bade)

Meetings with Focal Management, including Cruz Alba, Financial Analyst: Detailed discussion of SG&A granularity on the non-salary expense line items for each department. Exploration of methods to obtain more granular data or develop allocation mechanisms for profitability analysis.

Additional meetings with Christine Hynes and Ken Veltri: Update discussion and requests for data relative to profitability analysis.

Off-site: (Peter Bade, Patrick Doyle, Shawn O'Donnell, Tom McClung) Ed Pomeroy, Systems Analyst (by email and phone): Exchange of requests and data provision for Chicago CSG circuits ordered from AT&T Local and MCI. Report provided and incorporated into Network Structure Analysis.

Continued analysis and report creation. Cash report incorporation and variance analysis. Develop workforce activity model to trend against future model projections.

Conducted detailed reporting review with Unsecured Creditors Committee (in New York and by conf call). Presentation of Preliminary Report, April Flash and areas of concern for the Flash.

Week of June 16, 2003

On-site: (Peter Bade)

Meetings with Focal Management to obtain information to complete profitability analysis.

Off-site: (Peter Bade, Patrick Doyle, Shawn O'Donnell, Tom McClung)

Finalize open reports to the Committee in anticipation of confirmation hearing.