

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

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In re: :
MCLEODUSA INCORPORATED, : Chapter 11
Debtor. : Case No. 02-10288 (RB)
- - - - - x

NOTICE OF FILING OF FINAL REPORT IN CHAPTER 11 CASE

PLEASE TAKE NOTICE that McLeodUSA Incorporated
filed the attached Final Report in Chapter 11 Case.

Dated: Wilmington, Delaware
May 2, 2005

 /s/ Matthew P. Ward
Eric M. Davis (I.D. No. 3621)
Matthew P. Ward (I.D. No. 4471)
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& FLOM LLP
One Rodney Square
P.O. Box 636
Wilmington, Delaware 19899-0636
(302) 651-3000

Attorneys for McLeodUSA Incorporated

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE

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 In re: :
 : Chapter 11
 MCLEODUSA INCORPORATED, :
 : Case No. 02-10288 (RB)
 Debtor. :
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FINAL REPORT IN CHAPTER 11 CASE

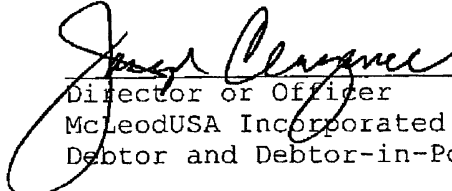
To the best of my knowledge, information, and belief, the following is a breakdown of the results in the above-captioned case:

TYPE OF PAYMENT	AMOUNT OF PAYMENT
Fees for Attorney for Debtor	\$2,725,927.00
Expenses for Attorney for Debtor	\$163,126.59
Fees for Investment Advisor for Debtor	\$14,614,216.27
Expenses for Investment Advisor for Debtor	\$5,805.02
Fees for Attorney for Creditors' Committee	\$132,241.50
Expenses for Attorney for Creditors' Committee	\$13,724.85

Fees for Local Attorney for Creditors' Committee	\$16,927.00
Expenses for Local Attorney for Creditors' Committee	\$2,603.04
Fees for Investment Advisor for Creditors' Committee	\$1,330,000.00
Expenses for Investment Advisor for Creditors' Committee	\$24,771.03
U.S. Trustee's Fees	\$130,000.00
Other Fees or Expenses:	\$0

TOTAL: \$19,159,342.30

Dated: May 2, 2005



Director or Officer
McLeodUSA Incorporated
Debtor and Debtor-in-Possession

1. No trustee or examiner was appointed in this case. Hence, no fees were incurred for a trustee or trustee's counsel.

2. On or before the date of the hearing on the Motion for Entry of Final Decree, McLeodUSA Incorporated will have paid all required fees due under 28 U.S.C. § 1930.

3. The deposit required by the Plan of Reorganization of McLeodUSA Incorporated (as amended, supplemented, or otherwise modified, the "Plan")¹ has been distributed, and all matters to be completed upon the effective date of the Plan have been fulfilled or completed.

4. There are no longer any pending adversary proceedings or contested matters in this case which would affect the substantial consummation of this case.

5. The Plan was confirmed by the Court on April 5, 2002. The Effective Date was April 16, 2002. All distributions to be made under the Plan on account of

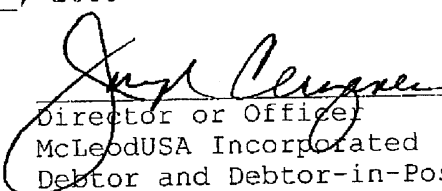
¹ Unless otherwise defined herein, each capitalized term shall have the meaning ascribed to it in the Plan.

claims filed in this case have been made. The dividends paid or to be paid to claimants are as follows:

CLASS	TYPE OF CLAIM OR INTEREST	DISTRIBUTION
1	Senior Secured Lender Claims	Reinstated on effective date or paid in ordinary course
2	Other Secured Claims	Reinstated on effective date or paid in ordinary course
3	Non-Tax Priority Claims	Reinstated on effective date or paid in ordinary course
4	General Unsecured Claims	Reinstated on effective date or paid in ordinary course
5	Note Claims	\$670,000,000 in cash (less reduction for delay), 10,000,000 shares of New Series A Preferred Stock, and half of the New Warrants to purchase 44,318,182 shares of New Common Stock
6	Old Preferred Stock Interests	147,446,573 shares of New Common Stock
7	Class A Common Stock Interests	54,775,663 shares of New Common Stock, shared with Class 8
8	Securities Claims	54,775,663 shares of New Common Stock, shared with Class 7

9	Other Old Equity	No distribution
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Dated: May 2, 2005



Director or Officer
McLeodUSA Incorporated
Debtor and Debtor-in-Possession

Sworn to before me this 2nd day
of May, 2005

Notary Public: Karen M. Lipcamon

