

MPX INC
Form S-4
May 27, 2010
Table of Contents

As filed with the Securities and Exchange Commission on May 27, 2010

Registration No. 333-

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM S-4
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

PAETEC Holding Corp.

(Exact name of Registrant as specified in its charter)

Delaware (State or other jurisdiction of incorporation or organization)	4813 (Primary Standard Industrial Classification Code Number) (For Co-Registrants, see Table of Co-Registrants on the following page)	20-5339741 (I.R.S. Employer Identification No.)
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One PAETEC Plaza

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600 Willowbrook Office Park

Fairport, New York 14450

(585) 340-2500

(Address, including zip code, and telephone number, including area code, of Registrant's principal executive offices)

Arunas A. Chesonis

Chairman, President and Chief Executive Officer

PAETEC Holding Corp.

One PAETEC Plaza

600 Willowbrook Office Park

Fairport, New York 14450

(585) 340-2500

(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies to:

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PAETEC Holding Corp.

600 Willowbrook Office Park

Fairport, New York 14450

(585) 340-2500

Approximate date of commencement of proposed sale of the securities to the public: As soon as practicable after this registration statement becomes effective.

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If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer (Do not check if a smaller reporting company)

Smaller reporting company

If applicable, place a check mark in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer)

Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer)

Table of Contents**CALCULATION OF REGISTRATION FEE**

Title of each class of securities to be registered	Amount to be registered	Proposed maximum offering price per unit(1)	Proposed maximum aggregate offering price(1)	Amount of registration fee
8 ⁷ / ₈ % Senior Secured Notes due 2017 ⁽²⁾	\$300,000,000	100%	\$300,000,000	\$21,390
Guarantees of 8 ⁷ / ₈ % Senior Secured Notes due 2017 ⁽³⁾	N/A	N/A	N/A	N/A

(1) Estimated pursuant to Rule 457(f) under the Securities Act, solely for purposes of calculating the registration fee.

(2) The 8⁷/₈% Senior Secured Notes due 2017 will be the obligations of PAETEC Holding Corp.

(3) Represents the guarantees of the 8⁷/₈% Senior Secured Notes due 2017, to be issued by the Co-Registrants. Pursuant to Rule 457(n) under the Securities Act, no additional registration fee is being paid in respect of the guarantees.

The Registrants hereby amend this registration statement on such date or dates as may be necessary to delay its effective date until the Registrants shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended, or until the registration statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

TABLE OF CO-REGISTRANTS

Exact Name of Co-Registrant	State or Other Jurisdiction of Incorporation or Organization	I.R.S. Employer Identification No.
as Specified in its Charter PAETEC Corp.	Delaware	16-1551094
PAETEC Integrated Solutions Group, Inc.	Delaware	16-1585842
PAETEC iTel, L.L.C.	North Carolina	47-0903254
PaeTec Software Corp.	New York	16-1384745
US LEC LLC	Delaware	56-2065535
US LEC of Alabama LLC	North Carolina	56-2104211
US LEC of Florida LLC	North Carolina	56-2046424
US LEC of Maryland LLC	North Carolina	56-2117626
US LEC of North Carolina LLC	North Carolina	56-2091767
US LEC of South Carolina LLC	Delaware	56-2056428
US LEC of Tennessee LLC	Delaware	56-2065536
PaeTec Communications, Inc.	Delaware	16-1551095
PaeTec Communications of Virginia, Inc.	Virginia	16-6486048
US LEC Communications LLC	North Carolina	56-2162051

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US LEC of Georgia LLC	Delaware	56-2065537
US LEC of Pennsylvania LLC	North Carolina	56-2117625
US LEC of Virginia L.L.C.	Delaware	56-2012173
Allworx Corp.	Delaware	26-0259247
MPX, Inc.	Delaware	16-1468411
Technology Resource Solutions, Inc.	New York	51-0443765
McLeodUSA LLC	Delaware	42-1407240
McLeodUSA Information Services LLC	Delaware	76-0529757
McLeodUSA Telecommunications Services, L.L.C.	Iowa	42-1407242
McLeodUSA Purchasing, L.L.C.	Iowa	42-1501014
U.S. Energy Partners LLC	New York	14-1856903
PAETEC Realty LLC	New York	27-1866972

Address, including zip code, and telephone number, including area code, of each Co-Registrant's principal executive offices and each Co-Registrant's agent for service is c/o PAETEC Holding Corp., One PAETEC Plaza, 600 Willowbrook Office Park, Fairport, New York, 14450, and the name of each Co-Registrant's agent for service is Arunas A. Chesonis, Chairman, President and Chief Executive Officer, PAETEC Holding Corp.

The Primary Standard Industrial Classification Code Number for each Co-Registrant is 4813.

Table of Contents

THE INFORMATION IN THIS PROSPECTUS IS NOT COMPLETE AND MAY BE CHANGED. WE MAY NOT SELL THESE SECURITIES UNTIL THE REGISTRATION STATEMENT FILED WITH THE SECURITIES AND EXCHANGE COMMISSION IS EFFECTIVE. THIS PROSPECTUS IS NOT AN OFFER TO SELL THESE SECURITIES AND IT IS NOT SOLICITING AN OFFER TO BUY THESE SECURITIES IN ANY STATE WHERE THE OFFER OR SALE IS NOT PERMITTED.

SUBJECT TO COMPLETION, DATED MAY 27, 2010

PROSPECTUS

PAETEC Holding Corp.

Offer To Exchange Up To

\$300,000,000

8 ⁷/₈% Senior Secured Notes due 2017

which have been registered under the Securities Act of 1933

for any and all outstanding

8 ⁷/₈% Senior Secured Notes due 2017

which have not been registered under the Securities Act of 1933

The Exchange Offer:

The notes offered by this prospectus, or exchange notes, have been registered under the Securities Act of 1933, as amended, and are being offered in exchange for the outstanding, unregistered notes, or original notes, that we originally issued on January 12, 2010.

We will exchange all original notes that are validly tendered and not withdrawn prior to the expiration of the exchange offer for an equal principal amount of exchange notes.

The exchange offer will expire at 5:00 p.m., New York City time, on _____, 2010, unless extended by us.

You may withdraw tendered outstanding original notes at any time prior to the expiration of the exchange offer.

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The exchange of outstanding original notes for exchange notes pursuant to the exchange offer generally will not be a taxable event for U.S. federal income tax purposes.

We will not receive any proceeds from the exchange offer.

The Exchange Notes:

The terms of the exchange notes will be substantially identical to the terms of the original notes, except that the exchange notes are registered under the Securities Act, and the transfer restrictions, registration rights and related additional interest terms applicable to the original notes will not apply to the exchange notes.

The exchange notes will mature on June 30, 2017. We will pay interest on the exchange notes semi-annually on June 30 and December 31 of each year.

The exchange notes will be guaranteed on a senior secured basis by each of our domestic restricted subsidiaries in existence on the issue date of the original notes and by all of our domestic restricted subsidiaries thereafter, other than certain excluded subsidiaries.

The exchange notes and the guarantees will be secured on a first-priority basis, equally and ratably with our senior secured credit facilities and any future *pari passu* secured obligations, subject to permitted liens, by substantially all of our assets.

The exchange notes will be treated as a single series with the \$350,000,000 principal amount of 8⁷/₈% Senior Secured Notes due 2017 we issued on November 3, 2009.

We do not intend to list the exchange notes on any securities exchange.

Any broker-dealer that holds original notes acquired for its own account as a result of market-making activities or other trading activities, and that receives exchange notes pursuant to the exchange offer, must deliver a prospectus in connection with any resales of such exchange notes. We have agreed that, for a period beginning on the date the exchange offer is consummated and ending on the earlier of 180 days after the date of this prospectus and the date on which a broker-dealer is no longer required to deliver a prospectus in connection with market-making activities or other trading activities, we will make this prospectus, as amended or supplemented, available to any broker-dealer for use in connection with any such resale. See Plan of Distribution.

Investments in the exchange notes involve risks. See Risk Factors beginning on page 11.

Neither the Securities and Exchange Commission nor any state securities commission nor any other regulatory body has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

This prospectus, the letter of transmittal and the notice of guaranteed delivery are first being delivered to holders of the original notes on , 2010.

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The date of this prospectus is _____, 2010.

Table of Contents

TABLE OF CONTENTS

	Page
<u>Summary</u>	1
<u>Risk Factors</u>	11
<u>Forward-Looking Statements</u>	28
<u>Use of Proceeds</u>	29
<u>Ratio of Earnings to Fixed Charges</u>	30
<u>Selected Historical Consolidated Financial and Operating Data</u>	31
<u>Description of Certain Indebtedness</u>	34
<u>Description of the Exchange Notes</u>	37
<u>The Exchange Offer</u>	92
<u>ERISA Considerations</u>	103
<u>U.S. Federal Income Tax Considerations</u>	104
<u>Plan of Distribution</u>	110
<u>Legal Matters</u>	111
<u>Experts</u>	111
<u>Where You Can Find More Information</u>	112

The Securities and Exchange Commission allows us to incorporate by reference business and financial information about our company that is not included in or delivered with this prospectus. We will provide to you upon written or oral request, without charge, a copy of any and all of the information incorporated by reference in this prospectus. A reasonable fee per page will be charged for any paper copies of any exhibits to such information. To request a copy of any or all of this information, you should write or telephone us at the following address and telephone number:

PAETEC Holding Corp.

600 Willowbrook Office Park

Fairport, New York 14450

Tel: (585) 340-2500

Attn: Legal Department

In order to obtain timely delivery, you must request information no later than _____, 2010, which is five business days before the scheduled expiration of the exchange offer.

Table of Contents

SUMMARY

This summary highlights selected information included or incorporated by reference in this prospectus. This summary is not intended to be a complete description of the matters covered in this prospectus and is subject to, and qualified in its entirety by, reference to the more detailed information and financial statements (including the notes thereto) included or incorporated by reference in this prospectus.

Unless we indicate otherwise, references in this prospectus to we, us, our, PAETEC Holding and PAETEC mean PAETEC Holding Corp. and PAETEC Corp. and its subsidiaries for all periods before the completion of the merger with US LEC Corp., or US LEC, on February 28, 2007. For the period beginning on March 1, 2007 through February 8, 2008, such references mean PAETEC Holding Corp. and its subsidiaries, including US LEC and its subsidiaries. On February 8, 2008, PAETEC completed its acquisition by merger of McLeodUSA Incorporated, or McLeodUSA. For the period beginning on February 9, 2008, such references mean PAETEC Holding Corp. and its subsidiaries, including US LEC and McLeodUSA and their respective subsidiaries.

Our Company

We are a competitive communications services and solutions provider guided by the principle that delivering superior service is the key to competing successfully with other communications services providers. Our primary business is providing large, medium-sized and, to a lesser extent, small business end-user customers in metropolitan areas with a package of integrated communications services that includes local and long distance voice, data, and broadband Internet access services. At March 31, 2010, we had in service 236,168 digital T1 transmission lines, which represented the equivalent of 5,668,032 access lines, for approximately 43,000 business customers in a service area encompassing 84 of the country's top 100 metropolitan statistical areas. As of the same date, we also had in service an incremental 326,408 access lines related to the company's non-core plain old telephone service, or POTS, operations. We generated revenues of approximately \$1.6 billion for 2009 and approximately \$390.1 million for the three months ended March 31, 2010.

We focus our network services marketing efforts on medium-sized and large businesses and institutions. By focusing our marketing efforts on these larger businesses and institutions that have significant communications needs, we believe that we achieve a competitive advantage over larger carriers that target a broad cross-section of residential, business and institutional customers. Our focus on providing superior customer service begins with the sales process. Our management emphasizes the importance of attracting, training, motivating and retaining skilled sales professionals. When meeting with a potential customer, members of our sales force rely on our internally-developed proprietary software to tailor services packages and pricing to meet the particular needs of each customer. Our sales force is supported by sales engineers and account development representatives who facilitate the initial provisioning of services and develop customer relationships that we seek to strengthen over time. We believe that our tailored pricing and service offerings and our dedicated account development programs are significant factors in customer retention.

We emphasize network technology as an element of our business strategy to the extent that this element supports our delivery of high-quality and reliable service. We have deployed a flexible and reliable open technology network that allows us to support newer technologies, including service offerings based on Internet Protocol, or IP. In addition, this network design allows us to offer our customers flexible technological solutions, reduce our total capital investments and apply increased capital to our sales and customer service support systems.

Table of Contents

Our Strengths

We believe that the following strengths will help us to execute our strategy:

Our focus on medium-sized and large businesses and institutions that have significant communications needs, require complex integrated services and value superior customer support. We believe that our target customers most frequently make their communications purchase decisions based on a combination of factors in which the quality of customer service is as important as service offerings and price. By focusing on these customers, we believe that we are able to use our focus on customer service and our bundled service offerings to win new business, to minimize customer turnover and to sell an increasing number of products and services to each account as the customer relationship matures. We believe that recent consolidation in the industry has resulted in these customers being underserved by many of the larger carriers. Our customer base is characterized by low turnover and high monthly recurring revenue.

Our experienced direct sales force and effective distribution channels. We market our services through our direct sales force and through independent sales agents located throughout our markets. Our direct sales force and agents work closely with potential and existing customers to design tailored services bundles that meet unique and evolving customer needs. Our technology enables our sales force to identify and acquire targeted customers rapidly and to tailor and price a variety of service choices to match a customer's specific requirements. We seek to hire experienced sales professionals, and we supplement the experience of our employees and sales agents by providing them with intensive training in our service offerings and in marketing our services in selected industry sectors. We seek to motivate and retain our sales employees, sales agents and agent support personnel with commissions and, in some circumstances, long-term equity incentives. Our employee-oriented focus helps to foster a motivated sales force that we believe is essential to providing superior customer service.

Our broad-based, asset-rich, multi-platform network. We maintain one of the largest competitive networks nationwide, with approximately 20,077 route miles of fiber, including over 5,900 metro route miles, totaling approximately 1,605,000 fiber miles of physical transport at March 31, 2010. In addition, we manage a broad-based network with both traditional analog and next generation IP-switching intelligence at the core of our network, facilitating our provision, at March 31, 2010, of a wide range of sophisticated solutions offerings in 84 of the top 100 metropolitan statistical areas nationwide. This network enables us to provide flexible and customer-specific solutions while maintaining significant control over the quality and consistency of service. We believe that the flexibility and reliability of our existing network allows us to provide a superior customer experience at a reasonable price. As part of our network strategy, we connect our customers to our network primarily by leasing special access digital T1 transmission lines that we believe facilitate very fast installation times and decreased customer outages. We lease a significant portion of these special access lines through competitively priced bulk purchase agreements with other communications companies and internally manage the service quality on those lines through our multiple network operations centers.

Our proven management team. Our management team has an established track record of accomplishments in the communications industry. Several members of our senior management team and a significant number of additional individuals whom we have employed since we commenced operations in 1998 previously worked together for several years at ACC Corp., which was the first competitive carrier to use a similar network deployment strategy to ours of leasing, rather than building, telephone and data transmission lines. Our executive officers have an average of over 15 years of experience in the telecommunications industry and are experienced in the integration of acquired businesses.

Table of Contents

Our Strategy

Our objective is to be the most customer- and employee-oriented communications services provider to medium-sized and large businesses and institutions in our markets. To accomplish this objective, we seek to:

Provide superior service and customer care through a highly motivated and committed workforce. We believe that our target customer base, which is composed primarily of medium-sized and large businesses and institutions, is often underserved by traditional telephone companies. Based on our experience, we also believe that many communications providers continue to focus primarily on the technology associated with delivering access, transport and basic voice and Internet access services, rather than on the customer service and consultative sales relationships that attract and retain customers and support the delivery of those services. We seek to gain a competitive advantage and differentiate ourselves from other carriers by building long-term customer relationships based on providing consistent and superior customer service. We believe that our dedicated employee base, employee training programs, billing and back office systems, customer service response teams and reliable network connections provide us with this competitive advantage. We seek to provide incentives to our dedicated workforce, which totaled approximately 3,646 employees at March 31, 2010, through an attractive combination of cash compensation, equity ownership, other benefits, employee recognition awards and a flexible work environment. We believe that this blend of incentives attracts committed, motivated and loyal employees who strive to deliver high levels of service to promote customer satisfaction.

Offer a broad range of advanced and traditional communications services. We offer a flexible variety of network services, including our local and long distance voice services and our integrated data services, as an integrated package that is delivered over the same digital transmission lines. In addition, our flexible network enables us to provide advanced IP-based offerings, such as Voice over Internet Protocol, or VoIP, services and MultiProtocol Label Switching Virtual Private Network, or MPLS VPN, services. We attempt to augment our network services bundle with value-added integrated solutions, such as our proprietary telecommunications management software applications and our network integration offerings, that help to differentiate our services bundle from the services of our competitors and often to attract new customers. As a result, our customers frequently are able to fulfill their communications services requirements through one point of contact and receive a monthly statement of charges for a full range of communications services on one integrated bill.

Work closely with customers to develop end-to-end communications solutions tailored to their particular needs. We believe that our sales and service approach, in which we consult with our customers to design services customized to meet their particular needs, is an effective strategy for attracting and retaining customers with complex communications needs. We have established local sales offices and hired sales personnel in each of our markets to provide an experienced, local account management team that offers face-to-face sales and personalized client care for our entire service offering. We believe that our service-driven customer relationship strategy results in high levels of customer satisfaction and will lead to an increase in demand for our services. By serving the specific needs of customers in several industries, we believe we are well-equipped to attract new customers in those industries and to sell additional services to existing customers.

Use existing customer base and industry expertise to introduce new products and services and to expand selectively into new markets. We use relationships with our customers in existing markets to introduce new products and services. We believe that our close relationships with our customers and our dedication to customer service fosters an environment for the introduction of new products and services that we believe may benefit the customer. We also seek to penetrate markets further and expand our network services business into new markets through our integrated solutions offerings. We frequently use these offerings to establish new customer relationships. Once a customer has purchased

Table of Contents

one of our offerings, our goal is to become the provider of choice for all of that customer's communications needs by providing superior customer support. As we offer and sell our integrated solutions on a stand-alone basis to customers outside of our markets when we believe it is economically or strategically advantageous, we seek to use these customers as reference accounts to increase penetration of existing geographic markets and industries with our network services and to expand into new geographic markets and industries.

Selectively supplement internal growth through targeted acquisitions. To supplement our internal growth, we have pursued an acquisition strategy focused on acquisition candidates that fulfill one or more key objectives. The objectives include increasing our penetration of current markets, expanding into new markets, augmenting the geographic scope of our network fiber-based assets (primarily in high density markets), and enhancing our ability to sell and deliver value-added services. We continue to seek acquisition candidates that will add customers and cash flow to our existing network services business or that will enhance our operating efficiencies by lowering access costs through the provision of fiber-based assets. In accordance with this strategy, we focus our acquisition efforts on other competitive carriers, on local and long distance providers, on enhanced service providers, on network integrators and on equipment solution providers. From time to time, we may consider selective acquisitions of those types of businesses that we believe will enhance our package of service offerings, increase our customer base and bring experienced back office, technical and customer service personnel to our company.

Our Corporate Information

PAETEC Holding Corp. was incorporated in Delaware in August 2006, and its predecessor, PAETEC Corp., was incorporated in Delaware in 1998. PAETEC Holding Corp. is a holding company that conducts its operations through wholly-owned subsidiaries. Our principal executive offices are located at One PAETEC Plaza, 600 Willowbrook Office Park, Fairport, New York 14450, and our main telephone number at that address is (585) 340-2500. We maintain our general corporate web site at www.paetec.com. The contents of our website are not a part of this prospectus.

Table of Contents

The Exchange Offer

On January 12, 2010, we completed the offering of \$300,000,000 aggregate principal amount of our 8^{7/8}% Senior Secured Notes due 2017. The offering was made in transactions not requiring registration under the Securities Act of 1933, as amended, or Securities Act. As part of the offering, we entered into a registration rights agreement with the initial purchasers of such notes in which we agreed, among other things, to deliver this prospectus and to complete an exchange offer for such notes. Below is a summary of the exchange offer.

The Exchange Offer

We are offering to exchange \$1,000 principal amount of our 8^{7/8}% Senior Secured Notes due 2017, which have been registered under the Securities Act and which we refer to as the exchange notes, for each \$1,000 principal amount of our outstanding, unregistered 8^{7/8}% Senior Secured Notes due 2017, which we originally issued on January 12, 2010 and which we refer to as the original notes. Unless we specify otherwise or the context indicates otherwise, we refer to the exchange notes and the original notes together as the notes.

To be exchanged, an original note must be properly tendered and accepted. All original notes that are validly tendered and not withdrawn will be exchanged. As of the date of this prospectus, there are \$300,000,000 aggregate principal amount of original notes outstanding. We will issue exchange notes promptly after the expiration of the exchange offer.

Resales of Exchange Notes

Based on interpretations by the staff of the Securities and Exchange Commission, or SEC, in no-action letters issued to third parties with respect to other transactions, we believe that the exchange notes issued in the exchange offer may be offered for resale, resold or otherwise transferred by you without compliance with the registration and prospectus delivery requirements of the Securities Act as long as:

you are acquiring the exchange notes in the ordinary course of your business;

you have no arrangement or understanding with any person to participate in a distribution of the exchange notes; and

you are not our affiliate within the meaning of Rule 405 under the Securities Act, which defines affiliate as a person that, directly or indirectly, controls or is controlled by, or is under common control with, a specified person.

If you do not satisfy the foregoing conditions, in the absence of an exemption, you must comply with the registration and prospectus delivery requirements of the Securities Act in connection with the resale of the exchange notes. If you fail to comply with these requirements, you may incur liabilities under the Securities Act, and we will not indemnify you for such liabilities.

Each broker-dealer that receives exchange notes for its own account in exchange for original notes that were acquired as a result of market-making activities or other trading activities must acknowledge

Table of Contents

to register ownership of your original notes in your name or obtain a properly completed bond power from the person or entity in whose name your original notes are registered. The transfer of registered ownership may take considerable time.

Guaranteed Delivery Procedures

If you wish to tender your original notes and your original notes are not immediately available or you cannot deliver your original notes, the letter of transmittal or any other required documents to the exchange agent (or comply with the procedures for book-entry transfer) prior to the expiration date, you must tender your original notes according to the guaranteed delivery procedures set forth in The Exchange Offer Guaranteed Delivery Procedures.

Consequences of Failure to Exchange

If you do not exchange your original notes, they will remain entitled to the rights and subject to the limitations contained in the indenture governing the notes. Following the exchange offer, however, all outstanding original notes will continue to be subject to the same restrictions on transfer, and we will have no obligation to register outstanding original notes under the Securities Act or to pay contingent increases in interest based on our original registration obligation.

Use of Proceeds

We will not receive any proceeds from the exchange offer.

Exchange Agent

The Bank of New York Mellon Trust Company, N.A. is serving as the exchange agent in connection with the exchange offer. The address, telephone number and facsimile number of the exchange agent are listed in The Exchange Offer Exchange Agent.

Table of Contents

The Exchange Notes

The exchange offer relates to the exchange of up to \$300,000,000 principal amount of original notes for an equal principal amount of exchange notes. The terms of the exchange notes will be substantially identical to the terms of the original notes, except the exchange notes are registered under the Securities Act and the transfer restrictions, registration rights and related additional interest terms applicable to the original notes will not apply to the exchange notes. The exchange notes will evidence the same indebtedness as the original notes which they will replace. Both the original notes and the exchange notes are governed by the same indenture.

Issuer PAETEC Holding Corp.

Notes Offered \$300,000,000 aggregate principal amount of 8⁷/₈% Senior Secured Notes due 2017. The original notes were, and the exchange notes will be, issued under the indenture pursuant to which, on June 29, 2009, we issued \$350,000,000 principal amount of our 8⁷/₈% Senior Secured Notes due 2017. On November 3, 2009, we exchanged these initial notes for a like principal amount of notes that had been registered under the Securities Act, which we refer to as the Existing 2017 Notes. The exchange notes will be treated as a single series with the Existing 2017 Notes under the indenture, and holders of the exchange notes and the Existing 2017 Notes will vote as one class under the indenture.

Maturity Date June 30, 2017.

Interest Payment Dates June 30 and December 31 of each year.

Guarantees The exchange notes will be guaranteed on a senior secured basis by each of our domestic restricted subsidiaries in existence on the issue date of the original notes and by all of our domestic restricted subsidiaries thereafter, other than certain excluded subsidiaries. The guarantees of the exchange notes will rank equally in right of payment with the guarantees of our existing senior secured credit facilities, the Existing 2017 Notes and our existing 9.5% Senior Notes due 2015, which we refer to as the 9.5% senior notes.

Ranking The exchange notes will be the general senior obligations of PAETEC Holding Corp. and will rank equally in right of payment with all of PAETEC Holding Corp.'s existing and future senior indebtedness and senior in right of payment to all of its existing and future subordinated indebtedness. The exchange notes will be effectively senior to all of PAETEC Holding Corp.'s existing and future senior unsecured indebtedness to the extent of the collateral securing the exchange notes.

The guarantee of the exchange notes by each subsidiary guarantor will be the general senior obligation of that subsidiary guarantor and will rank equally in right of payment with all of the subsidiary

Table of Contents

guarantor's existing and future senior indebtedness and senior in right of payment to all of its existing and future subordinated indebtedness. Each guarantee will be effectively senior to all of the applicable subsidiary guarantor's existing and future senior unsecured indebtedness to the extent of the collateral securing the guarantee.

As of March 31, 2010, following the closing of the offering of the original notes and our use of the net offering proceeds to repay outstanding loans under our existing senior secured credit facilities, we had \$950.0 million in aggregate principal amount of senior indebtedness outstanding, \$650.0 million of which was secured indebtedness.

Optional Redemption

We may redeem some or all of the exchange notes, at any time before June 30, 2013, at a redemption price equal to 100% of their principal amount plus a make-whole premium, together with accrued and unpaid interest. We may redeem some or all of the exchange notes, at any time on or after June 30, 2013, at the redemption prices described in this prospectus, together with accrued and unpaid interest.

Before June 30, 2012, we may redeem up to 35% of the aggregate principal amount of the notes and the Existing 2017 Notes at a redemption price equal to 108.875% of the principal amount thereof, plus accrued and unpaid interest thereon to the redemption date, with the net cash proceeds of one or more equity offerings, except that at least 65% of the principal amount of the notes and the Existing 2017 Notes initially issued must remain outstanding immediately after giving effect to such redemption. For additional information, see Description of the Exchange Notes Optional Redemption.

Mandatory Offers to Purchase

If we experience certain kinds of changes of control, we must offer to purchase the exchange notes at 101% of their principal amount, plus accrued and unpaid interest. For additional information, see Description of the Exchange Notes Certain Covenants Repurchase of Notes Upon a Change of Control.

If we sell certain of our assets and do not apply the net proceeds to repay indebtedness under our senior secured credit facilities, the Existing 2017 Notes, the notes or other indebtedness secured on a first-priority basis or to reinvest in our business, we must offer to purchase the exchange notes at 100% of their principal amount, plus accrued and unpaid interest. For additional information, see Description of the Exchange Notes Certain Covenants Limitation on Asset Sales.

Certain Covenants

The indenture that will govern the exchange notes contains covenants that, among other things, limit our ability and the ability of our restricted subsidiaries to:

incur additional indebtedness;

pay dividends on, redeem or repurchase our capital stock;

Table of Contents

make investments or repay subordinated indebtedness;

engage in sale-leaseback transactions;

enter into transactions with affiliates;

sell assets;

create liens;

create restrictions on dividend and other payments to us from our subsidiaries;

issue or sell stock of subsidiaries; and

engage in a merger, sale or consolidation.

All of the covenants are subject to a number of important qualifications and exceptions that are described under [Description of the Exchange Notes](#).

Security for the Notes

The exchange notes and the guarantees will be secured on a first-priority basis, equally and ratably with our senior secured credit facilities, the Existing 2017 Notes, and any future *pari passu* secured obligations, subject to permitted liens, by substantially all of our assets. For additional information, see [Description of the Exchange Notes Security](#).

Taxation

The exchange pursuant to the exchange offer generally will not be a taxable event for U.S. federal income tax purposes.

For U.S. federal income tax purposes we intend to treat the original notes as issued pursuant to a [qualified reopening](#) of the Existing 2017 Notes, and the exchange notes as a continuation of the original notes. Under this treatment, all of the original notes and exchange notes will be deemed to have the same issue date, the same issue price and (with respect to holders) the same adjusted issue price as the Existing 2017 Notes for U.S. federal income tax purposes, and therefore will be treated as having been issued with the same amount of original issue discount for U.S. federal income tax purposes as the Existing 2017 Notes. However, because the original notes were issued at a price greater than the principal amount of the original notes (excluding amounts attributable to pre-issuance accrued interest), U.S. holders who purchased the original notes in their initial offering at the initial offering price, and such U.S. holders who exchange their original notes for exchange notes pursuant to the exchange offer, will not be required to include any original issue discount in gross income for U.S. federal income tax purposes. For additional information, see [U.S. Federal Income Tax Considerations Consequences to U.S. Holders](#).

Table of Contents

RISK FACTORS

Before you participate in the exchange offer, you should carefully consider the various risks of the investment, including the risks described below, together with all of the other information included or incorporated by reference in this prospectus. If any