



## **FOR IMMEDIATE RELEASE**

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### **AEG Partners Engaged to Provide Management for Birch Telecom Larry Adelman Appointed Chief Restructuring Officer**

**CHICAGO, IL, October 25, 2005**– AEG Partners, the premier strategic advisory firm to distressed middle market companies, announced today that members of the firm have assumed key management positions at Birch Telecom Inc., a \$300 million revenue competitive local exchange carrier (CLEC). Birch provides local, long distance and Internet services. Larry Adelman, principal of AEG Partners, has been appointed Chief Restructuring Officer, Steve Kunkel, Managing Director, has been appointed Assistant Chief Restructuring Officer, and AEG is providing an interim CFO. Birch filed for Chapter 11 protection in August.

“While Chapter 11 situations are always a difficult undertaking and the CLEC industry has had its share of issues, our experience with such restructurings and our background in the telecom industry are perfectly suited for the challenges ahead,” said Larry Adelman, Principal of AEG Partners . “We look forward to helping Birch navigate through this process.”

AEG Partners has been involved in numerous restructuring engagements over a broad range of industries. The firm’s telecom practice is led by Michael Friduss and Charles Hempfling, each with over 30 years of experience as senior executives in the Bell System and as advisors to CLECs and the Department of Justice.

Founded in 1997, Birch Telecom was one of the first companies in the Midwest certified as an alternative telecommunications provider. By targeting small- and mid-sized businesses, Birch realized revenues of \$300 million in 2004 and now serves 130,000 customers in more than 50 metropolitan markets across 12 states. Birch owns and operates an integrated voice and data network, and offers a broad portfolio of local, long distance and Internet services.

#### **About AEG Partners**

AEG Partners is the premier strategic and turnaround advisory firm to distressed middle market companies. The firm provides reliable, independent, senior-level counsel that quickly secures the support of key decision makers. AEG combines seasoned operational expertise with a strong results focus to accurately identify and implement the recovery and re-capitalization strategies necessary to improve performance and drive stakeholder value. For additional information, please visit [www.aegpartners.com](http://www.aegpartners.com).