UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

PROOF OF INTEREST

Name of Debtor	Case Number
Touch America Holdings Inc	**03-11915 (KJC)**

1 Name of holder of the Preferred Equity Interest (Referred to hereinafter as the Preferred Interest Holder)

PFD INVENTORY ACCT

Mesirow Financial, Inc.
Attn: [illegible] Dept.
350 N. Clark Street
Chicago, IL 60610

Telephone Number (312) 595 6556

☐ Check box if you are aware that anyone else has filed a proof of interest relating to your interest Attach copy of statement giving particulars

☐ Check box if you have never received any notices from the bankruptcy court or BMC Group in this case

☐ Check box if this address differs from the address on the envelope sent to you by BMC Group

NOTE: This form SHOULD NOT be used to make a claim against the Debtor for money owed. A separate Proof of Claim form should be used for that purpose. This form should only be used to assert a Preferred Equity Interest in the Debtor. A Preferred Equity Interest, as used herein, relates specifically to the $6.875 Series Preferred Stock issued by the Debtor. Parties holding an equity interest consisting of common stock in the Debtor should NOT file a proof of interest at this time. If at a future date it appears that distributions may be available to holders of common stock, a separate notice and proof of interest form will be provided to the investment public.

If you have already filed a proof of interest with BMC you do not need to file again

THIS SPACE IS FOR COURT USE ONLY

Account or other number by which Preferred Interest Holder identifies Debtor

5322

Check here if this proof of interest
☐ replaces a previously filed Proof of Interest dated _____
☐ amends a previously filed Proof of Interest dated _____

2 Name and Address of any person or entity that is the record holder for the Preferred Equity Interest asserted in this Proof of Interest

Mesirow Financial, Inc.
Attn: Re-Org. Dept.
350 N. Clark Street
Chicago, IL 60610

Telephone Number 312 595 6556

3 Date Preferred Equity Interest was acquired

MULTIPLE TRADES

4 Total amount of member interest 32,317 A/O 10/29/04

5 Certificate number(s) N/A DEPOSITORY HELD

6 Type of Preferred Equity Interest

Please indicate the type of Preferred Equity Interest you hold

☒ Check this box if your Preferred Equity Interest is based on actual shares of the $6 875 Series Preferred Stock held in the Debtor

☐ Check this box if your Preferred Equity Interest is based on anything else and describe that interest

_____

7 SUPPORTING DOCUMENTS *Attach copies of supporting documents*, such as stock certificates option agreements warrants etc

DO NOT SEND ORIGINAL DOCUMENTS If the documents are not available explain If the documents are voluminous attach a summary

8 DATE STAMPED COPY To receive an acknowledgment of the filing of your proof of interest enclose a stamped self-addressed envelope and copy of this proof of interest

The original of this completed proof of interest form must be sent by mail or hand delivered (FAXES NOT ACCEPTED) so that it is **actually received on or before 4 00 pm Eastern Standard time, on December 30 2008** for each person or entity (including individuals partnerships corporations joint ventures trusts and governmental units)

BY MAIL TO
Touch America Holdings Inc
c/o BMC Group
PO Box 990
El Segundo CA 90245 0990

BY HAND OR OVERNIGHT DELIVERY TO
Touch America Holdings Inc
c/o BMC Group
444 N Nash Street
El Segundo CA 90245

SIGNATURE GUARANTEED
MEDALLION GUARANTEE
MESIROW FINANCIAL INC

THIS SPACE FOR COURT USE ONLY

FILED

DEC 29 2008

BMC GROUP

DATE
12/26/08

SIGN and print the name and title if any of the Preferred Interest Holder or other person authorized to file this proof of interest (attach copy of power of attorney if any)

AUTHORIZED SIGNATURE

ES98 1
NYSE INC MEDALLION SIGNATURE PROGRAM

Touch America POI
00039

Penalty for presenting fraudulent claim is a fine up to $500 000 or imprisonment for up to 5 years or both 18 U S C §§ 152 AND 3571

10/15/2004

PR76007 MES01 000 MESIROW FINANCIAL INC PAGE 8786
06 45 STOCK RECORD WEEKLY POSITION REPORT
10/15/04

ACCOUNT NUMBER	ACCOUNT NAME	SI	INST	ACTIVE	LAST ACT	TRADE QTY	SETTLE QTY	MEMO QUANTITY	MEMO LOC	DATE
#3596-317 TOUCH AMER HLDGS INC							MARKET PRICE		00250	
CUSIP 891539108	DTC/CNS	TYPE	C	BOND TYPE		SYMBOL TCAHQ	CURRENCY	EUROCLEAR		
FH12-7158-9424-1	SALTZMAN BABETTE	4C	Q	JRL	02/20/03	1200L	1200L	1200	20	02/20/03
NS01-7535-5314-1	STROUP LIV TRUST	4C	Q	CHG	02/15/02	200L	200L	200	20	02/15/02
DH01-7719-7578-1	SURERUS WILLIAM E	4C	J	TSEG	01/27/03	1000L	1000L	1000	20	01/27/03
IG10-7719-7944-1	MANAGOJOSEPH A M	4C	Q	JRL	05/13/02	700L	700L	700	20	05/13/02
DH06-8429-2569-1	WEIL BENJAMIN	4C	U	CHG	02/15/02	6L	6L	6	20	02/15/02
FW02-8608-0128-1	SCHOENBROD BRET V	4C	J	T/A	10/04/04	300L	300L	300	20	10/04/04
NS01-8855-6438-1	OP-MUSZYNSKI RITA E	4C	Y	CHG	02/15/02	800L	800L	800	20	02/15/02
NS01-8882-9898-1	OP-NOLAN WILLIAM P	4C	Y	CHG	02/15/02	300L	300L	300	20	02/15/02
VS01-8982-3798-1	ARMIN ROY S	4C	A	T/A	09/01/04	200L	200L	200	20	09/01/04
NUMBER OF POSITIONS 32				TOTAL LONG		108653L	108653L	TOTAL FOR LOCATION	20	108653
				TOTAL SHORT		108653S	108653S		36	
#3596-341 TOUCH AMER HLDGS INC	PFD $6 875%						MARKET PRICE		4 88000	
CUSIP 891539207	DTC/CNS	TYPE	R	BOND TYPE		SYMBOL TAAPP	CURRENCY	EUROCLEAR		
55-1	DTC			CNS	10/07/04	9540S	9540S	) ALL DTC shares 39,057		
1007-1	US BANK FIRM LOAN DT			PLEG	10/07/04	29517S	29517S			
5322-1	PREFERRED TRADING OT			TRADE	09/02/04	32317L	32317L			
ED15-1196-2600-1	AIR-MITE DEVICES INC	4C	C	TSEG	07/25/02	300L	300L	300	20	07/25/02
ED15-1878-6077-1	BROMBERG GINGER	4C	A	XCH	02/19/02	100L	100L	100	20	02/19/02
ED15-5019-9569-1	KOULIND ROSE	4C	A	TSEG	08/02/02	390L	390L	390	20	08/02/02
ED15-5094-2539-1	LABORERS INTERNATIO	4C	C	TSEG	07/17/02	300L	300L	300	20	07/17/02
ED15-5278-8269-1	SAWYER BERNARD MEYE	4C	A	TSEG	08/07/02	100L	100L	100	20	08/07/02
ED15-6265-9865-1	KRUMBEIN ELIEZER	4C	A	TSEG	07/18/02	300L	300L	300	20	07/18/02
ED15-6271-0694-1	LEVIN H DEBRA	4C	A	TSEG	08/07/02	300L	300L	300	20	08/07/02
ED15-6285-6743-1	MILLER JOSEPH S	4C	Q	JRL	10/27/03	275L	275L	275	20	10/27/03
ED15-6603-5769-1	PEPPER GEORGE	4C	A	JRL	05/12/04	300L	300L	300	20	05/12/04
CO01-7175-7058-1	SAYLER WILLIAM B	4C	A	TSEG	08/03/04	1050L	1050L	1050	20	08/03/04
ED15-7387-6462-1	MYRNA FINE TR	4C	Q	TSEG	08/07/02	300L	300L	300	20	08/07/02
ED15-8121-2847-1	UNGER RESIDUARY TR	4C	Q	TSEG	07/23/02	300L	300L	300	20	07/23/02
ED15-8623-7115-1	WOOL FROHMAN	4C	A	JRL	11/12/02	100L	100L	100	20	11/12/02
ED15-8849-8993-1	OP-KLUGMAN EARL H	4C	Y	TSEG	07/29/02	250L	250L	250	20	07/29/02
ED15-8850-1957-1	OP-KOTVA DENISE G	4C	Y	TSEG	07/18/02	300L	300L	300	20	07/18/02
ED15-8867-3512-1	OP-HOFFMAN ELLYN B	4C	Y	TSEG	07/25/02	275L	275L	275	20	07/25/02
ED15-8893-6686-1	OP-PHILIPSBORN T D	4C	Y	TSEG	07/19/02	300L	300L	300	20	07/19/02
ED15-8894-4120-1	OP-BLUMBERG ANTHONY	4C	Y	TSEG	08/08/02	200L	200L	200	20	08/08/02
ED15-8894-4182-1	OP-BLUMBERG ALAN R	4C	Y	TSEG	07/26/02	175L	175L	175	20	07/26/02
ED15-8894-4243-1	BLUMBERG DAVID L	4C	Y	TSEG	06/09/03	250L	250L	250	20	06/09/03
ED15-8894-5948-1	OP-BRODY ALAN J	4C	Y	TSEG	06/12/03	350L	350L	350	20	06/12/03
ED15-8895-2582-1	OP-HOFFMAN SA	4C	Y	TSEG	07/25/02	225L	225L	225	20	07/25/02
ED15-8895-9965-1	OP-KRUMBEIN E	4C	Y	TSEG	06/13/03	300L	300L	300	20	06/13/03
NUMBER OF POSITIONS 26				TOTAL LONG		39057L	39057L	TOTAL FOR LOCATION	20	6740
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10/22/2004

PR76007 MES01 000 MESIROW FINANCIAL INC PAGE 8788
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10/22/04

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#3596-317 TOUCH AMER HLDGS INC							MARKET PRICE	00200		
CUSIP 891539108	DTC/CNS	TYPE	C	BOND TYPE		SYMBOL TCAHO	CURRENCY	EUROCLEAR		
FH12-7158-9424-1	SALTZMAN BABETTE	4C	Q	JRL	02/20/03	1200L	1200L	1200	20	02/20/03
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EW02-8608-0128-1	SCHOENBROD BRET V	4C	J	T/A	10/04/04	300L	300L	300	20	10/04/04
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Mesirow Financial™

350 North Clark Street Chicago Illinois 60610
312 595 6000 ▪ www mesirowfinancial com

December 26, 2008

Touch America Holdings, Inc
c/o BMC Group
444 No Nash Street
El Segundo, CA
90245

Re Proof of Interest Claim Forms (Touch America $6.875 Pfd Holders)

Dear Rep,

We, Mesirow Financial, Inc (DTC # 727) respectfully submit the signed, original claim forms from our clients that held positions as of the Plan Effective date 10/19/2004

Our share position as of the Plan Effective Date was 39,057 shares (per attached stock record microfiche proof)

Our share position as of the October 31, 2008 hearing date was 26,040 shares (per DTC)

Our inventory sold the difference after the Plan Effective Date, 13,017 shares in 3 trades to Wachtel & Co (DTC # 709) vs the following transactions

SLD 500 T/D 10/02/2007 S/D 10/05/2007
SLD 10,000 T/D 10/02/2007 S/D 10/05/2007
SLD 2,517 T/D 10/02/2007 S/D 10/05/2007

Our contention is that all of our accounts are due the proceeds for the position held as of the Plan Effective Date as per the Bar Date Order by the Bankruptcy Court dated October 31, 2008 That amount is 39,057 shares

Should you have any concerns, please contact the undersigned as soon as possible

Sincerely,

MESIROW FINANCIAL, INC # 727

Havana Giles
Assistant Vice President
(312) 595-6556
hgiles@mesirowfinancial com
Fax 312-595-6745