

Craig S. Johnson Andrew J. Sporleder Attorneys at Law

February 14, 2011

Via email and certified mail

Leo Bub Counsel AT&T Missouri One Bell Center, Room 3520 St. Louis, MO 63101

Re: Request for Blocking of Traffic of Halo Wireless Inc. terminating to Mid-Missouri Telephone Company, made pursuant to the Missouri Enhanced Record Exchange Rule of the Missouri Public Service Commission.

Dear Mr. Bub:

This is a traffic blocking request made pursuant to 4 CSR 240-29.130. The terminating carrier making this request is Mid-Missouri Telephone Company (MMTC). The originating carrier whose traffic MMTC is requesting ATTMo to block is that of Halo Wireless Inc., OCN 429F (HW).

MMTC billed HW on January 1, 2011. HW refused to honor the invoice by letter dated January 14, 2011, saying it had no obligation to pay. I sent HW an email on January 25, 2011 in which I advised them of the Missouri Enhanced Record Exchange Rule requirements, and offered to negotiate an interconnection agreement that, upon its approval, would also apply to traffic terminated prior to its approval. HW has not responded. I attach copies of these communications for your reference. In addition to this failure to fully compensate MMTC, based on MMTC switch records it appears that some of the traffic is wireline originated, some is interLATA wireline traffic, and HW has not delivered correct originating caller identification information to MMTC.

MMTC requests that ATTMo block HW traffic from terminating over the LEC-to-LEC network to the following MMTC exchanges:

NPA-NXX
660-337
660-427
660-458
660-489
660-784
660-834
660-837
660-838
660-846

Miami	660-852
Nelson	660-859
Marshall Junction	660-879

MMTC requests that this traffic be blocked on March 21, 2011, or another date mutually agreeable to MMTC and ATTMo that is within 45 days of this request. 4 CSR 240-29.130(6).

Please let me know as soon as you can.

Sincerely,

Craig S. Johnson

cc: Todd Wessing
Sherre Campbell
Bonnie Gerke
John Van Eschen
Bill Voight
Todd Wallace, CTO, Ha

Todd Wallace, CTO, Halo Wireless

John Marks, General Counsel, Halo Wireless

wireless

3437 W. 7th Street, Suite 127, Fort Worth, TX 76107

January 14, 2011

Ms. Sherre Campbell Mid-Missouri Telephone Company Division of Otelco Telephone 505 3rd Avenue E Oneonta, AL 35121

Dear Ms. Campbell:

This will acknowledge receipt of your statement of January 1, 2011. You assigned Invoice No. 0010620.

Please be advised that Halo Wireless Communications is a Commercial Mobile Radio Service (CMRS) provider. The charges reflected in your statement appear to relate to transport and termination of intra-MTA traffic. Such charges may not be assessed against CMRS carriers absent a contract, and Halo is under no obligation to pay them.

Sincerely,

John Marks General Counsel jmarks@halowireless.com

Craig Johnson

From:

Craig Johnson

Sent:

Tuesday, January 25, 2011 11:56 AM

To:

'jmarks@halowireless.com'

Cc:

Bill Voight; Leo Bub (leo.bub@att.com)

Subject:

Halo Wireless traffic terminating in Missouri, Mid-Missouri Tel Co., Alma Tel Co., Chariton Valley Tel Corp,

Northeast Mo Rural Tel, MoKan Dial Inc., Choctaw Tel Co.,

Attachments: 11.1.25 ERE 4 CSR 240-29.pdf; 11.1.14 Halo Letter refusing MMTC invoice.pdf

Mr. Marks:

Appreciate your taking this email and responding. Always prefer cooperation over litigation. Would like to discuss this with you by phone, but could not obtain your phone number from your website. Please give me a call and we can discuss this, or give me your phone number and I will call you.

Several of my clients are starting to see Halo Wireless traffic terminating to them over FGC trunks, with ATT giving us billing records we are to use to bill HW. I have seen one letter from you dated Jan 14 to Sherre Campbell of Mid-Missouri Telephone, also attached, refusing to honor such an invoice on the grounds it is for intraMTA traffic. That is a response that is not acceptable in Missouri. I represent several other small rural ILECs, listed above, and I anticipate this process is likely to be repeated for them.

We have a history in Missouri that resulted in a rule that applies to us in this situation-it applies to us, to ATT, and to HW. It is referred to as the "enhanced record exchange rule", and can be found at 4 CSR 240-29. I attach a copy for your reference. It applies to traffic transited to us by ATT for termination over the FCG trunks. Without going into too much detail, if HW believes any of the traffic should be subjected to reciprocal compensation instead of exchange access, it is HW's responsibility to secure interconnection agreements/reciprocal compensation agreements with us prior to delivering traffic for termination. It that has not been done, we bill the traffic as access traffic in accordance with the billing records ATT provides us. We have no other vehicle by which to bill for this traffic. The billing records ATT provides show the traffic as intrastate intraLATA access traffic. If HW rejects an invoice billing this as access traffic, our remedy is to request ATT to block your traffic. AT&T is to block the traffic if we make the appropriate request. I assume HW does not want its traffic to be blocked.

The best way to avoid blocking or litigation regarding this traffic is for us to negotiate an interconnection agreement, or for HW to adopt the terms of an existing IA, and to apply the resulting IA to traffic delivered by HW to ATT for termination to my clients prior to the approval of the IA.

Please advise if you want to consider adopting or negotiating an agreement similar to that of other CMRS providers. I can provide you samples of interconnection agreements approved for national wireless carriers.

If I hear nothing from you before Feb 1, I will assume HW is not interested in this proposal, and I will proceed to protect my clients' interests by pursuing traffic blocking requests.

Craig S. Johnson Johnson & Sporleder, LLP 304 E High St. Suite 200 P.O. Box 1670 Jefferson City, MO 65102 (573) 659-8734 (573) 761-3587 FAX cj@cjaslaw.com

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EXHIBIT 13 2/14/2011 LETTER FROM CRAIG S. JOHNSON



Craig S. Johnson Andrew J. Sporleder Attorneys at Law

February 14, 2011

Via email and certified mail

Todd Wallace, CTO Halo Wireless Inc 3437 W. 7th St Box 127 Fort Worth, TX 76107

FEB 18 cm

Re: Notice of Request for Blocking of Traffic of Halo Wireless Inc. terminating to Mid-Missouri Telephone Company, made pursuant to the Missouri Enhanced Record Exchange Rule of the Missouri Public Service Commission.

Dear Mr. Wallace:

Please be notified that Mid-Missouri Telephone Company (MMTC) has requested that AT&TMo block Halo Wireless Traffic terminating to MMMTC pursuant to Missouri Public Service Commission Rule 4 CSR 240-29.130. A copy of that request is attached hereto for your reference.

Pursuant to the Commission Rule, Halo Wireless is notified of the reasons for, date of, and actions it can take to avoid, this traffic blocking.

Reasons for Blocking Request

Halo Wireless has refused to pay compensation for the traffic ATTMo identified Halo Wireless as being the originating carrier for, stating it had no obligation to pay MMTC's invoice therefore; Halo Wireless has refused to respond to MMTC's request to negotiate or adopt an interconnection agreement and apply the approved agreement to traffic terminating to MMTC prior to approval; it appears some HW traffic transited by ATTMo to MMTC is interLATA wireline traffic; it appears some HW traffic transited by ATTMo to MMTC may not have been originated by HW; and it appears HW may not have delivered correct originating caller identification to MMTC for such traffic.

Date Traffic is Requested to be Blocked

March 21, 2011.

Actions Halo Wireless Can Take to Prevent Blocking

Halo Wireless can take any of the following actions to prevent implementation of this blocking request:

a. agree to enter into good faith negotiations to adopt or establish an interconnection

304 E. High St., Suite 200 • P.O. Box 1670 • Jefferson City, Missouri 65102 573-659-8734 • 573-761-3587 FAX Case 2:11-cv-04220-NKL Document 4-12 Filed 08/19/11 Page 6 of 25

agreement with MMTC; or

- b. placing a sufficient amount of monies into escrow for MMTC to recover its intrastate intraLATA access charges on all HW intrastate intraLATA traffic transited by ATTMo for termination to MMTC coupled with filing a formal complaint with the Missouri Public Service Commission; or
- c. using alternative means of delivering the traffic in question for termination to MMTC that does not deliver the traffic to a LEC-to-LEC network originating tandem carrier, such as contracting with interexchange for delivery of HW traffic. resence of an interexchange carrier via the use of feature group A, B, or D protocols; or
 - d. directly interconnecting with MMTC.

If HW chooses any of these alternatives, please notify me, ATTMo, and John Van Eschen no later than March 14, 2011 to avoid effectuation of traffic blocking.

If any questions or concerns arise regarding this notice, please direct them to me.

Sincerely,

Craig S. Johnson

cc: Todd Wessing

Bonnie Gerke

Sherre Campbell

John Van Eschen, Mgr. MoPSC Telecommunications Dept.

Bill Voight

John Marks

EXHIBIT 14 2/17/2011 LETTER FROM W.R. ENGLAND, III

BRYDON, SWEARENGEN & ENGLAND

PROFESSIONAL CORPORATION

DAVID V.G. BRYDON, Retired JAMES C. SWEARENGEN WILLIAM R. ENGLAND, III JOHNNY K. RICHARDSON GARY W. DUFFY

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COUNSEL GREGORY C. MITCHELL

February 17, 2011

VIA EMAIL & FEDERAL EXPRESS

Mr. John Marks General Counsel Halo Wireless 3437 W. 7th Street, Suite 127 Forth Worth, TX 76107

Re:

Request for Interconnection & Compensation Arrangements

Dear Mr. Marks:

Previously we have sent you requests on behalf of the following Local Exchange Companies (LECs) to begin negotiations with Halo Wireless (Halo) toward an Interconnection Agreement pursuant to Section 251 of the Telecommunications Act of 1996:

Citizens Telephone Company Green Hills Telephone Corporation Green Hills Telecommunication Services

January 26, 2011

December 30, 2010

Letter Sent

Goodman Telephone Company
Granby Telephone Company
Grand River Mutual Telephone Corporation
Lathrop Telephone Company
McDonald County Telephone Company
Oregon Farmers Mutual Telephone Company
Ozark Telephone Company
Seneca Telephone Company

Rock Port Telephone Company

January 27, 2011

Page 2 of 2 February 17, 2011

In addition to the above, several other LECs that we represent have recently received billing records from their tandem provider, AT&T Missouri, indicating that Halo is sending traffic to the AT&T tandems in Missouri over the LEC-to-LEC (or Feature Group C) network for ultimate termination to customers served by these LECs. Currently, Halo has no agreement with any of these LECs to terminate this traffic.

Accordingly, the following LECs request that Halo begin negotiations, pursuant to Section 251 of the Telecommunications Act, to establish appropriate interconnection agreements (including reciprocal compensation) for the local (i.e., intraMTA) wireless traffic that Halo Wireless is terminating to them.

Ellington Telephone Company
Farber Telephone Company
Fidelity Telephone Company
Fidelity Communications Services I
Fidelity Communications Services II
Holway Telephone Company
Iamo Telephone Company
KLM Telephone Company
KLM Telephone Company
Le-Ru Telephone Company
Mark Twain Rural Telephone Company
Mark Twain Communications Company
New Florence Telephone Company
Steelville Telephone Exchange, Inc.

In response to our earlier correspondence, you have questioned the procedures that these LECs are pursuing to request negotiations. Accordingly, let me make it clear that these LECs seek to initiate negotiations toward an interconnection agreement pursuant to Sections 251 and 252, as envisioned by the FCC in its 2005 T-Mobile decision. Therefore, if voluntary negotiations are unsuccessful, these LECs are willing to submit to arbitration before the Missouri Public Service Commission.

Accordingly, please acknowledge receipt of this letter and indicate Halo Wireless' willingness to begin negotiations towards an interconnection agreement for the exchange of, and compensation for, local (intraMTA) wireless traffic. I look forward to hearing from you.

Sincerely.

W.R. England, Il

WRE/da

EXHIBIT 15 2/17/2011 LETTER FROM AT&T MISSOURI



AT&T Missouri One AT&T Center Room 3518 St. Louis, Missouri 63101

T: 314.235.2508 F: 314.247.0014 leo.bub@att.com

CERTIFIED U.S. MAIL NO. 7005 1820 0005 3265 8936

February 17, 2011

Mr. Todd Wallace, CTO Halo Wireless, Inc. 3437 W. 7th Street, 127 Fort Worth, Texas 76107

Re: Blocking Request From Mid-Missouri Telephone Company

Dear Mr. Wallace:

We are writing to notify you that we have received and are required to implement demands from Mid-Missouri Telephone Company, which is located in Missouri ("Mid Missouri"), to block your company's traffic that transits Southwestern Bell Telephone Company, d/b/a AT&T Missouri's ("AT&T Missouri's") network and terminates to Mid-Missouri's exchanges.

Mid-Missouri has made this request pursuant to the Missouri Public Service Commission's Enhanced Record Exchange Rule which provides that:

A terminating carrier may request the originating tandem carrier to block, and upon such request the originating tandem carrier shall block, the originating carrier's Local Exchange Carrier-to-Local Exchange Carrier (LEC-to-LEC) traffic, if the originating carrier has failed to fully compensate the terminating carrier for terminating compensable traffic, or if the originating carrier has failed to deliver the originating caller identification to the transiting and/or terminating carriers.

4 CSR 240-29.130(2). The rule further provides that following the notification required by the rule and on written request by a terminating carrier:

. . . the originating tandem carrier will be required to block LEC-to-LEC traffic of an originating carrier and/or traffic aggregator to the terminating carrier. Such requests shall be based on the terminating carrier's representation that the originating carrier and/or traffic aggregator has failed to fully compensate the terminating carrier for terminating compensable traffic. . . .

4 CSR 240-29.110(5). The Commission's rules define "LEC-to-LEC" traffic as "that traffic occurring over the LEC-to-LEC network. LEC-to-LEC traffic does not

Mr. Todd Wallace February 17, 2011 Page 2

traverse through an interexchange carrier's point of presence." 4 CSR 240-29.020(19). Similar denial of service provisions are contained in AT&T's interstate switched access service tariff, FCC No. 73, Section 2.1.3(c).

Thus, unless the Missouri Commission or other authority with competent jurisdiction issues an order staying the blocking of Mid-Missouri's traffic, we believe we are bound to follow Mid-Missouri's directive. We are beginning to perform the work necessary to implement this directive and will be in a position to commence the blocking on March 21, 2011.

Please call me with questions or if you need further information.

Very truly yours,

Leo J. Bub

cc: Mr. John Marks, Halo Wireless, Inc. (Via E-Mail and U.S. Mail)
Mr. Craig S. Johnson (Via E-Mail)
Mr. John Van Eschen, Missouri Public Service Commission
Telecommunications Department Manager (Via E-Mail)

EXHIBIT 16 2/18/2011 LETTER FROM W.R. ENGLAND, III

LAW OFFICES

BRYDON, SWEARENGEN & ENGLAND

PROFESSIONAL CORPORATION

DAVID V.G. BRYDON, Retired JAMES C. SWEARENGEN WILLIAM R. ENGLAND, III JOHNNY K. RICHARDSON GARY W. DUFFY PAUL A. BOUDREAU CHARLES E. SMARR DEAN L. COOPER 312 EAST CAPITOL AVENUE
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JOHN D. BORGMEYER

COUNSEL GREGORY C. MITCHELL

February 18, 2011

VIA EMAIL & FEDERAL EXPRESS

Mr. John Marks General Counsel Halo Wireless 3437 W. 7th Street, Suite 127 Forth Worth, TX 76107

Re: Request for Interconnection & Compensation Arrangements

Dear Mr. Marks:

I received and have reviewed your correspondence dated February 14, 2011. Not surprisingly, I disagree with your analysis and conclusion regarding the "3-step" process which you assert my clients must follow in order to begin negotiations towards an interconnection agreement. I believe Citizens Telephone Company (Citizens), Green Hills Telephone Corporation and Green Hills Telecommunications Services (collectively Green Hills) have fully complied with the requirements established by the FCC to begin the interconnection agreement process. Your strained reading of the FCC rules and refusal to accept that the negotiation process has begun indicates that Halo is not willing to enter into good faith negotiations.

Your letter states that one of the necessary prerequisites to begin the negotiation (and arbitration) process contemplated by Sections 251 and 252 require my clients to specifically request interconnection. That is illogical given the facts that gave rise to the FCC's decision in the 2005 T-Mobile case. As indicated in my initial letter dated December 30, 2011, Halo has already established interconnection with Citizens and Green Hills (albeit indirect) and begun delivering traffic through the AT&T tandem for ultimate termination to Citizens and Green Hills. Halo unilaterally established this interconnection and began sending traffic to Citizens and Green Hills without prior notification, let alone a request, to do so. All Citizens and Green Hills seek is an agreement to establish appropriate terms and conditions for that arrangement, including the appropriate compensation mechanisms, which they are clearly permitted to do under the FCC's T-Mobile decision. This is exactly the situation the FCC was addressing in the T-Mobile case, and your suggestion that my clients pursue the unnecessary and meaningless act of requesting interconnection makes no sense (other than to possibly delay the negotiation process).

Page 2 of 2 February 18, 2011

Your letter also states that my clients must expressly request Halo to submit to state level arbitration. First, such a requirement assumes that Halo has the option of rejecting such a request for arbitration, which it does not. Second, such a request is premature as it assumes voluntary negotiation will be unsuccessful. Again, the only purpose in raising this requirement seems to be to delay the process.

It is particularly significant that since the FCC's 2005 T-Mobile decision, Citizens and Green Hills have been able to successfully negotiate (or arbitrate) interconnection agreements with all of the wireless carriers (both large and small) that are terminating traffic to them. Not one of those wireless carriers rejected Citizens' or Green Hills' requests to begin negotiations pursuant to Section 251 of the Act, and certainly none of those carriers have required Citizens and Green Hills to engage in the "3-step" process that Halo suggests.

On a related matter, and of greater concern, is the fact that as my clients continue to investigate the nature of the traffic that Halo is terminating, it is clear that a significant amount of the traffic is not intraMTA wireless traffic. In fact, it appears that much of this traffic is either interMTA wireless traffic or landline interexchange traffic -- both of which are subject to the appropriate access charges. As an example, Citizens has found at least four (4) instances where calls from my office have been terminated to Citizens' office over the Halo interconnection with AT&T. Calls from my office are placed on a landline phone which is presubscribed to CenturyLink. Our office is located in Jefferson City, Missouri, which is in a separate LATA than Higginsville, Missouri, where Citizens has its office. Accordingly, and contrary to your earlier representations, Halo is delivering landline interexchange traffic over the Missouri IntraLATA LEC-to-LEC network. This is expressly prohibited by the Missouri Public Service Commission's Enhanced Record Exchange (ERE) Rules.

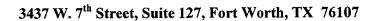
Given Halo's refusal to negotiate by conditioning the negotiation process on requirements that are neither necessary nor required, and the fact that Halo is terminating landline interLATA interexchange traffic over its local interconnection with AT&T, Citizens and Green Hills have elected to pursue the blocking of this traffic pursuant to the Missouri Public Service Commission's ERE Rules. As those rules indicate, this blocking will not prevent Halo from terminating traffic to Citizens and Green Hills, as there are other alternatives for doing so, such as the traditional interexchange network (Feature Group D) or the lease of another carrier's facilities. This blocking will only prevent Halo from using the Intrastate, IntraLATA LEC-to-LEC network to terminate its traffic to Citizens and Green Hills. Blocking is now scheduled to begin on March 15, 2011, consistent with Mr. Leo Bub's correspondence dated February 11, 2011.

Sincerely,

WRENGWYLDER DY BM W.R. England, III

WRE/da

EXHIBIT 17 2/22/2011 LETTER FROM HALO WIRELESS



CM-RRR No: 7002-0460-0002-0239-1789

CM-RRR No.: 7002-0460-0002-0239-1772

Via Email: leo.bub@att.com

Via Email: trip@brydonlaw.com

Via FAX: 314.247.0014

Via FAX: 573.634.7431



February 22, 2011

Leo J. Bub General Attorney AT&T Missouri One AT&T Center, Room 3518 St. Louis, Missouri 63101

W.R. England II Brydon, Swearengen & England 312 East Capitol Ave P.O. Box 456 Jefferson City, Missouri 65102-0456

Re: Blocking Request from Citizens Telephone Company of Higginsville, Missouri, Green Hills Telephone Corporation, and Green Hills Telecommunications Services

Dear Mssrs. Bub and England:

RE:

Halo Wireless, Inc. ("Halo") has been favored with correspondence from Mr. England and now Mr. Bub threatening to "block" passage of traffic that Halo Wireless has delivered to AT&T in Missouri that AT&T then transited to Citizens Telephone Company of Higginsville, Missouri, Green Hills Telephone Corporation and Green Hills Telecommunications Services. This is Halo's response.

Halo is a CMRS provider that is operating pursuant to federal authority. Contrary to the assertions in the requests Halo has not failed to respond to a request to negotiate with either Citizens entity or Green Hills. We have been exchanging correspondence with Mr. England over various requests he has made on behalf of several carriers. Each time Halo has specifically said it was willing to negotiate with his clients under § 251(a). Halo has also specifically indicated several times that if and when Mr. England's ILEC clients send a proper and compliant notice to Halo under FCC Rule 20.11(e) we will negotiate with any such ILEC clients to implement their § 251(b) and (c) duties. Halo has advised Mr. England of each defect on several occasions. Under the rule an ILEC must (1) request "interconnection"; (2) invoke the negotiation and arbitration procedures in § 252; and (3) if the ILEC desires to have the right to seek arbitration at the state commission the ILEC must request the CMRS provider to submit to state commission arbitration. While Mr. England has minimally accomplished (2) he has wholly failed with regard to (1) and (3). If Halo ever receives a compliant request then we will engage in negotiations to implement the ILECs' § 252(b) and (c) duties. Halo cannot be criticized for insisting that the law be followed, particularly with regard to procedural requirements that when met lead to substantive consequences. AT&T cannot lawful block any traffic under this circumstance.

If and to the extent Mr. England represents that Halo has refused to negotiate under § 252 that is flatly incorrect. The apparent problem is that while Halo has consistently said it would negotiate it has properly chosen to not accede to demands that § 252 negotiation and arbitration processes be used to implement § 251(a). Section 251(a) is not implemented through § 252 procedures. See Core Communications, Inc. v. SBC Communications, Inc., Memorandum Opinion and Order, 19 FCC Rcd 8447, ¶ 18 (2004) ("Neither the general interconnection obligation of section 251(a) nor the interconnection obligation arising under section 332 is implemented through the negotiation and arbitration scheme of section 252."); Qwest Corp., Notice of Apparent Liability for Forfeiture, 19 FCC Rcd 5169, ¶ 23 (2004) (defining the term "interconnection agreement" for purposes of section 252, as limited that term to those "agreement[s] relating to the duties outlined in sections 251(b) and (c)"); see also, e.g., Qwest Corp. v. Public Utils. Comm'n of Colo., 479 F.3d 1184, 1197 (10th Cir. 2007) ("[T]he interconnection agreements that result from arbitration necessarily include only the issues mandated by § 251(b) and (c)."). Mr. England's clients may want to use the § 252 negotiation and arbitration process to create additional open issues "without regard to the standards set forth in subsections (b) and (c) of section 251," but Halo has no obligation to agree to do that, in the same way ILECs can refuse to broaden the open issues. See CoServ, LLC v. Southwestern Bell, 350 F.3d 482, 488 (5th Cir., 2003). Any § 252 negotiations will be strictly limited to implementing the ILECs' § 251(b) and (c) duties. All the ILECs have to do is write a request that complies with the rule and we can begin the process.

Halo also observes that Green Hills Telecommunications Services, Inc. is not an ILEC, and thus is not entitled to invoke § 252 in any respect, including under FCC Rule 20.11(e). Halo will negotiate with them under § 251(a) at any time. We have so stated on more than one occasion, and we stand ready to negotiate. This carrier, however, has no right to unilaterally demand payment in the absence of a negotiated agreement under § 251(a) and until there is one it cannot reasonably claim it is being deprived of any amounts to which it is lawfully entitled.

There is an arrangement in place between Halo and each of these three carriers: the prescribed default arrangement provided by law. It is called "bill and keep" for short. Under that arrangement no compensation is paid by either carrier to the other for transport and termination, and as a consequence the terminating carrier is not "entitled to financial compensation." See 4 CSR 240-29.020(8). These carriers are not entitled to any relief under the Missouri PSC's "Enhanced Record Exchange Rules" pursuant to 4 CSR 240-29.130(2) for that reason alone, but there are additional other reasons the Enhanced Record Exchange Rules do not apply and cannot lawfully be applied, as I will explain below.

The Citizens request also asserts that Halo is sending "interLATA wireline traffic to Citizens and Green Hills for termination." 4 CSR 240-29.020(17B) defines "interLATA" and .020(43) defines "wireline communications." The "interLATA" definition makes no sense in the CMRS context. There is no federal rule prohibiting "interLATA" traffic when it comes to CMRS providers. There are many instances where CMRS traffic is intraMTA but also interLATA. We cannot find any Missouri rule that could plausibly be read to prohibit intraMTA interLATA traffic. If there is a state rule it is completely invalid because it would conflict with the FCC's rules. The assertion that the traffic is "wireline" is incoherent. Wireline traffic under the state rules is that which is "not CMRS." Since this is CMRS traffic it is definitionally impossible for it to be "wireline."

Even if they could lawfully apply, the Enhanced Record Exchange Rules do not apply on their face. The notices Halo has received justifies the threatened blocking on 4 CSR 240-29.130(2). This rule provides:

(2) A terminating carrier may request the originating tandem carrier to block, and upon such request the originating tandem carrier shall block, the originating carrier's Local Exchange Carrier-to-Local Exchange (LEC-to-LEC) traffic, if the originating carrier has failed to fully compensate the terminating carrier for terminating compensable traffic, or if the originating carrier has failed to deliver originating caller identification

While the companies that have requested blocking may be "terminating carriers" under the rules, Halo is not an "originating carrier" <u>as the rules define that phrase</u>. 4 CSR 240-29.020(29) defines an "originating carrier" as:

(29) Originating carrier means the telecommunications company that is responsible for originating telecommunications traffic that traverses the LEC-to-LEC network. A telecommunications company whose retail telecommunications services are resold by another telecommunications company shall be considered the originating carrier with respect to such telecommunications for the purposes of this rule. A telecommunications company performing a transiting traffic function is not an originating carrier. (emphasis added)

Halo is the source of traffic going to AT&T and presumably to the LECs involved. Halo, however, is not a "telecommunications company" under the state statute and thus it cannot be an "originating carrier" under the Enhanced Record Exchange Rules. 4 CSR 240-29.020(34) has a specific definition of "telecommunications company": "those companies as set forth by section 386.020(51), RSMo Supp. 2004." Under the cited Missouri statutory provision:

(52) "Telecommunications company" includes telephone corporations as that term is used in the statutes of this state and every corporation, company, association, joint stock company or association, partnership and person, their lessees, trustees or receivers appointed by any court whatsoever, owning, operating, controlling or managing any facilities used to provide telecommunications service for hire, sale or resale within this state; (emphasis added)

This definition clearly provides that an entity is a "Telecommunications company" only if it provides a "telecommunications service." The statute defines that term in subpart (54):

(54) "Telecommunications service", the transmission of information by wire, radio, optical cable, electronic impulses, or other similar means. As used in this definition, "information" means knowledge or intelligence represented by any form of writing, signs, signals, pictures, sounds, or any other symbols. Telecommunications service does not include:

(c) The offering of radio communication services and facilities when such services and facilities are provided under a license granted by the Federal Communications Commission under the commercial mobile radio services rules and regulations;

Halo is a CMRS provider and is operating pursuant to an FCC Radio Station Authorization that grants federal permission to offer interconnected common carrier service on a nationwide basis. Under the Missouri statute's definition, this is not a "telecommunications"

¹ The rule cites to subsection (51) but the correct reference is obviously subsection (52).

service." Halo is therefore not a "telecommunications company," and as a consequence cannot be an "originating carrier" under the Enhanced Record Exchange Rules.

Finally, the interface between Halo and AT&T is "Type 2A." Halo's CMRS network uses 4G protocols. Halo's traffic therefore cannot be said to "originate via the use of feature group C protocol." C.f., 4 CSR 240-29.020(1), (13), (18). Once again, this means that Halo's traffic is simply not captured within the express terms of the Enhanced Record Exchange Rules.

The Enhanced Record Exchange Rules do not apply, and do not cover any of Halo's traffic. Even if the Enhanced Record Exchange Rules could be said to apply the prerequisite of non-payment of "compensable amounts" is not met. There are several other reasons blocking is not allowed under the Enhanced Record Exchange Rules that I need not get into here. For these reasons Halo will not be using the processes set out in 4 CSR 240-29.120(5). The rules do not apply so the recourse made available within them is inappropriate.

Halo is conducting its business pursuant to federal authority. The traffic in issue is subject to the FCC's rules and requirements for interconnection. States cannot interfere with these authorization and any attempt to restrict exercise of Halo's federal rights are preempted and not effective. This is particularly so given the extent to which there is jurisdictionally interstate traffic traversing the interconnection arrangement with AT&T and much, if not all, of the traffic going to these three carriers is jurisdictionally interstate. State rules cannot authorize the blocking of interstate traffic.

AT&T Missouri, Citizens Telephone Company of Higginsville, Missouri, Green Hills Telephone Corporation, and Green Hills Telecommunications Services are also each subject to the FCC's exclusive jurisdiction for the interstate traffic involved here. The FCC has made it absolutely clear that carriers cannot block interstate traffic absent specific FCC authorization and blocking violates § 201. See, e.g., Declaratory Ruling and Order, In the Matter of Establishing Just and Reasonable Rates for Local Exchange Carriers, Call Blocking by Carriers, WC Docket No. 07-135, DA 07-2863, ¶¶ 5-6, 22 FCC Rcd 11629 (rel. June 28, 2007) ["call blocking is an unjust and unreasonable practice under section 201(b) of the Act"]. All of the carriers involved are on notice that unless Halo is promptly advised that there will be no blocking Halo will seek relief – and, if necessary damages and request forfeitures – from the FCC, under § 206.

In similar vein, each of the above-named carriers has "214" authority. Section 214(a) of the federal act and the FCC's Part 63 rules address carriers' desire to cease the interchange of traffic with another carrier, and that is precisely what is contemplated here. The carrier seeking to cease interchanging traffic must seek advance permission from the FCC to do so. There are specific showings that must be made. See, e.g., 47 C.F.R. § 63.60(b)(5), § 63.62(b) and (e), § 63.501. In this regard, the applicant must state whether any other carriers consent (§ 63.501(p)). For the record, Halo does not so consent. All of the carriers involved are on notice that Halo intends to enforce the rules prohibiting discontinuance of traffic interchange without advance permission from the FCC. We also expect that if the carriers do seek advance permission then Halo will be expressly mentioned and given specific notice. Should the carriers involved act without proper federal authority Halo will seek relief under § 206.

None of this is required, however. The carriers have sent correspondence to Halo and Halo has replied. Halo has indicated that it stands by ready, willing and able to negotiate with them under § 251(a) and/or with any ILECs under § 252 when the ILECs do what is required to invoke the option they have under FCC rule 20.11(e). Further, and more important, these carriers are not presently entitled to payment given the existing bill and keep arrangements in place and they therefore have not been denied payment for any "compensable traffic."

Halo strongly suggests that Citizens Telephone Company of Higginsville, Missouri, Green Hills Telephone Corporation, and Green Hills Telecommunications Services withdraw their request to AT&T Missouri. Halo has responded to their correspondence and has offered to negotiate using the correct processes established by law. Halo further respectfully requests that AT&T Missouri recognize the inapplicability of the Missouri Enhanced Record Exchange Rules and thus that it is not "bound to follow" any directive from Citizens Telephone Company of Higginsville, Missouri, Green Hills Telephone Corporation, or Green Hills Telecommunications Services. We understand the position AT&T is in regarding this matter. AT&T is not the one that precipitated the problem, but we must insist that no blocking occur. Should any occur AT&T will have to answer to the FCC along with the other carriers.

Sincerely,

John Marks General Counsel

jmarks@halowireless.com

Courtesy Copy to:

John Van Eschen Manager – Telecommunications Dept. Missouri Public Service Commission 200 Madison Street, PO Box 360 Jefferson City, MO 65102-0360 Email: john.vaneschen@psc.mo.gov

EXHIBIT 18 2/22/2011 LETTER FROM HALO WIRELESS



February 22, 2011

Leo J. Bub General Attorney AT&T Missouri One AT&T Center, Room 3518 St. Louis, Missouri 63101

Craig S. Johnson Johnson & Sproleder, LLP 304 E. High St., Suite 200 P.O. Box 1670 Jefferson City, Missouri 65102 CM-RRR No: <u>7002-0460-0002-0239-1758</u>

Via Email: leo.bub@att.com Via FAX: 314.247.0014

CM-RRR No. <u>7002-0460-0002-0239-1765</u> Via Email: <u>cj@cjslaw.com</u> Via FAX: 573,761,3587

RE: Blocking Request from Mid-Missouri Telephone Company (MMTC)

Dear Mssrs. Bub and Johnson:

Halo Wireless, Inc. ("Halo") has been favored with correspondence from Msrrs. Johnson and Bub threatening to "block" passage of traffic that Halo Wireless has delivered to AT&T in Missouri that AT&T then transited to MMTC. This is Halo's response.

Halo is a CMRS provider that is operating pursuant to federal authority. Contrary to the assertions in the request, Halo has not failed to respond to a properly lodged request to negotiate with MMTC. They have two options, and we will honor either of them. MMTC, however, must provide a proper request so that the parties can then determine the applicable regime.

Halo has at all times and still is willing to negotiate with MMTC under § 251(a). Should that be the course of action they wish to take we will meet with them and discuss the matter. If MMTC sends a proper and compliant notice to Halo under FCC Rule 20.11(e) we will negotiate with MMTC to implement their § 251(b) and (c) duties. To date, however, for whatever reason MMTC has not done either thing. The letter from Mr. Johnson to Halo dated February 14 has an attachment showing an email dated January 25. Halo has searched its records and cannot find that message. Nonetheless, we have reviewed the email and it does not comport with the federal rules, and attempts to wrongly shift MMTC's burden to Halo.

Mr. Johnson's email asserts that MMTC can impose access charges unless and until Halo secures interconnection agreements/reciprocal compensation agreements with MMTC. This is precisely backwards, and wholly ignores that there is an arrangement in place between Halo and

MMTC: the prescribed default arrangement provided by law. It is called "bill and keep" for short. Under that arrangement no compensation is paid by either carrier to the other for transport and termination, and as a consequence the terminating carrier is not "entitled to financial compensation." See 4 CSR 240-29.020(8). MMTC is not entitled to any relief under the Missouri PSC's "Enhanced Record Exchange Rules" pursuant to 4 CSR 240-29.130(2) for that reason alone, but there are additional other reasons the Enhanced Record Exchange Rules do not apply and cannot lawfully be applied, as I will explain below.

Further, the assertion that MMTC can bill access until Halo seeks an agreement is flatly contrary to FCC Rule 20.11. The FCC's rules provide that the arrangement between CMRS providers and ILECs is bill and keep until the ILEC properly exercises its option under subsection (e). Under the rule an ILEC must (1) request "interconnection"; (2) invoke the negotiation and arbitration procedures in § 252; and (3) if the ILEC desires to have the right to seek arbitration at the state commission the ILEC must request the CMRS provider to submit to state commission arbitration. MMTC has not done any of these things. If Halo ever receives a compliant request then we will engage in negotiations to implement MMTC's § 252(b) and (c) duties.

MMTC's request also asserts that some of the traffic involved is "interLATA wireline traffic." 4 CSR 240-29.020(17B) defines "interLATA" and .020(43) defines "wireline communications." The "interLATA" definition makes no sense in the CMRS context. There is no federal rule prohibiting "interLATA" traffic when it comes to CMRS providers. There are many instances where CMRS traffic is intraMTA but also interLATA. We cannot find any Missouri rule that could plausibly be read to prohibit intraMTA interLATA traffic. If there is a state rule it is completely invalid because it would conflict with the FCC's rules. The assertion that the traffic is "wireline" is incoherent. Wireline traffic under the state rules is that which is "not CMRS." Since this is CMRS traffic it is definitionally impossible for it to be "wireline."

MMTC's request asserts that some of the traffic was not "originated" by Halo. I will assure you that this is Halo-originated traffic. It comes from Halo's CMRS customers. MMTC also claims that Halo is not sending correct "originating caller identification." Again, this is not correct. The information populated in the SS7 IAM CPN parameter is consistent with the spirit of the definition in 4 CSR 240-29.020(28). That definition, however, does not apply here because as I will explain below the traffic does not fit the definition of "traffic placed on the LEC-LEC network."

Even if they could lawfully apply, the Enhanced Record Exchange Rules do not apply on their face. The notices Halo has received justifies the threatened blocking on 4 CSR 240-29.130(2). This rule provides:

(2) A terminating carrier may request the originating tandem carrier to block, and upon such request the originating tandem carrier shall block, the originating carrier's Local Exchange Carrier-to-Local Exchange (LEC-to-LEC) traffic, if the originating carrier has failed to fully compensate the terminating carrier for terminating compensable traffic, or if the originating carrier has failed to deliver originating caller identification

While MMTC may be a "terminating carrier" under the rules, Halo is not an "originating carrier" as the rules define that phrase. 4 CSR 240-29.020(29) defines an "originating carrier" as:

(29) Originating carrier means the telecommunications company that is responsible for originating telecommunications traffic that traverses the LEC-to-

¹ Halo, however, is not an "originating carrier" under the Missouri PSC's Enhanced Record Exchange Rules.