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Issues: Contractual and Policy
Witness: J. Scott McPhee
Type of Exhibit: Direct
Sponsoring Party: Southwestern Bell Telephone
Company, d/b/a AT&T Missouri
Case Nos.: TC-2012-0331 and TO-2012-0035

**BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI**

Case Nos. TC-2012-0331 and TO-2012-0035

**Direct Testimony of J. Scott McPhee
On Behalf of AT&T Missouri**

June 4, 2012

AT&T Exhibit No. 1
Date 6-26-12 Reporter PR
File No. TC-2012-0331


AFFIDAVIT OF SCOTT MCPHEE

STATE OF CALIFORNIA)
)
COUNTY OF CONTRA COSTA)

SS

I, Scott McPhee, of lawful age, being duly sworn, depose and state:

1. My name is Scott McPhee. I am Associate Director-Wholesale Regulatory Policy and Support for Pacific Bell Telephone Company.
2. Attached hereto and made a part hereof for all purposes is my Direct Testimony.
3. I hereby swear and affirm that my answers contained in the attached testimony to the questions therein propounded are true and correct to the best of my knowledge and belief.



Scott McPhee 6/1/12

Subscribed and sworn to before me this _____ day of June, 2012.

Notary Public

My Commission Expires:



See Attached
Notary Certificate

June / 1 / 2012

(w)

California Jurat

State of California

County of Contra Costa

} s.s.

Subscribed and sworn to (~~or affirmed~~) before me on this 1 day of June,
20 12, by

John Scott Maphes

Name of signer (1)

NA

Name of signer (2)

proved to me on the basis of satisfactory evidence to be the person(s) who appeared
before me.



L Mitchell

Commission expires March 17, 2016



seal

OPTIONAL INFORMATION

Although the information in this section is not required by law, it could prevent fraudulent removal and reattachment of this acknowledgment to an unauthorized document and may prove useful to persons relying on the attached document

DESCRIPTION OF ATTACHED DOCUMENT

This certificate is attached to a document titled/for the purpose
of Accident

containing 1 pages, and dated 6/1/12

Additional Information

METHOD OF AFFIANT IDENTIFICATION

Proved to me on the basis of satisfactory evidence:

- ☐ form(s) of identification
- ☐ credible witness(es)

Notarial event is detailed in notary journal on:

Page # _____ Entry # _____

Notary contact: _____

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1 **I. INTRODUCTION**

2
3 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

4 A. My name is J. Scott McPhee. My business address is 2600 Camino Ramon, San Ramon,
5 California.

6
7 **Q. ON WHOSE BEHALF ARE YOU PROVIDING YOUR TESTIMONY TODAY?**

8 A. Southwestern Bell Telephone Company, d/b/a AT&T Missouri.

9
10 **Q. BY WHOM ARE YOU EMPLOYED AND WHAT IS YOUR POSITION?**

11 A. I am an Associate Director – Wholesale Regulatory Policy & Support for Pacific Bell
12 Telephone Company d/b/a AT&T California. I work on behalf of the AT&T incumbent
13 local exchange carriers (“ILECs”) throughout AT&T’s 22-state ILEC territory. I am
14 responsible for providing regulatory and witness support relative to various wholesale
15 products and pricing, supporting negotiations of local interconnection agreements
16 (“ICAs”) with competitive local exchange carriers (“CLECs”) and Commercial Mobile
17 Radio Service (“CMRS”) providers, participating in state commission and judicial
18 proceedings, and guiding compliance with the Federal Telecommunications Act of 1996
19 (“1996 Act” or “Act”) and its implementing rules.

20
21 **Q. WHAT IS YOUR EDUCATIONAL BACKGROUND?**

22 A. I received my Bachelor of Arts degree with a double major in Economics and Political
23 Science from the University of California at Davis.

1 **Q. PLEASE OUTLINE YOUR WORK EXPERIENCE AT AT&T.**

2 A. I began employment with AT&T's predecessor, SBC, in 2000 in the Wholesale
3 Marketing – Industry Markets organization as Product Manager for Reciprocal
4 Compensation throughout SBC's 13-state region. My responsibilities included
5 identifying policy and product issues to assist negotiations and witnesses addressing
6 SBC's reciprocal compensation and interconnection arrangements, as well as SBC's
7 transit traffic offering. In June of 2003, I moved into my current role as an Associate
8 Director in the Wholesale Marketing Product Regulatory organization. In this position,
9 my responsibilities include helping define AT&T's positions on certain issues for
10 Wholesale Marketing, and ensuring that those positions are consistently articulated in
11 proceedings before state commissions.

12
13 **Q. HAVE YOU PREVIOUSLY TESTIFIED BEFORE STATE PUBLIC UTILITY**
14 **COMMISSIONS?**

15 A. Yes, I have testified before several state public utility commissions, including this one, on
16 telecommunications issues. Virtually all of those cases involved the arbitration of ICAs
17 or disputes regarding the interpretation or enforcement of ICAs, like the one at issue in
18 this proceeding.

19
20 **Q. HAVE YOU TESTIFIED BEFORE ANY OTHER STATE COMMISSIONS ON**
21 **THE SUBJECTS YOU WILL ADDRESS IN THIS TESTIMONY?**

22 A. Yes. AT&T and Halo are contesting in a number of other state commissions the same
23 issues that are presented in this case. As of the date of this testimony, I have filed
24 testimony in the parallel proceedings in eight other states and have reviewed Halo's pre-
25 filed testimony in those states where Halo has filed, and I testified at the evidentiary

1 hearings in the Wisconsin, Tennessee, South Carolina, and Georgia proceedings. As a
2 result, I am familiar with the positions Halo has been advancing on the issues in this case.
3

4 **Q. IN THOSE OTHER CASES THAT YOU REFERRED TO IN YOUR LAST**
5 **ANSWER, WAS HALO THE COMPLAINANT, AS IT IS HERE?**

6 A. No, this case is distinctive in that none of the other cases involved a rule like the Missouri
7 Enhanced Records Exchange Rule. In the other states, the AT&T ILEC was the
8 complainant, asserting claims against Halo (the defendant) for breach of the parties'
9 interconnection agreement and seeking, among other things, authorization to discontinue
10 service to Halo. Here, as I understand it, Halo is nominally the complainant, contending
11 that AT&T Missouri should not be allowed to discontinue service to Halo, as a number of
12 rural local exchange carriers ("RLECs") asked AT&T Missouri to do pursuant to the
13 Enhanced Records Exchange Rule, and as AT&T Missouri informed Halo it intended to
14 do, both on its own account and as requested by the rural LECs. Thus, AT&T Missouri is
15 nominally a respondent in this case. However, AT&T Missouri has filed counterclaims
16 against Halo, and those counterclaims are essentially identical to the claims the AT&T
17 ILECs asserted in the other states. This is why I say that the issues presented in this case
18 are the same as the issues Halo and AT&T ILECs have contested, and are contesting, in
19 the other states.
20

21 **Q. WHAT IS THE PURPOSE OF YOUR DIRECT TESTIMONY?**

22 A. I will discuss AT&T Missouri's ICA with Halo and the claims AT&T Missouri has made
23 for breach of the ICA. I will also provide background on the disputes and why they are
24 important.

1 Q. WHAT IS AT&T MISSOURI'S MAIN COMPLAINT AGAINST HALO?

2 A. Halo is sending landline-originated traffic to AT&T Missouri in violation of the parties'
3 ICA. In addition, Halo for many months disguised traffic (by modifying the call records)
4 so that toll traffic appeared to our billing systems to be local traffic. Halo has
5 discontinued that practice, but it was nonetheless wrongful at the time. The effect of
6 Halo's delivery of landline-originated traffic in breach of the ICA (both when Halo was
7 modifying the call records and since it discontinued that practice) has been to enable Halo
8 to avoid paying the AT&T ILECs literally millions of dollars in applicable access
9 charges. AT&T Missouri's aim in this case is to obtain a remedy for, and put an end to,
10 Halo's continuing breach of its ICA with AT&T Missouri.

11
12 Q. HAS THE FCC RECENTLY ADDRESSED THE EFFECTS OF ACCESS-
13 AVOIDANCE SCHEMES LIKE HALO'S?

14 A. Yes. On November 18, 2011, the FCC issued its *Connect America Order*.¹ In the words
15 of FCC Commissioner Michael J. Copps, that Order

16 puts the brakes on the arbitrage and gamesmanship that have plagued [intercarrier
17 compensation] for years ***and that have diverted private capital away from real***
18 ***investment in real networks***. By some estimates . . . phantom traffic affects nearly
19 one-fifth of the traffic on the carriers' networks. Today we say "no more."²

20
21 Commissioner Copps thus decried the fact that the unlawful avoidance of access charges,
22 also known as access arbitrage, is an ongoing and significant problem for the industry as
23 a whole. Halo's is just the latest in a long line of access charge avoidance schemes.

¹ Report and Order and Further Notice of Proposed Rulemaking, *Connect America Fund*, WC Docket No. 10-90 *et al.*, 2011 WL 5844975 (rel. Nov. 19, 2011) ("*Connect America Order*") (emphasis added).

² *Id.* at p. 749 (statement of Commissioner Michael J. Copps).

1 **Q. WHAT IS THE FINANCIAL IMPACT OF HALO’S SCHEME?**

2 A. Through April 2012, Halo owed AT&T Missouri \$1,806,068 in unpaid access charges,³
3 and the debt continues to increase significantly each month. From December 2010,
4 through March 2012, the monthly volume of traffic Halo sent to AT&T Missouri
5 increased over 1,389%. Halo is now sending AT&T Missouri more than 24 million
6 minutes a month. Across AT&T’s 22-state ILEC territory, Halo owed AT&T
7 approximately \$ 19,575,288 in unpaid access charges as of April 2012. As in Missouri,
8 that amount continues to grow, to the tune of about \$ 1.2 million per month.

9
10 **Q. WHY IS IT IMPORTANT FOR THE COMMISSION TO DECIDE THIS CASE**
11 **PROMPTLY?**

12 A. Simply because the longer it takes for the Commission to decide this case, the more Halo
13 improperly gains from its scheme and the more AT&T Missouri and other carriers
14 unjustly lose. This is especially so with Halo having filed for bankruptcy, which makes it
15 even less likely that AT&T Missouri will ever receive the access charges it is owed.
16 Halo should not be permitted to continue to “run a tab” on AT&T’s network by sending
17 traffic that is not authorized by the ICA and not paying the applicable rates for its traffic.
18 Because Halo has breached its ICA with AT&T Missouri, AT&T should be allowed to
19 stop accepting traffic from Halo (as it was allowed to do in Tennessee on precisely the

³ This represents the difference between the reciprocal compensation charges Halo has paid and the switched access charges that it should have paid on access traffic. I explain reciprocal compensation charges and access charges below.

grounds it asserts here) in order to avoid future financial harm from Halo not paying the applicable charges for its traffic.⁴

II. BACKGROUND

Q. WHAT IS HALO?

A. Halo Wireless, Inc. is a corporation organized and operating under the laws of the state of Texas. The company is headquartered in Fort Worth, Texas.

Q. WHO ARE HALO'S OFFICERS?

A. Halo's officers are:

Russell Wiseman, President

Jeff Miller, Chief Financial Officer

Carolyn J. Malone, Secretary/Treasurer⁵

Q. DOES HALO HAVE ANY EMPLOYEES?

A. Halo has only two employees – Jeff Miller and Carolyn Malone, each of whom is paid \$500 per month. While Halo identifies Russell Wiseman as its President, Mr. Wiseman is not an employee of Halo. Mr. Wiseman is paid as an employee of an affiliate

⁴ In light of Halo's pending bankruptcy proceeding, AT&T Missouri does not ask the Commission to order payment of any money as part of this case. AT&T Missouri does, however, ask the Commission to rule that Halo should be required to pay AT&T Missouri the applicable access charges on the traffic Halo has sent. Liquidation of these amounts and other payment issues presumably will be dealt with in the bankruptcy court.

⁵ See Schedule JSM-1 at 10 (*Investigation into Practices of Halo Wireless, Inc. and Transcom Enhanced Services, Inc.*, Docket No. 9594-TI-100, Halo Wireless, Inc. and Transcom Enhanced Services, Inc.'s Answers (without exhibits) on Issues 1-8 in the Notice of Proceeding (filed with Pub. Serv. Comm'n of Wisc., Dec. 2, 2011)).

1 company, Source Communications of America. Halo does not pay Mr. Wiseman any
2 compensation.⁶

3
4 **Q. WHO OWNS HALO?**

5 A. Halo is owned by Scott Birdwell (50%), Gary Shapiro (10%), and Timothy Terrell
6 (40%).⁷

7
8 **Q. WHAT DOES HALO CLAIM TO BE?**

9 A. Halo claims to be a commercial mobile wireless service ("CMRS") provider.

10
11 **Q. WHAT TYPE OF EQUIPMENT DOES HALO CLAIM TO OPERATE?**

12 A. Halo claims to operate wireless "base stations" by which it connects to its "customers."
13 Halo leases the base station equipment from a company called SAT Net.⁸ SAT Net is
14 another affiliate of Halo. The officers of SAT Net include the same Jeff Miller and
15 Carolyn Malone who are the officers/employees of Halo. The common owners/investors
16 between SAT Net and Halo are Scott Birdwell, Gary Shapiro, and Tim Terrell.⁹

17

⁶ See Schedule JSM-2 at 8-9 (*In re: Halo Wireless, Inc.*, United States Bankruptcy Court for the Eastern District of Texas, Case No. 11-42464 ("*Halo Bankruptcy proceeding*"), Transcript of Proceeding Conducted by United States Trustee, Section 341 Meeting of Creditors held Sept, 19, 2011 ("Creditors' Meeting Transcript")).

⁷ See Schedule JSM-1 at 10.

⁸ Schedule JSM-2 (Excerpts from Creditors' Meeting Transcript) at 14. The entire transcript is voluminous and will be made available upon request.

⁹ Schedule JSM-2 at 15-16.

1 **Q. WHERE DOES HALO GET ITS REVENUE?**

2 A. Halo gets 100% of its revenue from a closely affiliated company called Transcom.¹⁰ In
3 fact, if we assume, just for the sake of discussion, that Transcom is a “customer” of Halo,
4 as Halo claims it is, then Transcom is Halo’s *only* paying customer in Missouri. In a
5 submission it made in the parallel proceeding in Wisconsin on January 11, 2012, Halo
6 stated that it had 35 consumer customers – only one whom was in Missouri. Halo has
7 since clarified that its “consumer customers” are not paying customers.

8
9 **Q. WHAT IS TRANSCOM?**

10 A. Transcom is a corporation organized and operating under the laws of the state of Texas.
11 Headquartered in Fort Worth, Texas, Transcom operates switches in Dallas, New York,
12 Atlanta and Los Angeles. Transcom accepts traditional circuit-switched protocols such
13 as Time Division Multiplexing (“TDM”) at these switches.¹¹

14
15 Transcom has represented on its website that the company’s “core service
16 offering” is “voice termination services.”¹² Voice termination service is the intermediate
17 routing of telephone calls between carriers for termination to the carriers serving the
18 called party. On its website, Transcom stated that it terminates “nearly one billion

¹⁰ Schedule JSM-1 at 4-5 (“Currently, the only [high volume] customer is Transcom, and traffic from Transcom provides 100 percent of Halo’s current revenues . . .”).

¹¹ Schedule JSM-3 (Transcom webpages).

¹² *Id.*

1 minutes per month,” and provides service to the largest Cable/MSOs, CLECs, broadband
2 service providers, and wireless customers.¹³

3
4 **Q. DOES TRANSCOM’S WEBSITE STILL SAY THAT TRANSCOM’S CORE**
5 **SERVICE OFFERING IS VOICE TERMINATION SERVICES?**

6 A. Interestingly enough, no; Transcom changed its website after AT&T pointed out in other
7 state commission proceedings Transcom’s representation there that Transcom’s core
8 service offering is voice termination services. AT&T also pointed out that contrary to
9 Transcom’s litigation position that it is an enhanced service provider, Transcom’s self-
10 description on its website made no mention whatsoever of enhanced services. Transcom,
11 evidently recognizing that its presentation of itself on its website was detracting from the
12 picture it was trying to paint in the state commission proceedings, recently changed its
13 website. That change does not help the Transcom/Halo cause here; rather, it is an
14 acknowledgement that the candid admissions on the website were hurting Trancom/Halo.
15 In fact, the Transcom representative who testifies on behalf of Halo in these cases
16 admitted in pre-filed testimony in South Carolina that Transcom changed its website
17 specifically because AT&T was pointing out the website admissions in these
18 proceedings.¹⁴

¹³ *Id.*

¹⁴ Pre-filed Surrebuttal Testimony of Robert Johnson, South Carolina Public Service Commission Docket No. 2011-304C, at 10, lines 20-22 (“Transcom has recently updated its website to more clearly establish . . . that Transcom is an ESP.”).

1 **Q. WHO ARE TRANSCOM'S OFFICERS?**

2 A. The officers of Transcom are largely the same as the officers of Halo. The officers of
3 Transcom are:

4 Scott Birdwell, CEO and Chairman

5 W. Britt Birdwell, COO and President

6 Jeff Miller, Chief Financial Officer

7 Carolyn J. Malone, Secretary and Treasurer¹⁵

8
9 **Q. WHO OWNS TRANSCOM?**

10 A. There are several investors. Scott Birdwell is the largest single individual owner.¹⁶

11
12 **Q. IS THIS THE SAME SCOTT BIRDWELL WHO IS THE MAIN SHAREHOLDER**
13 **OF HALO?**

14 A. Yes, this is the same Scott Birdwell who also controls Halo. Mr. Wiseman, in his current
15 capacity as the President of Halo (having replaced Mr. Birdwell in that capacity), reports
16 to a management committee of the investor-owners: Scott Birdwell, Jeff Miller, and
17 Carolyn Malone.¹⁷

¹⁵ Schedule JSM-1 at 11.

¹⁶ *Id.*

¹⁷ Schedule JSM-2 at 64.

1 **Q. WHAT IS YOUR UNDERSTANDING OF THE RELATIONSHIP BETWEEN**
2 **TRANSCOM AND HALO?**

3 A. Transcom and Halo are operating in concert in an attempt to avoid access charges.
4 Transcom aggregates third-party long distance traffic by selling its “voice termination
5 service,” then hands the traffic off to Halo, which mischaracterizes the traffic as wireless-
6 originated intraMTA traffic.

7
8 **Q. HOW AND WHY WOULD HALO AND TRANSCOM BE ACTING TOGETHER?**

9 A. Transcom is a very high-volume “least-cost router”¹⁸ operating in the middle of long
10 distance calls. To the best of my knowledge, and based on everything Halo has said in
11 other state proceedings, neither Transcom nor any customer of Transcom actually
12 initiates any telephone calls. Rather, Transcom takes calls initiated by customers of other
13 carriers and then hands the calls off to someone else (here, Halo) *before* the calls are
14 delivered to the carrier that actually terminates the call to an end user. Halo and
15 Transcom then argue that this process somehow transforms landline-originated traffic
16 into wireless-originated traffic, and somehow transforms interMTA (i.e., toll) wireless
17 traffic into intraMTA (i.e., local) traffic. In this way, Halo erroneously contends that
18 none of the traffic it hands off to ILECs is access traffic or subject to access charges.

19 **Q. HAS TRANSCOM PREVIOUSLY BEEN ASSOCIATED WITH OTHER**
20 **CARRIERS THAT ENGAGED IN ACCESS-AVOIDANCE PRACTICES?**

21 A. Yes. Transcom previously sent traffic to carriers like CommPartners and Global NAPS,
22 which, like Halo, had schemes designed to avoid access charges. Global NAPS

¹⁸ AT&T Missouri witness Mark Neinast explains the term “least-cost router” at page 10 of his prefiled Direct Testimony.

1 previously reported that a substantial portion of its traffic was delivered to it by
2 Transcom.¹⁹ With Global NAPs in receivership and CommPartners in bankruptcy, Halo
3 provides a replacement vehicle for Transcom's continuing arbitrage.
4

5 **III. HALO'S DEALINGS WITH AT&T**

6 **Q. WHEN DID HALO BEGIN TO SEND TRAFFIC TO AT&T?**

7 A. Halo first sent traffic to AT&T in September 2010 in Texas. In Missouri, Halo began to
8 send traffic to AT&T in December 2010. Typically, when a carrier enters the market,
9 there is a ramp-up period where one would expect growth to be steady, but not
10 exponential. Halo is notable in that the rate its traffic has grown has been abnormally
11 fast.
12

13 **Q. HAS HALO ENTERED INTO AN ICA WITH AT&T MISSOURI UNDER**
14 **SECTIONS 251 AND 252 OF THE 1996 ACT?**

15 A. Yes. The ICA is attached to my testimony as Schedule JSM-4. Halo actually opted into
16 the ICA of another carrier, T-Mobile, subject to one important amendment, which I will
17 discuss below. This Commission approved Halo's ICA, as amended, pursuant to Section
18 252(e) of the 1996 Act.
19

¹⁹ *Palmerton Telephone Company v. Global NAPs South, Inc., Global NAPs Pennsylvania, Inc., Global NAPs, Inc. and Other Affiliates*, Docket C-2009-2093336, Opinion and Order entered March 16, 2010 ("the majority of [GNAPs'] traffic is received from three other carriers, Transcom, CommPartners and PointOne . . ."); *Joint Petition Of Hollis Telephone et al for Authority to Block the Termination of Traffic from Global NAPs Inc.*, New Hampshire Public Utilities Commission, Docket No. DT 08-028, Reconsideration Order, Order No. 25,088 dated November 9, 2009; and *Matter of the Complaint of AT&T Ohio v. Global NAPs, Ohio, Inc.*, PUCO Case No. 08-690-TP-CSS, Opinion and Order dated June 9, 2010.

1 **Q. WHEN DID THIS OCCUR?**

2 A. On June 17, 2010, and June 21, 2010, respectively, Halo and AT&T Missouri
3 executed (1) an MFN interconnection agreement (filed with the Commission under VT-
4 2010-0029) under which Halo adopted the agreement between AT&T Missouri and T-
5 Mobile USA, Inc. (formerly known as Voicestream Wireless Corp.), which was
6 previously approved by the Commission in Case No. TO-2001-489; and (2) an
7 amendment to that MFN agreement, which was approved by the Commission under File
8 No. IK-2010-0384 on August 19, 2010.

9
10 **Q. ARE THERE DIFFERENT TYPES OF INTERCONNECTION AGREEMENTS**
11 **FOR DIFFERENT TYPES OF CARRIERS?**

12 A. Yes. Landline ICAs contain different terms and conditions than wireless ICAs due to
13 different treatment of the different types of traffic. A major difference between landline
14 and wireless ICAs concerns what constitutes a local call and the appropriate
15 compensation for the exchange of such calls between the carriers' respective end users, as
16 well as some differences in how landline and wireless carriers provision and pay for
17 certain network facilities.

18
19 **Q. WHAT TYPE OF ICA DOES HALO HAVE WITH AT&T?**

20 A. The T-Mobile ICA Halo opted into with AT&T Missouri is a wireless ICA.

21
22 **Q. WHAT IS THE SIGNIFICANCE OF THE AMENDMENT TO THE ICA THAT**
23 **YOU MENTIONED?**

24 A. The ICA amendment that Halo agreed to when it adopted the ICA includes the following
25 clause:

1 *Whereas, the Parties have agreed that this Agreement will apply only to* (1)
2 traffic that originates on AT&T's network or is transited through AT&T's
3 network and is routed to Carrier's wireless network for wireless termination
4 by Carrier; and (2) *traffic that originates through wireless transmitting and*
5 *receiving facilities before [Halo] delivers traffic to AT&T* for termination by
6 AT&T or for transit to another network. (Emphasis added).
7

8 Schedule JSM-5 is a copy of this amendment. The significance of this amendment is that
9 it clearly provides that Halo can *only* send wireless-originated traffic to AT&T Missouri.
10 Any landline-originated traffic sent by Halo to AT&T Missouri for termination is in
11 violation of the terms of the ICA.
12

13 **IV. HALO'S BREACH OF THE ICA BY SENDING LANDLINE TRAFFIC**

14 **Q. HAS HALO BEEN COMPLYING WITH THE ICA BY SENDING ONLY**
15 **WIRELESS-ORIGINATED TRAFFIC TO AT&T MISSOURI?**

16 A. No. As Count I of AT&T Missouri's Counterclaims alleges, Halo is breaching the ICA
17 by sending traffic that is originated when a retail end user places a call using a landline
18 telephone. This is not "traffic that originates through wireless transmitting and receiving
19 facilities" as required by the ICA. Furthermore, Halo presented inaccurate call
20 information that effectively disguised the type of traffic it sent to AT&T. AT&T
21 Missouri witness Mark Neinast explains how AT&T discovered the true nature of the
22 calls that Halo has been sending to AT&T.
23

24 **Q. WHY DOES IT MATTER WHETHER HALO SENDS AT&T LANDLINE-**
25 **ORIGINATED OR WIRELESS-ORIGINATED TRAFFIC?**

26 A. First and foremost, of course, it is important because the ICA requires Halo to send
27 AT&T Missouri wireless-originated traffic only. There are no provisions in the ICA that
28 allow Halo to send AT&T Missouri landline traffic. Accordingly, Halo breached the

1 contract when it did not abide by that requirement. Second, there is a significant
2 difference in what Halo is required to pay AT&T Missouri for terminating landline traffic
3 (if such traffic were allowed) versus terminating wireless traffic. This is known as
4 “intercarrier compensation.” Different intercarrier compensation rates apply depending
5 on whether traffic is local or non-local, and the definitions of what qualifies as local or
6 non-local differ depending on whether the traffic is wireless or landline. Halo has been
7 breaching its ICA by sending non-local landline traffic to AT&T Missouri but then
8 claiming the traffic is actually wireless and local, in order to pay a lower intercarrier
9 compensation rate. The ICA contains intercarrier compensation rates for some kinds of
10 traffic, but non-local landline traffic is subject to different rates contained in AT&T’s
11 switched access tariffs.

12
13 **Q. YOU SAID THAT LOCAL AND NON-LOCAL CALLS ARE DEFINED**
14 **DIFFERENTLY FOR WIRELESS AND LANDLINE TRAFFIC. PLEASE**
15 **ELABORATE.**

16 A. Whether a call is “local” (and thus subject to reciprocal compensation rates) or “non-
17 local” (and thus subject to tariffed access charges) is determined based on different
18 criteria for calls placed using a wireless device as opposed to calls placed using a landline
19 telephone. Consistent with the FCC’s intercarrier compensation regulations, AT&T’s
20 ICAs with wireless carriers (including Halo’s ICA with AT&T) provide that calls
21 originated and terminated by end-users that are both physically located within the same
22 MTA (Major Trading Area) (“IntraMTA” calls) are “local” calls and thus subject to
23 reciprocal compensation rates. *See* ICA at p. 3 (“‘Local Traffic,’ for the application of
24 reciprocal compensation, means telecommunications traffic between a LEC and a CMRS

1 provider that, at the beginning of the call, originates and terminates within the same
2 Major Trading Area ('MTA'), as defined in 47 CFR Section 24.202(A)."). An MTA,
3 therefore, is analogous to a landline local calling area, but as explained below, it is
4 typically much larger. Calls exchanged between end-users located in different MTAs are
5 "interMTA" calls and subject to tariffed interstate or intrastate switched access charges,
6 which are higher.

7 Different criteria are used to determine whether landline traffic is "local" or "non-
8 local" for purposes of intercarrier compensation. Landline traffic does not rely on MTA
9 boundaries. Rather, landline traffic uses what I will refer to generally as "local calling
10 areas." Local calling area and MTA boundaries are vastly different in size (with MTAs
11 being geographically much larger than local calling areas). There are only 4 MTAs that
12 cover any geographic area in Missouri (and only 51 in the nation), whereas there are 723
13 local calling areas in Missouri alone.

14
15 **Q. IS THERE A SIGNIFICANT DIFFERENCE BETWEEN THE AMOUNTS HALO**
16 **HAS BEEN PAYING TO AT&T TO TERMINATE HALO-DELIVERED**
17 **TRAFFIC AND THE AMOUNT THAT HALO SHOULD BE PAYING?**

18 A. Yes. Because it claims that all of the traffic it sends to AT&T Missouri is wireless and
19 local (intraMTA), Halo has only been paying AT&T the reciprocal compensation rate on
20 all of the Halo-delivered traffic that AT&T terminates. As demonstrated in Mr. Neinast's
21 testimony, however, much of the Halo-delivered traffic is actually interexchange landline
22 traffic and is therefore subject to AT&T Missouri's tariffed access charges – not
23 reciprocal compensation. Of course, Halo should not be sending AT&T any landline-

1 originated traffic at all, but when it does send such traffic it obviously should be
2 responsible for paying the applicable terminating access rate.
3

4 **Q. DOES HALO DENY THAT IT HAS BEEN SENDING AT&T TRAFFIC THAT**
5 **BEGINS USING A LANDLINE VOICE SERVICE?**

6 A. No. In fact, Halo has consistently acknowledged in its testimony in other states that it
7 delivers traffic to AT&T that starts out on landline equipment, such as a regular landline
8 phone. Halo has argued, however, that even when calls actually begin as landline calls,
9 they somehow “originate” again as wireless (and local) calls when they pass through
10 Transcom before reaching Halo. More specifically, Halo has contended that Transcom is
11 an “Enhanced Service Provider,” or “ESP,” that ESPs are treated as “end users,” and that
12 ESPs are deemed to originate (or re-originate) calls that pass through them.
13

14 **Q. HAS THE FCC ADDRESSED HALO’S ARGUMENT?**

15 A. Yes. The FCC rejected Halo’s argument about where Halo’s calls originate in the
16 *Connect America Order*. Here is the FCC’s discussion, which I quote at length because
17 of its importance:

18 1003. In the *Local Competition First Report and Order*, the Commission stated
19 that calls between a LEC and a CMRS provider that originate and terminate
20 within the same Major Trading Area (MTA) at the time that the call is initiated
21 are subject to reciprocal compensation obligations under section 251(b)(5), rather
22 than interstate or intrastate access charges. As noted above, this rule, referred to as
23 the “intraMTA rule,” also governs the scope of traffic between LECs and CMRS
24 providers that is subject to compensation under section 20.11(b). The *USF/ICC*
25 *Transformation NPRM* sought comment, *inter alia*, on the proper interpretation of
26 this rule.
27

28 1004. The record presents several issues regarding the scope and interpretation of
29 the intraMTA rule. Because the changes we adopt in this Order maintain, during
30 the transition, distinctions in the compensation available under the reciprocal
31 compensation regime and compensation owed under the access regime, parties

1 must continue to rely on the intraMTA rule to define the scope of LEC-CMRS
2 traffic that falls under the reciprocal compensation regime. We therefore take this
3 opportunity to remove any ambiguity regarding the interpretation of the intraMTA
4 rule.

5
6 1005. We first address a dispute regarding the interpretation of the intraMTA
7 rule. **Halo Wireless (Halo) asserts that it offers “Common Carrier wireless**
8 **exchange services to ESP and enterprise customers” in which the customer**
9 **“connects wirelessly to Halo base stations in each MTA.”**²⁰ It further asserts
10 that its “high volume” service is CMRS because “the customer connects to Halo’s
11 base station using wireless equipment which is capable of operation while in
12 motion.” **Halo argues that, for purposes of applying the intraMTA rule,**
13 **“[t]he origination point for Halo traffic is the base station to which Halo’s**
14 **customers connect wirelessly.”** On the other hand, ERTA claims that Halo’s
15 traffic is not from its own retail customers but is instead from a number of other
16 LECs, CLECs, and CMRS providers. **NTCA further submitted an analysis of**
17 **call records for calls received by some of its member rural LECs from Halo**
18 **indicating that most of the calls either did not originate on a CMRS line or**
19 **were not intraMTA, and that even if CMRS might be used “in the middle,”**
20 **this does not affect the categorization of the call for intercarrier**
21 **compensation purposes.** These parties thus assert that by characterizing access
22 traffic as intraMTA reciprocal compensation traffic, Halo is failing to pay the
23 requisite compensation to terminating rural LECs for a very large amount of
24 traffic. Responding to this dispute, CTIA asserts that “it is unclear whether the
25 intraMTA rules would even apply in that case.”

26
27 1006. **We clarify that a call is considered to be originated by a CMRS**
28 **provider for purposes of the intraMTA rule only if the calling party initiating**
29 **the call has done so through a CMRS provider.** Where a provider is merely
30 providing a transiting service, it is well established that a transiting carrier is not
31 considered the originating carrier for purposes of the reciprocal compensation
32 rules. Thus, we agree with NECA that **the “re-origination” of a call over a**
33 **wireless link in the middle of the call path does not convert a wireline-**
34 **originated call into a CMRS-originated call for purposes of reciprocal**
35 **compensation and we disagree with Halo’s contrary position.** (Emphasis
36 added, footnotes omitted).²¹

37
²⁰ The FCC cited two Halo *ex parte* filings for this description, which make clear that the alleged ESP is Transcom. For reference, I attach Halo’s two *ex partes* as Schedule JSM-6 and Schedule JSM-7.

²¹ *Connect America Fund*, FCC 11-161, 2011 WL 5844975 (rel. Nov. 18, 2011) (“*Connect America Order*”).

1 **Q. BASED ON YOUR PARTICIPATION IN THE PARALLEL CASES INVOLVING**
2 **AT&T ILECS AND HALO IN OTHER STATES, DOES HALO AGREE THAT**
3 **THE FCC HAS REJECTED HALO'S THEORY THAT ALL CALLS**
4 **ORIGINATE WITH TRANSCOM?**

5 A. In the early stages of the litigation between AT&T ILECs and Halo, Halo's position on
6 the FCC's Order was a moving target, as Halo has struggled to try to find some way to
7 avoid the unavoidable fact that that Order deprives it of any defense against AT&T's
8 claims. However Halo now acknowledges that the FCC rejected its theory. For example,
9 Halo's attorney asked the following questions at the hearing in the Wisconsin case on
10 February 28, 2012:

11 Q: Now, you understand Halo took the position all along, even before the
12 FCC order, based on our reading of the rules, we thought Transcom was
13 the originating party. You understand we took that position, right?

14
15 A: I've read that.

16
17 Q. Okay. *And the FCC disagreed on November 18th?*

18
19 A. I've read that, too.²²
20

21 In addition, Russ Wiseman, who has routinely testified on behalf of Halo in these
22 proceedings as Halo's president, testified as follows in the most recent version of his
23 testimony, in Georgia: "We acknowledge that the FCC . . . apparently now believes
24 ESPs . . . do not originate calls."²³ This is clearly an acknowledgement that the FCC has

²² See Schedule JSM-8 (Transcript of February 28, 2012 hearing in Wisconsin Public Service Commission's Investigation into Practices of Halo Wireless, Inc. and Transcom Enhanced Services, Inc. (PSCW Docket No. 9594-TI-100), at 94-95 (emphasis added).

²³ Prefiled Direct Testimony of Russ Wiseman on Behalf of Halo Wireless, Inc. in Georgia Public Service Commission Docket No. 34219, at 31, lines 3-4.

1 rejected Halo's theory, because the only basis for Halo's theory that Transcom originates
2 the calls that Halo delivers to AT&T was Halo's contention that Transcom is an ESP.

3
4 **V. HALO'S LIABILITY FOR ACCESS CHARGES**

5 **Q. WHAT IS THE BASIS FOR AT&T MISSOURI'S REQUEST THAT THE**
6 **COMMISSION RULE THAT HALO MUST PAY AT&T MISSOURI ACCESS**
7 **CHARGES?**

8 A. As demonstrated above, Halo is sending AT&T Missouri interexchange landline traffic
9 on which Halo has been paying reciprocal compensation (as if the traffic were local)
10 rather than the higher access charges that apply to interexchange traffic. AT&T Missouri
11 is simply asking the Commission to rule that Halo owes access charges on the
12 interexchange traffic that AT&T Missouri has terminated for Halo (minus a credit for
13 charges Halo has paid). AT&T Missouri, however, is not asking the Commission to
14 determine how much Halo owes – that task is for the bankruptcy court.

15
16 **Q. ARE THE ACCESS CHARGE RATES THAT HALO OWES SET FORTH IN**
17 **THE PARTIES' INTERCONNECTION AGREEMENT?**

18 A. No, these are tariffed rates. AT&T Missouri's federal tariff, filed with the FCC, requires
19 Halo to pay access charges on the interstate traffic AT&T Missouri has terminated for
20 Halo, and AT&T Missouri's state tariff, filed with this Commission, requires Halo to pay
21 access charges on the intrastate non-local traffic AT&T Missouri has terminated for Halo.

22
23 **Q. WHAT ARE THE PERTINENT PROVISIONS OF THE FEDERAL TARIFF?**

24 A. Southwestern Bell Telephone Company Access Service Tariff F.C.C. NO. 73, Section
25 6.9.

1 Q. WHAT ARE THE PERTINENT PROVISIONS OF THE STATE TARIFF?

2 A. P.S.C. Mo.-No. 36 Access Services Tariff Sections 3.8, 6.11.

3
4 VI. **CONCLUSION AND BASIS FOR DISCONTINUATION OF SERVICE TO HALO**

5 Q. HOW SHOULD THE COMMISSION RULE IN THIS PROCEEDING?

6 A. The Commission should find that Halo has breached the parties' ICA by sending AT&T
7 Missouri landline-originated traffic.

8
9 Q. WHAT RELIEF IS AT&T MISSOURI SEEKING FROM THE COMMISSION
10 FOR HALO'S BREACHES OF THE ICA?

11 A. AT&T Missouri is asking the Commission to:

12 (a) Find that Halo has materially breached the ICA by sending landline-
13 originated traffic to AT&T Missouri;

14 (b) Find that as a result of that breach, AT&T Missouri is excused from
15 further performance under the ICA, may terminate the ICA and may stop
16 accepting traffic from Halo;

17 (c) Find, without quantifying any specific amount due, that Halo is liable to
18 AT&T Missouri for access charges on the non-local landline traffic it has
19 sent to AT&T Missouri; and

20 (d) Grant all other relief as is just and appropriate.

21
22 Q. WHY DO HALO'S BREACHES EXCUSE AT&T MISSOURI FROM FURTHER
23 PERFORMANCE UNDER THE ICA?

24 A. That is a legal question. I am informed by counsel, however, that there are two reasons.

25 First, counsel informs me that under Missouri law, a party to a contract is excused from

1 performing its obligations under the contract if the other party materially breaches the
2 contract. Counsel informs me that the authorities for this proposition of law include
3 *Barnett v. Davis*, 335 S.W.3d 110, 112 (Mo. App. W.D. 2011) (noting “Missouri’s first to
4 breach rule, stated in *R.J.S. Security v. Command Security Services, Inc.*, 101 S.W.3d 1,
5 18 (Mo. App. W.D. 2003), which provides that “a party to a contract cannot claim its
6 benefit where he is the first to violate it.” A breach by one party will excuse the other
7 party’s performance, however, only if the breach is material. *Id.*) I am not personally
8 knowledgeable about these cases, but am providing this information so the Commission
9 will know AT&T Missouri’s position.

10
11 **Q. IS THE BREACH HALO COMMITS WHEN IT SENDS AT&T MISSOURI**
12 **LANDLINE-ORIGINATED TRAFFIC A MATERIAL BREACH?**

13 A. I do not know if the term “material” has a specific legal meaning. If it does, I cannot
14 speak to that. I can say, however, that the requirement that Halo send AT&T only
15 wireless-originated traffic goes to the very heart of the parties’ agreement, as evidenced
16 by the fact that the ICA was specifically amended when Halo entered it in order to make
17 this requirement clear. This is a wireless agreement for a supposedly wireless provider,
18 and that is absolutely central to the parties’ arrangement. By sending AT&T Missouri
19 landline-originated traffic, Halo was not violating some secondary or ancillary
20 requirement; it was violating the very core of the agreed arrangement.

1 **Q. WHAT IS THE SECOND REASON THAT HALO'S BREACHES EXCUSE AT&T**
2 **MISSOURI'S CONTINUED PERFORMANCE OF THE ICA?**

3 A. Much of Halo's conduct that breaches the ICA also violates the Missouri Commission's
4 Enhanced Record Exchange ("ERE") Rule. 4 CSR 240-29.120(2) provides:

5 A transiting carrier may block any or all Local Exchange Carrier-to-Local
6 Exchange Carrier (LEC-to-LEC) traffic it receives from an originating
7 carrier and/or traffic aggregator who fails to fully compensate the
8 transiting carrier or who fails to deliver originating caller identification to
9 the transiting carrier. . . .

10
11 In an explanatory note to this section of the rules, the Commission sets out the rule's
12 purpose: "This rule establishes parameters and procedures enabling transiting carriers to
13 block traffic of originating carriers and/or traffic aggregators who fail to comply with
14 rules pertaining to LEC-to-LEC traffic."

15 **Q. IS AT&T MISSOURI A "TRANSITING CARRIER?"**

16 A. Yes. AT&T Missouri is a "transiting carrier" as defined by 4 CSR 240-29.010(39)
17 because it is a "telecommunications company that provides facilities on the LEC-to-LEC
18 network over which a telecommunication is transmitted, when the telecommunication
19 neither originates nor terminates on that telecommunications companies network."

20
21 **Q. WHAT IS "LEC-TO-LEC TRAFFIC?"**

22 A. 4 CSR 240-29.020(19) defines "LEC-to-LEC traffic" as "that traffic occurring over the
23 LEC-to-LEC network. LEC-to-LEC traffic does not traverse through an interexchange
24 carrier's point of presence."

25
26 **Q. WHAT IS THE "LEC-TO-LEC NETWORK?"**

27 A. 4 CSR 240-29.020(18) defines the "LEC-to-LEC network" as:

1 . . . statewide telecommunications network comprised of transmission and
2 switching capabilities of local exchange telecommunications carriers. The
3 LEC-to-LEC network's geographic composition consists of the 520, 521,
4 522, and 524 LATAs. The LEC-to-LEC network is used to provide local,
5 intrastate/intraLATA, interstate/intraLATA, and wireless
6 telecommunications traffic that originates via the use of Feature Group C
7 protocol.
8
9

10 **Q. DOES HALO'S TRAFFIC TRAVERSE THE LEC-TO-LEC NETWORK IN**
11 **MISSOURI?**

12 A. Yes. In Missouri, LECs use the LEC-to-LEC network to handle traffic exchanged with
13 wireless carriers. Halo represented itself to AT&T Missouri as a wireless carrier and
14 interconnects with AT&T as a wireless carrier through a wireless interconnection
15 agreement.
16

17 **Q. HOW HAS HALO VIOLATED THE ERE RULE?**

18 A. As explained in more detail above, Halo has been aggregating large amounts of
19 interexchange landline-to-landline traffic and other third-party traffic as if it were
20 wireless originated traffic and using the LEC-to-LEC network to send that traffic to
21 AT&T Missouri. Landline originated interexchange traffic is compensable at tariffed
22 switched access rates. Halo has failed to pay AT&T Missouri the appropriate access
23 rates for terminating Halo's landline originated interexchange traffic, despite AT&T
24 Missouri's demands that Halo do so.²⁴
25

²⁴ A copy of AT&T's November 7, 2011, Demand Letter to Halo was appended to AT&T Missouri's Answer, Affirmative Defenses, Counterclaim and Motion for Expedited Treatment as Exhibit 1 and is attached to my testimony for the Commission's convenience as Schedule JSM-9.

1 **Q. HAS HALO VIOLATED THE ERE RULE IN ANY OTHER MANNER?**

2 A. Yes. As AT&T witness Mark Neinast explains in more detail in his testimony, Halo has
3 also failed to deliver appropriate originating caller identification as required by the rule
4 through the provision of inaccurate Charge Numbers. Although I understand that Halo
5 ceased this practice, Halo's provision of that inaccurate information constituted a
6 violation of the ERE rules during the period Halo was providing that information. Halo's
7 transmitting interLATA wireline traffic over the LEC-to-LEC network in Missouri also
8 violates Section 4 CSR 240-29.010(1) of the ERE rule, which provides: "... interLATA
9 wireline telecommunications traffic shall not be transmitted over the LEC-to-LEC
10 network, but must originate and terminate with the use of an interexchange carrier point
11 of presence as defined in 4 CSR 240-29.020(31) of this chapter . . ."

12
13 **Q. HOW DOES THE COMMISSION'S RULE DEFINE AN INTEREXCHANGE**
14 **CARRIER "POINT OF PRESENCE?"**

15 A. 4 CSR 240-29.020(31) states:

16 Point of presence (POP) means the physical location within a LATA
17 where an interexchange carrier processes long distance telephone calls to
18 and from the public switched network. A POP is connected to the public
19 switched network through the use of feature groups A, B and D protocols.
20 Equipment located in a POP does not use feature group C protocol.
21

22
23 **Q. DID HALO USE AN INTEREXCHANGE CARRIER POINT OF PRESENCE TO**
24 **FACILITATE THE TERMINATION OF ITS TRAFFIC?**

25 A. No.
26

1 **Q. DID AT&T MISSOURI NOTIFY HALO OF AT&T'S INTENTION TO BLOCK**
2 **HALO'S TRAFFIC FOR VIOLATION OF THE ERE RULE?**

3 A. Yes. AT&T Missouri notified Halo on March 19, 2012, through a letter sent by email
4 and U.S. certified mail. A copy of this letter is attached to my testimony as Schedule
5 JSM-10. In this letter, AT&T Missouri set out the reasons it intended to block Halo's
6 traffic, the date the traffic would stop and the action Halo could take to prevent the
7 blocking.

8
9 **Q. DID AT&T MISSOURI NOTIFY HALO OF ANY ADDITIONAL BLOCKING**
10 **REQUESTS?**

11 A. Yes. The other respondent telephone companies in this case had separately notified Halo
12 that they were requesting AT&T Missouri to block Halo's traffic destined to their
13 exchanges. Upon receipt of these blocking requests, AT&T Missouri notified Halo of the
14 requests, AT&T Missouri's requirement to comply under the Commission's rules with the
15 requests, and the steps Halo could take to prevent the blocking from occurring.²⁵

16

²⁵ Copies of AT&T Missouri's notification letters were attached to Halo's Formal Complaint in this proceeding as Exhibits A, B, and C. Copies of Craw-Kan Telephone, et al.'s correspondence to Halo were attached to Craw-Kan Telephone, et al.'s Joint Answer to Halo Wireless' First Amended Complaint as Attachments 1-10. Respondent Alma, Choctaw and MoKan Dial's correspondence to Halo were attached to their Joint Answer and Affirmative Defense to Halo Wireless' First Amended Formal Complaint as Attachments 1, 3 and 5. As these letters have already been provided to the Commission, AT&T Missouri will not burden the record further by reproducing them here.

1 **Q. DID AT&T IMPLEMENT THE BLOCKING OUTLINED IN THESE NOTICES**
2 **TO HALO?**

3 A. No. When Halo filed its formal complaint in this proceeding, AT&T Missouri, pursuant
4 to the Commission's rules, ceased its preparations to block Halo's traffic terminating to
5 AT&T Missouri and the other Respondents. AT&T Missouri formally notified the
6 Commission on April 3, 2012, that blocking preparations had ceased pending the
7 Commission's decision.

8
9 **Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?**

10 A. Yes.

PUBLIC SERVICE COMMISSION OF WISCONSIN

Investigation into Practices of Halo Wireless, Inc. and Transcom
Enhanced Services, Inc.

9594-TI-100

HALO WIRELESS, INC. AND TRANSCOM ENHANCED SERVICES, INC.'S
ANSWERS ON ISSUES 1-8 IN THE NOTICE OF PROCEEDING

I. Introduction.

During the November 23, 2011 prehearing conference, Halo Wireless, Inc. ("Halo") and Transcom Enhanced Services, Inc. ("Transcom") agreed that for so long as doing so would not constitute a waiver of their pending motions to dismiss, or any positions they have taken or will take in this matter, they would provide a position statement and supporting factual information under oath on Issues 1-8 as identified in the Notice of Proceeding. Administrative Law Judge Newmark also made clear that, by providing such a position statement, neither Halo nor Transcom would be precluded from providing additional information or arguments later in this proceeding. Before we proceed to a specific answer to the individual issues, however, Halo and Transcom will provide an explanation of their overall approach and positions.

Halo's position is that it is providing commercial mobile radio service ("CMRS")-based telephone exchange service (as defined in the Communications Act of 1934, as amended by the Communications Act of 1996 (the "Act"), 47 U.S.C. § 153(47)) to end user customers, and all of the communications at issue originate from end user wireless customer premises equipment ("CPE") (as defined in the Act, 47 U.S.C. § 153(14))¹ that is located in the same MTA as the terminating location. In other words, Halo contends that all of the traffic at issue is CMRS intraMTA traffic that is subject to section 251(b)(5) of the Act. None of the traffic is associated

¹ Stated another way, the mobile stations (*see* 47 U.S.C. § 153(28)) used by Halo's end user customers – including Transcom – are not "telecommunications equipment" as defined in section 153(45) of the Act because the customers are not carriers. Halo has and uses telecommunications equipment, but its customers do not. They have CPE.

with a telephone toll service provided by or to Halo or Transcom, so “exchange access” charges cannot apply.

Section 153(48) defines “telephone toll service” as “telephone service between stations in different exchange areas for which there is made a separate charge not included in contracts with subscribers for exchange service.” For CMRS purposes, the “exchange” is the “Major Trading Areas” (“MTA”).² Halo is not providing service between stations in different exchange areas. Halo does not collect any additional or separate charge other than the charges for exchange service. Thus, Halo’s service is not telephone toll service. Instead, it is telephone exchange service. Exchange access charges cannot apply because only telephone toll is subject to exchange access. *See* 47 U.S.C. § 153(16); *see also* 47 C.F.R. § 69.5(b). The “intercarrier compensation” that applies is and must therefore be reciprocal compensation under section 251(b)(5), particularly since it has not been “carved out” by section 251(g). *See Core Mandamus Order*³; *see also Bell Atlantic*⁴ and *Worldcom*.⁵

Transcom’s position is that it is an enhanced/information service provider (“ESP”). Transcom provides “enhanced service” as that term is defined in 47 C.F.R. § 64.702(a). Transcom’s services also meet the definition of “information service” as defined in the Act, 47 U.S.C. § 153(20). Transcom does not provide telecommunications (§ 153(43)), or any

² *See* 47 C.F.R. §§ 51.701(b)(2) and § 24.202(a).

³ Order on Remand and R&O and Order and FNPRM, *High Cost Universal Service Reform, Federal-State Joint Board on Universal Service, Lifeline and Link Up, Universal Service Contribution Methodology, Numbering, Resource Optimization, Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, Developing a Unified Intercarrier Compensation Regime, Intercarrier Compensation for ISP-Bound Traffic, IP-Enabled Services*, 24 FCC Rcd 6475 (2008) (“*Core Mandamus Order*”) (subsequent history omitted).

⁴ *Bell Atlantic Tel. Cos. v. FCC*, 206 F.3d 1 (D.C. Cir. 2000).

⁵ *Worldcom v. FCC*, 288 F.3d 429 (D.C. Cir. 2002).

telecommunications service (§ 153(46)), and in particular, does not provide “telephone toll service” (§ 153(48)).

Four federal court decisions (the “ESP rulings”) directly construed and then decided Transcom’s regulatory classification and specifically held that Transcom (1) is not a carrier; (2) does not provide telephone toll service or any telecommunications service; (3) is an end user; (4) is not required to procure exchange access in order to obtain connectivity to the public switched telephone network (“PSTN”); and (5) may instead purchase telephone exchange service just like any other end user. True and correct copies of the ESP rulings are attached as **Exhibits 1-4**. Three of these decisions were reached after the so-called “IP-in-the-Middle” and “AT&T Calling Card” orders⁶ and expressly took them into account.

While those federal court positions do not of course bind the non-AT&T incumbent local exchange carriers (“ILECs”)⁷ or this Commission, Halo and Transcom submit that it was and is eminently reasonable for Halo and Transcom to rely on these decisions as the basis for their positions. No law has changed since they were issued. No court has held to the contrary. The Federal Communications Commission (“FCC”) has not held to the contrary. The Commission might choose to reach a different result (although Halo and Transcom firmly believe it should not, and in fact, cannot reach the issue), but any such decision could have only prospective effect.

⁶ See Order, *In the Matter of Petition for Declaratory Ruling that AT&T’s Phone-to-Phone IP Telephony Services are Exempt from Access Charges*, WC Docket No. 02-361, FCC 04-97, 19 FCC Rcd 7457 (rel. April 21, 2004) (“AT&T Declaratory Ruling” also known as “IP-in-the-Middle”); Order and Notice of Proposed Rulemaking, *In the Matter of AT&T Corp. Petition for Declaratory Ruling Regarding Enhanced Prepaid Calling Card Services Regulation of Prepaid Calling Card Services*, WC Docket Nos. 03-133, 05-68, FCC 05-41, 20 FCC Rcd 4826 (rel. Feb. 2005) (“AT&T Calling Card Order”).

⁷ AT&T was a party to both of the federal court cases and is therefore bound by them. Halo and Transcom assert that AT&T is collaterally estopped from taking any position that is inconsistent with the result of those cases.

Halo and Transcom further assert that once one begins to look at Halo's services from the lens of a CMRS provider, supplying telephone exchange service to an end user via wireless CPE located in the same MTA as the terminating location, all of the arguments and accusations of the local exchange carrier ("LEC") antagonists are simply misplaced.

II. Halo's Business Model.

Halo's business model contemplates service to two classes of customers: (1) individual and enterprise end users in unserved or underserved rural locations ("consumer end users") and (2) high-volume end users ("High Volume end users"). Everyone in the telecommunications industry recognizes the financial challenges of delivering broadband to rural areas—the entire current discourse relating to universal service relates in substantial part to this issue. Major wireless carriers have substantial funds for investment and marketing, but absorption rates and rates of return in rural areas make such investments unattractive without subsidies. Halo's business model is designed to deliver 4G WiMAX broadband voice and data services to unserved and underserved rural areas without taxpayer dollars or subsidies. Halo's consumer offering is being marketed on an Internet model by which users are provided with "beta" products and services to instill trust and brand loyalty, and then charges will be applied as customers become entrenched. Currently, Halo has approximately fifty consumer customers, around the nation, none of which have yet been converted to a payment relationship because Halo has been overwhelmed with litigation and unable to devote sufficient time and resources to further develop this product. Meanwhile, the costs of operating, network development and marketing are supported by High-Volume traffic.

As a commercial mobile radio service, Halo lawfully can provide telephone exchange service to high-volume end users such as ESPs and enterprise customers. Currently, the only

such customer is Transcom, and traffic from Transcom provides 100 percent of Halo's current revenues because, again, Halo has been engulfed with litigation and has been unable to market and sign up additional customers in the High Volume market.

The primary concern mentioned by the Commission when initiating this current action was the reports from ILECs that some of the calls handled by Halo began on the PSTN elsewhere in the nation. There should be no surprise in this. The ESP rulings establish that Transcom is an ESP *even for calls that begin and end on the PSTN* because Transcom changes the content of every call that passes through its system, and Transcom offers enhanced capabilities.⁸ The ESP rulings expressly make these facts clear. Clearly, the ILECs disagree with the ESP rulings, but the ESP rulings are very clear on these issues and Transcom and Halo

⁸ As noted, three of the four ESP rulings were decided after the "IP-in-the-Middle" order and the first AT&T Calling Card order. The court recognized that some of Transcom's traffic does start on the PSTN and also ends on the PSTN. The court, however, found that the FCC's test expressly requires more: there must also not be a change in content and no offer of enhanced service *and the provider must be a common carrier* in order for the service to be telephone toll and subject to access. *IP-in-the-Middle*, at 7547-7548 ("We emphasize that our decision is limited to the type of service described by AT&T in this proceeding, i.e., an interexchange service that: (1) uses ordinary customer premises equipment (CPE) with no enhanced functionality; (2) originates and terminates on the public switched telephone network (PSTN); and (3) undergoes no net protocol conversion and provides no enhanced functionality to end users due to the provider's use of IP technology. Our analysis in this order applies to services that meet these three criteria regardless of whether only one interexchange carrier uses IP transport or instead multiple service providers are involved in providing IP transport."); 7465 ("AT&T offers 'telecommunications' because it provides 'transmission, between or among points specified by the user, of information of the user's choosing, without change in the form or content of the information as sent and received.' And its offering constitutes a 'telecommunications service' because it offers 'telecommunications for a fee directly to the public.' Users of AT&T's specific service obtain only voice transmission with no net protocol conversion, rather than information services such as access to stored files. More specifically, AT&T does not offer these customers a 'capability for generating, acquiring, storing, transforming, processing, retrieving, utilizing, or making available information;' therefore, its service is not an information service under section 153(20) of the Act. End-user customers do not order a different service, pay different rates, or place and receive calls any differently than they do through AT&T's traditional circuit-switched long distance service; the decision to use its Internet backbone to route certain calls is made internally by AT&T. To the extent that protocol conversions associated with AT&T's specific service take place within its network, they appear to be 'internetworking' conversions, which the Commission has found to be telecommunications services. We clarify, therefore, that AT&T's specific service constitutes a telecommunications service." (notes omitted) TDS *et al.* conveniently ignore the additional required elements they do not like, particularly the fact that Transcom's service changes content and therefore cannot be "telecommunications" under the federal definition, and equally importantly that Transcom has never held out as a common carrier.

have a right to rely on the ESP rulings. Transcom therefore receives some⁹ calls from its customers that began elsewhere on the PSTN. But it *does not matter*. Under *Bell Atlantic*, *Worldcom*, and a host of other precedent reaching back to Value Added Networks and Leaky PBXs, the ESP is an end user and thus is deemed to be a call “originator” for intercarrier compensation purposes.

TDS, *et al.*, deny Transcom’s status as an ESP and falsely accuse it of providing “IP-in-the-Middle” – even though the ESP Orders directly rejected AT&T’s similar argument – as a pretext for imposing exchange access charges on the subject traffic. This is how they can claim that Transcom is merely “re-originating” traffic and that the “true” end points for its calls are elsewhere on the PSTN. In making this argument, however, TDS, *et al.*, are advancing the exact position that the D.C. Circuit rejected in *Bell Atl. Tel. Cos. v. FCC*, 206 F.3d 1 (D.C. Cir. 2000). In that case, the D.C. Circuit held it did not matter that a call received by an ISP is instantaneously followed by the origination of a “further communication” that will then “continue to the ultimate destination” elsewhere. The Court held that “the mere fact that the ISP originates further telecommunications does not imply that the original telecommunication does not ‘terminate’ at the ISP.” In other words, the D.C. Circuit clearly recognizes – and functionally held – that ESPs are an “origination” and “termination” endpoint for intercarrier compensation purposes (as opposed to *jurisdictional* purposes, which does use the “end-to-end” test).

The traffic here “terminates” with Transcom, and then Transcom “originates” a “further communication” in the MTA. In the same way that ISP-bound traffic *from* the PSTN is immune from access charges (because it is not “carved out by § 251(g) and is covered by § 251(b)(5)),

⁹ Transcom also has a very significant and growing amount of calls that originate from IP endpoints. Those are obviously not “IP-in-the-Middle” under even the test advanced by TDS *et al.*

the call *to* the PSTN is also immune.¹⁰ Enhanced services were defined long before there was a public Internet. ESPs do far more than just hook up “modems” and receive calls. They provide a wide set of services and many of them involve calls *to* the PSTN.¹¹ The FCC observed in the first decision that created what is now known as the “ESP Exemption” that ESP use of the PSTN resembles that of the “leaky PBXs” that existed then and continue to exist today, albeit using much different technology. Even though the call started somewhere else, as a matter of law a Leaky PBX is still deemed to “*originate*” the call that then *terminates* on the PSTN.¹² As noted, the FCC has expressly recognized the bidirectional nature of ESP traffic, when it observed that ESPs “may use incumbent LEC facilities to *originate and terminate* interstate calls” (emphasis added). Halo’s and Transcom’s position is simply the direct product of Congress’ choice to codify the ESP Exemption, and neither the FCC nor state commissions may overrule the statute.

In other proceedings, the ILECs have pointed to certain language in ¶ 1066 of the FCC’s recent rulemaking that was directed at Halo, and the FCC’s discussion of “re-origination.” That language, however, necessarily assumes that Halo is serving a carrier, not an ESP. TDS told the

¹⁰ The incumbents incessantly assert that the ESP Exemption applies “only” for calls “from” an ESP customer “to” the ESP. This is flatly untrue. ESPs “may use incumbent LEC facilities to originate and terminate interstate calls[.]” See NPRM, *In the Matter of Access Charge Reform*, 11 FCC Rcd 21354, 21478 (FCC 1996). The FCC itself has consistently recognized that ESPs – as end users – “originate” traffic even when they received the call from some other end-point. That is the purpose of the FCC’s finding that ESPs’ systems operate much like traditional “leaky PBXs.”

¹¹ See, Notice of Proposed Rulemaking, Third Report and Order, and Notice of Inquiry, *In the Matter of Access Charge Reform; Price Cap Performance Review for Local Exchange Carriers; Transport Rate Structure and Pricing Usage of the Public Switched Network by Information Service and Internet Access Providers*, CC Docket Nos. 96-262, 96-263, 94-1, 91-213, FCC 96-488, 11 FCC Rcd 21354, 21478, ¶ 284, n. 378 (rel. Dec. 24, 1996); Order, *Amendments of Part 69 of the Commission’s Rules Relating to Enhanced Service Providers*, CC Docket No. 87-215, FCC 88-151, 3 FCC Rcd 2631, 2632-2633. ¶13 (rel. April 27 1988); Memorandum Opinion and Order, *MTS and WATS Market Structure*, Docket No. 78-72, FCC 83-356, ¶¶ 78, 83, 97 FCC 2d 682, 711-22 (rel. Aug. 22, 1983).

¹² See, Memorandum Opinion and Order, *MTS and WATS Market Structure*, Docket No. 78-72, FCC 83-356, ¶¶ 78, 83, 97 FCC 2d 682, 711-22 (rel. Aug. 22, 1983) [discussing “leaky PBX and ESP resemblance”]; Second Supplemental NOI and PRM, *In the Matter of MTS and WATS Market Structure*, FCC 80-198, CC Docket No. 78-72, ¶ 63, 77 F.C.C.2d 224; 1980 FCC LEXIS 181 (rel. Apr. 1980) [discussing “leaky PBX”].

FCC that Transcom was a carrier, and the FCC obviously assumed – while expressly not ruling – that the situation was as TDS asserted. This is clear from the FCC’s characterization in the same paragraph of the Halo’s activities as a form of “transit.” “Transit” occurs when one carrier switches traffic *between two other carriers*. Indeed, that is precisely the definition the FCC provided in ¶ 1311 of the recent rulemaking.¹³ Halo simply cannot be said to be providing “transit” when it has an *end user* as the customer on side and a carrier on the other side.

Halo agrees that a call handed off from a Halo *carrier customer* would not be deemed to originate on Halo’s network.¹⁴ But Transcom is not a carrier, it is an ESP. The ESPs always have “originated further communications” but for compensation purposes (as opposed to jurisdictional purposes) the ESP is still an end-point and a call originator. Again, once one looks at this from an “end user” customer perspective the call classification result is obvious. The FCC and judicial case law is clear that an end user PBX “originates” a call even if the communication initially came in to the PBX from another location on the PSTN and then goes back out and terminates on the PSTN.¹⁵

¹³ “1311. Transit. Currently, transiting occurs when two carriers that are not directly interconnected exchange non-access traffic by routing the traffic through an intermediary carrier’s network. Thus, although transit is the functional equivalent of tandem switching and transport, today transit refers to non-access traffic, whereas tandem switching and transport apply to access traffic. As all traffic is unified under section 251(b)(5), the tandem switching and transport components of switched access charges will come to resemble transit services in the reciprocal compensation context where the terminating carrier does not own the tandem switch. In the Order, we adopt a bill-and-keep methodology for tandem switched transport in the access context and for transport in the reciprocal compensation context. The Commission has not addressed whether transit services must be provided pursuant to section 251 of the Act; however, some state commissions and courts have addressed this issue.” (emphasis added)

¹⁴ See § 252(d)(2)(A)(i), which imposes the “additional cost” mandate on “calls that originate on the network facilities of the other carrier.”

¹⁵ See, e.g., *Chartways Technologies, Inc. v. AT&T*, 8 FCC Rcd 5601, 5604 (1993); *Directel Inc. v. American Tel. & Tel. Co.*, 11 F.C.C.R. 7554 (June 26, 1996); *Gerri Murphy Realty, Inc. v. AT&T*, 16 FCC Rcd 19134 (2001); *AT&T v. Intrend Ropes and Twines, Inc.*, 944 F.Supp. 701, 710 (C.D. Ill. 1996); *American Tel. & Tel. Co. v. Jiffy Lube Int’l, Inc.*, 813 F. Supp. 1164, 1165-1170 (D. Maryland 1993); *AT&T v. New York Human Resources Administration*, 833 F. Supp. 962 (S.D.N.Y. 1993); *AT&T v. Community Health Group*, 931 F. Supp. 719, 723

So Halo has an end-user customer—Transcom. Although this end user customer receives calls from other places, for intercarrier compensation purposes the calls still originate on Halo's network. That customer connects wirelessly to Halo. Transcom "originates" communications "wirelessly" to Halo, and all such calls are terminated within the same MTA where Transcom originated them (the system is set up to make sure that all calls are "intraMTA").

Halo's High Volume service is based on a solid legal foundation. But the ILECs have asked the Commission to rule that Halo and Transcom are operating unlawfully in the State of Wisconsin. In other words, the ILECs are not merely asking the Commission to overrule the federal bankruptcy courts that issued Transcom's ESP rulings. The ILECs are asking the Commission to hold that Transcom and Halo have no right to rely on the ESP rulings, never had the right to rely on the ESP rulings, and are operating unlawfully in the state of Wisconsin because they are relying on the ESP rulings.

If Halo and Transcom have the right to rely on Transcom's ESP rulings, however, then there is nothing for the Commission to *investigate*. It may be that the ILECs want to *re-litigate* the ESP issue, but there is no reason for the taxpayers of Wisconsin to incur the cost of re-litigating those issues for the benefit of the ILECs. This is purely a private, commercial dispute. If Transcom is an ESP and an end user, then the traffic is subject to section 251(b)(5). ILECs are only entitled to reciprocal compensation (and then only after a proper request under 47 C.F.R. 20.11(e)).¹⁶ The ILECs want to change the status quo such that Transcom will be considered a carrier (and therefore they can collect more money). More than that, they want this Commission

(S.D. Cal. 1995); *AT&T Corp. v. Fleming & Berkley*, 1997 U.S. App. LEXIS 33674 *6-*16 (9th Cir. Cal. Nov. 25, 1997).

¹⁶ If and when the new rules go into effect then the traffic will still be subject to § 251(b)(5). The only question will be whether it will be "bill and keep" under new § 51.713 or the kind of "non-access" defined by new § 51.701(b)(3) that requires "an arrangement in which each carrier receives intercarrier compensation for the transport and termination of Non-Access Telecommunications Traffic." See new § 51.701(e).

to rule that Transcom and Halo have been operating unlawfully from the beginning of Halo's operations—that Transcom and Halo never had the right to rely on Transcom's ESP rulings—so that the ILECs can recover access charges for all of Halo's past traffic.

Consider the ramifications of that request. National companies in regulated industries relying on federal rulings as to their classifications would be extending their operations into Wisconsin at their own peril if good faith reliance on such rulings would not immunize them from claims or charges that they are operating unlawfully. To rule as the ILECs wish would be a great disservice to the people of Wisconsin, not to mention a derogation of the rule of law.

III. Specific Responses to Issues.

1. What is the relationship of Halo Wireless, Inc. (Halo) and Transcom Enhanced Services, Inc. (Transcom)?

A. Corporate information for Halo Wireless, Inc.

Halo Wireless, Inc. is a Texas corporation. The company was formed on February 7, 2005. The chart provided below lists Halo's officers, directors and shareholders.

Halo Wireless, Inc. Officers, Directors and Stockholders		
Name	Title	Percentage of Stock Ownership
Timothy Terrell	Equity Interest holder	40%
Gary Shapiro	Equity Interest holder	10%
Scott Birdwell	Equity Interest holder	50%
Carolyn Malone	Secretary / Treasurer	0%
Jeff Miller	Chief Financial Officer	0%
Russell Wiseman	President	0%

Halo was authorized to do business in Wisconsin on February 22, 2010. A copy of the Authorization is attached as **Exhibit 5**. Halo is also registered with the Commission and current on all obligations as of October 26, 2011, according to Gary Evenson of the Telecommunications Division.

B. Corporate information for Transcom Enhanced Services, Inc.

Transcom Enhanced Services, Inc. is a Texas corporation. The company was formed in 1999. The chart provided below lists Transcom's officers, directors and shareholders.

Transcom Enhanced Services, Inc. Officers, Directors and Stockholders

Name	Title	Percentage of Stock Ownership
RWH Group II, Ltd.	Equity Interest holder	12.8%
James O'Donnell	Equity Interest holder and Director	14.1%
Brooks Reed	Equity Interest holder	0.4%
Transcom Investors, LLC	Equity Interest holder	1.7%
First Capital Group of Texas III, LP	Equity Interest holder	35.1%
Rick Waghorne	Equity Interest holder	16.7%
Scott Birdwell	Chief Executive Officer and Chairman of Board of Directors	19.2%
Britt Birdwell	President and Chief Operating Officer	0%
Carolyn Malone	Secretary/Treasurer	0%
Jeff Miller	Chief Financial Officer	0%
Ben Hinterlong	Director	0%

Transcom's only activity in Wisconsin is that it operates wireless end user CPE proximate to the two base stations that support service delivery to an MTA with Wisconsin territory. There is at present only one base station that is physically located within Wisconsin. Transcom has no other physical presence in the state, does not market within the state, has no customers in the state and has no employees in the state.

C. Services provided by Halo to Transcom and Consumers.

Halo's web site, www.halowireless.com, provides an overview of Halo's offerings. Halo has two base stations that serve MTAs that include Wisconsin. These base stations support the basis for service delivery to Halo's customers. The chart on the next page provides the information for the two base stations.

Base Station Location	Associated MTA	State(s) served
Danville, IL	MTA 3 – Chicago	IL, IN, MI, WI
New Glarus, WI	MTA 20 – Milwaukee	WI

Halo's base stations are the wireless access points where it collects and delivers voice and data traffic from end-user customers who purchase wireless services from Halo. These wireless customers also purchase or lease wireless CPE (customer-owned or leased "stations") that when sufficiently proximate to a base station allow them to communicate wirelessly with that base station. The end user customer can then enjoy broadband Internet service. The consumer offering includes a Voice over Internet Protocol ("VoIP") client that allows the user to originate telecommunications within the MTA and to receive calls from the rest of the PSTN.

Under the Halo configuration, and with respect to voice services, only calls originated by Halo customers that are connected to a base station in an MTA and where the called numbers are also associated with a "rate center" within the same MTA, will be routed over AT&T interconnection trunks for transport and termination in the same MTA.¹⁷ The Service Plan and underlying service architecture supporting the "High Volume" service provided to Transcom, for example, is designed so that any communication addressed to a different MTA would fail, *e.g.*, not complete.

Halo's consumer product supports broadband Internet access. There is a "voice" component that allows calls originated by Halo customers connecting to a base station within an MTA and destined to a called party in a different MTA to be completed. The consumer product also allows calls to and from Halo customers not accessing the Halo network at a base station access point (*e.g.*, customers accessing their voice services over another broadband Internet

¹⁷ The "High Volume" MSA with Transcom is explicit that the "service" purchased by Transcom is expressly designed so that it is wholly "intraMTA" in nature. This is how the "MTA Connect" and "LATA Connect" products are designed.

connection, much like other “over the top” VoIP products). These calls, however, *are not* routed over the AT&T interconnection trunks. Rather, those calls are handled by an interexchange carrier (“IXC”) that provides telephone toll service to Halo. That IXC provider pays all access charges that are due. In other words, when a LEC receives a Halo call for termination in an MTA that has traversed an interconnection arrangement, the call (a) will have been originated by an end user customer’s wireless equipment communicating with the base station in that same MTA, and (b) will, by design and default, be intraMTA as defined by the FCC’s rules and its decision that the originating point for CMRS traffic is the base station serving the CMRS customer.

Halo’s High Volume service offering has allowed for deployment of base stations in cities located in MTAs. Halo consciously chose to go to small towns underserved by incumbent operators for the deployment of these base stations. As a result, Halo can leverage common infrastructure to provide wireless broadband voice and data services on a scale and at a price other operators simply cannot because they must derive a return on investment from only one market, whereas Halo will be active in two markets. Halo’s detractors have claimed that Halo does not serve, and has no intention of serving, “retail” wireless customers. If this were true, it would make no sense to deploy base stations in rural locations. These sites are generally remote, hard to get to, and backhaul services are limited and expensive, to name just a few challenges.¹⁸ If Halo had no intention of serving the people in these communities, Halo undoubtedly increased operational complexity and increased operating costs in a material way by deploying in rural, rather than more urban, locations.

¹⁸ New Glaurus, for example, has a population of about 2,500. The incumbent is Mount Vernon Telephone Company, a TDS subsidiary. The fact that Halo has entered TDS’ market and is attempting to compete not only for telephone exchange and exchange access service, but also to provide broadband, likely explains some of the animosity exhibited by TDS, in particular, in this matter.

- 2. Are Halo and/or Transcom terminating traffic in Wisconsin that they are not paying compensation for? How many minutes per month is each terminating in Wisconsin?**

See response under Issue 3 below.

- 3. Are there legal and legitimate reasons for Halo or Transcom to not pay compensation for terminating traffic in Wisconsin?**

A. Clarification as to "Terminating."

Issues 2 and 3 refer to Halo and/or Transcom "terminating" traffic. Thus, they technically refer to calls that originate on other carriers' networks in the MTA and are addressed to Halo for delivery to Halo's end user Transcom (or other end users such as those using Halo's consumer product). Halo has been assigned the following numbering resources with rate centers in Wisconsin.¹⁹

Thousands Block	Rate Center	MTA	LATA	Date Assigned
920-903-1	Appleton	20	350	2010-08-06
608-535-1	Madison	20	354	2010-08-06

Neither Halo nor Transcom are compensating any party for any call terminations performed by Halo in the past twelve months. Transcom is an end user, and thus does not "terminate" traffic. Under the FCC's rules and definitions, Halo is the terminating carrier because Halo's "end office switch, or equivalent facility" performs the class 5 switching function and then delivers the traffic to Halo's end user customer. Regardless, neither Halo nor Transcom are presently seeking compensation for any termination function related to calls inbound to Halo's network.

¹⁹ Halo also has numbering resources for MTA 3, which has some Wisconsin territory in it, but all of those resources are associated with rate centers in other states.

B. Response to actual concern.

Despite the reference to Halo and/or Transcom “terminating” traffic, it appears the concern actually pertains to traffic originated by Transcom on Halo’s network that is addressed to end users served by other Wisconsin LECs. At the prehearing conference conducted on November 23, 2011, Halo and Transcom were requested to provide data relating to the number of minutes that were sent to Wisconsin LECs for termination to their end users by month, by carrier for the last 12 months. AT&T requested that Transcom separately provide the number of minutes originated through other providers that were terminated in Wisconsin. The requested information is confidential, and is being provided under separate cover, in accordance with page 7, paragraph 7 of the Prehearing Conference Memorandum. Halo and Transcom note that they were able to gather the required information in time to do only one report (rather than initially producing aggregate information and then supplementing to show calls by terminating carrier), and are producing the call data by month by OCN, for the 12 months of November, 2010 through the end of October, 2011.

Issues 2 and 3 assume that no compensation was paid by either Halo or Transcom to any entity. This is not correct. First, Transcom does compensate the vendors that provide telephone exchange service and telephone toll service to Transcom.²⁰ Halo provides telephone exchange service to Transcom and has been compensated by Transcom. Part of the contract (whether explicit or implicit) between Transcom and each of its vendors is that the vendor is responsible for any applicable intercarrier compensation – whether in the form of reciprocal compensation or exchange access.

²⁰ Transcom is an end user and is thus able to purchase telephone exchange service from LECs and CMRS providers as an end user. Nonetheless, Transcom does also purchase telephone toll service from IXC’s as well.

The question is particularly incorrect with regard to AT&T. Halo has paid AT&T reciprocal compensation for all traffic that AT&T has terminated in Wisconsin. Halo has also paid AT&T for the transit function it provides for calls that go to other Wisconsin LECs.

As to whether LECs other than AT&T have been paid for terminating Halo's originating traffic, the answer is no. The legal and legitimate reason is that the other ILECs have not properly invoked the federal mechanism that is a legal prerequisite to any compensation obligation. If there is no interconnection agreement or request for an agreement, then "no compensation is owed for termination" until such proper request is made. In other words, every single one of the relevant rural local exchange carriers ("RLECs") could have begun receiving compensation at any time, and could begin receiving compensation tomorrow, if they would simply follow the required federal procedure.

As noted previously, under the current rules traffic that originates from a wireless end user's station in the same MTA as the terminating location is "non-access" traffic²¹ and is subject to section 251(b)(5). Rule 20.11(d) prohibits LECs from imposing any tariff charges on non-access traffic. CMRS providers do not have any obligation to seek or obtain section 252

²¹ The FCC defined "non-access traffic" in *T-Mobile* note 6 as "traffic not subject to the interstate or intrastate access charge regimes, including traffic subject to section 251(b)(5) of the Act and ISP-bound traffic." Declaratory Ruling and Report and Order, *In the Matter of Developing a Unified Intercarrier Compensation Regime, T-Mobile et al. Petition for Declaratory Ruling Regarding Incumbent LEC Wireless Termination Tariffs*, CC Docket 01-92, FCC 05-42, 20 FCC Rcd 4855 (2005) ("*T-Mobile*"). FCC rule 47 C.F.R. § 51.701(b)(2) provides that for CMRS-LEC purposes § 251(b)(5) applies to "Telecommunications traffic exchanged between a LEC and a CMRS provider that, at the beginning of the call, originates and terminates within the same Major Trading Area, as defined in [47 C.F.R.] § 24.202(a)" The wireless CPE being used by both High Volume and consumer end users is IP-based. Thus it could also be characterized as "telecommunications traffic exchanged between a LEC and another telecommunications carrier in Time Division Multiplexing (TDM) format that originates and/or terminates in IP format and that otherwise meets the definitions in paragraphs (b)(1) or (b)(2) of this section. Telecommunications traffic originates and/or terminates in IP format if it originates from and/or terminates to an end-user customer of a service that requires Internet protocol-compatible customer premises equipment." The traffic originates and/or terminates in IP format because it originates from and/or terminates to an end-user customer of a service that requires Internet protocol-compatible customer premises equipment. Therefore, the traffic will still be "non-access" when and if the FCC's new rules go into effect under new 51.701(b)(3). Further, despite all the protestations of the ILECs, the traffic does still meet the requirements in new 20.11(b), since – as shown above – it is "Non-Access Telecommunications Traffic, as defined in § 51.701 of this chapter."

agreements prior to initiating service. Further, the binding federal rule – as set out in *T-Mobile*²² – is that in the absence of an interconnection agreement, “no compensation is owed for termination.” If an ILEC wants to be paid for terminating traffic on a prospective basis, the ILEC has the right to send a letter to the CMRS provider and “request interconnection.” The letter must also “invoke the negotiation and arbitration procedures contained in section 252 of the Act.” See 47 C.F.R. § 20.11(e). From and after the date of a proper request, the CMRS provider must pay reciprocal compensation to the ILEC using “the interim transport and termination pricing described in § 51.715.” Halo not only recognizes that it has this obligation, it has repeatedly corresponded with RLECs around the country specifically informing them of the simple request they need to make in order to receive compensation. RLECs in Wisconsin and elsewhere have refused to make the required request because they refuse to acknowledge that Transcom is an ESP and an end user. They want to assume that Transcom is a carrier and that access charges are owed. Transcom and Halo have the right to rely on Transcom’s ESP rulings, but the RLECs refuse to acknowledge that right.

4. Is the traffic terminated by Halo or Transcom actually wireless traffic? If not, what type of traffic is it? What type of compensation should apply to this traffic?

The traffic at issue all originates from a Halo end user via wireless CPE that is physically located in the same MTA as the terminating location. Thus, it is all subject to section 251(b)(5). As noted above, “[u]nder the amended rules, however, in the absence of a request for an interconnection agreement, no compensation is owed for termination.” *T-Mobile*, note 57.

Halo and Transcom believe that this responds to the Commission’s inquiry. The traffic is indeed “wireless,” and the compensation scheme has been described above. To the extent that

²² *T-Mobile* at Note 57 expressly provides that “Under the amended rules, however, in the absence of a request for an interconnection agreement, no compensation is owed for termination.”

the Commission was looking for any other information, Halo and Transcom stand ready to respond.

5. Are Halo and Transcom taking actions to disguise the origin and type of traffic?

Halo and Transcom assume that this issue is directed at signaling, since some of the LECs have incorrectly, and without basis, asserted that Halo and/or Transcom are engaging in some kind of impropriety with regard to SS7 signaling.

The short answer is no. Neither Transcom nor Halo change the content or in any way “manipulate” the address signal information that is ultimately populated in the SS7 ISUP IAM Called Party Number (“CPN”) parameter. Halo populates the Charge Number (“CN”) parameter with the Billing Telephone Number of its end user customer Transcom. The LECs allege improper modification of signaling information related to the CN parameter, but the basis of this claim once again results from their assertion that Transcom is a carrier rather than an end user. Again, they are arguing that Transcom and Halo do not have the right to rely on Transcom’s ESP rulings.

Halo’s network is IP-based, and the network communicates internally and with customers using a combination of WiMAX and SIP. To interoperate with the SS7 world, Halo must conduct a protocol conversion from IP to SS7 and then transmit call control information using SS7 methods. The ILECs’ allegations fail to appreciate this fact, and are otherwise technically incoherent. They reflect a distinct misunderstanding of technology, SS7, the current market, and most important, a purposeful refusal to consider this issue through the lens of CMRS telephone exchange service provided to an end user.

From a technical perspective, “industry standard” in the United States is American National Standards Institute (“ANSI”) T1.113, which sets out the semantics and syntax for SS7-

based CPN and CN parameters. The “global” standard is contained in ITU-T series Q.760-Q.769. ANSI T1.113 describes the CPN and CN parameters:

Calling Party Number. Information sent in the forward direction to identify the calling party and consisting of the odd/even indicator, nature of address indicator, numbering plan indicator, address presentation restriction indicator, screening indicator, and address signals.

Charge Number. Information sent in either direction indicating the chargeable number for the call and consisting of the odd/even indicator, nature of address indicator, numbering plan indicator, and address signals.

The various indicators and the address signals have one or more character positions within the parameter and the standards prescribe specific syntax and semantics guidelines. The situation is essentially the same for both parameters, although CN can be passed in either direction, whereas CPN is passed only in the forward direction. The CPN and CN parameters were created to serve discrete purposes and they convey different meanings consistent with the design purpose. For example, CPN was created largely to make “Caller ID” and other CLASS-based services work. Automatic Number Identification (“ANI”) and CN, on the other hand, are pertinent to billing and routing.

A. SS7 ISUP IAM Calling Party Number Parameter Content.

Halo’s signaling practices on the SS7 network comply with the ANSI standard with regard to the address signal content. Halo’s practices are also consistent with the Internet Engineering Task Force (“IETF”) “standards” for Session Initiated Protocol (“SIP”) and SIP to Integrated Services Digital Network (“ISDN”) User Part (“ISUP”) mapping. Halo populates the SS7 ISUP IAM CPN parameter with the address signal information that Halo has received from its High Volume customer (Transcom). Specifically, Halo’s practices are consistent with the IETF Request for Comments (“RFCs”) relating to mapping of SIP headers to ISUP parameters. *See, e.g., G. Camarillo, A. B. Roach, J. Peterson, L. Ong, RFC 3398, Integrated Services Digital*

Network (ISDN) User Part (ISUP) to Session Initiation Protocol (SIP) Mapping, © The Internet Society (2002), available at <http://tools.ietf.org/html/rfc3398>.

When a SIP INVITE arrives at a PSTN gateway, the gateway SHOULD attempt to make use of encapsulated ISUP (see [3]), if any, within the INVITE to assist in the formulation of outbound PSTN signaling, but SHOULD also heed the security considerations in Section 15. If possible, the gateway SHOULD reuse the values of each of the ISUP parameters of the encapsulated IAM as it formulates an IAM that it will send across its PSTN interface. In some cases, the gateway will be unable to make use of that ISUP - for example, if the gateway cannot understand the ISUP variant and must therefore ignore the encapsulated body. Even when there is comprehensible encapsulated ISUP, the relevant values of SIP header fields MUST 'overwrite' through the process of translation the parameter values that would have been set based on encapsulated ISUP. In other words, the updates to the critical session context parameters that are created in the SIP network take precedence, in ISUP-SIP-ISUP bridging cases, over the encapsulated ISUP. This allows many basic services, including various sorts of call forwarding and redirection, to be implemented in the SIP network.

For example, if an INVITE arrives at a gateway with an encapsulated IAM with a CPN field indicating the telephone number +12025332699, but the Request-URI of the INVITE indicates 'tel:+15105550110', the gateway MUST use the telephone number in the Request-URI, rather than the one in the encapsulated IAM, when creating the IAM that the gateway will send to the PSTN. Further details of how SIP header fields are translated into ISUP parameters follow.

B. SS7 ISUP IAM Charge Number Parameter Content.

Halo's high volume customer will sometimes pass information that belongs in the CPN parameter that does not correctly convey that the Halo end user customer is originating a call in the MTA. When this is the case, Halo still populates the CPN, including the address signal field with the original information supplied by the end user customer. Halo, however, also populates the CN parameter. The number appearing in the CN address signal field will usually be one assigned to Halo's customer and is the Billing Account Number, or its equivalent, for the service provided in the MTA where the call is processed. In ANSI terms, that is the "chargeable number." This practice is also consistent with the developing IETF consensus and practices and

capabilities that have been independently implemented by many equipment vendors in advance of actual IETF “standards.”

SIP “standards” do not actually contain a formal header for “Charge Number.” Vendors and providers began to include an “unregistered” “private” header around 2005. The IETF has been working on a “registered” header for this information since 2008. See D. York and T. Asveren, SIPPING Internet-Draft, *P-Charge-Info - A Private Header (P-Header) Extension to the Session Initiation Protocol (SIP)* (draft-york-sipping-p-charge-info-01) © The IETF Trust (2008), available at <http://tools.ietf.org/html/draft-york-sipping-p-charge-info-01> (describing “‘P-Charge-Info’, a private Session Initiation Protocol (SIP) header (P-header) used by a number of equipment vendors and carriers to convey simple billing information.”). The most recent draft was released in September, 2011. See D. York, T. Asveren, SIPPING Internet-Draft, *P-Charge-Info - A Private Header (P-Header) Extension to the Session Initiation Protocol (SIP)* (draft-york-sipping-p-charge-info-12), © 2011 IETF Trust, available at <http://www.ietf.org/id/draft-york-sipping-p-charge-info-12.txt>. Halo’s practices related to populating the Halo-supplied BTN for Transcom in the SS7 ISUP IAM CN parameter are quite consistent with the purposes for and results intended by each of the “Use Cases” described in the most recent document.

Halo notes that, with regard to its consumer product, Halo will signal the Halo number that has been assigned to the end user customer’s wireless CPE in the CPN parameter. There is no need to populate the CN parameter, unless and to the extent the Halo end user has turned on call forwarding functionality. In that situation, the Halo end user’s number will appear in the CN parameter and the E.164 address of the party that called the Halo customer and whose call has been forwarded to a different end-point will appear in the CPN parameter. Once again, this is

perfectly consistent with both ANSI and IETF practices for SIP and SS7 call control signaling and mapping.

Halo is not taking any action to “disguise” anything. Instead, Halo is exactly following industry practice applicable to an exchange carrier providing telephone exchange service to an end user, and in particular a communications-intensive business end user with sophisticated CPE.

Transcom, as noted, also has an IP-based system. Nonetheless, Transcom has had a firm policy since at least 2003 that it will not in any way change or manipulate the information that belongs in the SS7 ISUP IAM CPN parameter address signal. Transcom has always and will always maintain the address signal content and pass it on unchanged, albeit after the protocol conversion from IP to SS7 where necessary, which would be the case when Transcom and its PSTN vendor connect via “TDM” instead of on an IP basis. As noted, however, Transcom and Halo communicate via IP.

6. Do Halo’s actions conflict with the terms of its ICA with Wisconsin Bell, Inc., d/b/a AT&T Wisconsin?

A. Jurisdiction.

Halo has an interconnection agreement (“ICA”) with Wisconsin Bell, Inc. d/b/a AT&T Wisconsin (“AT&T Wisconsin”). *If* there is a dispute between Halo and AT&T and *if* one or the other files a “post-ICA” dispute case and *if* the Commission has jurisdiction to resolve the dispute, then presumably it will do so. But, the Commission lacks any authority to take up the question of a breach and make a “determination” on that issue as part of a Commission-initiated inquiry, such as this case. The Commission most certainly cannot look at the ICA and “find” some duty to other LECs that runs to their benefit, since the ICA has an express provision (GTC § 28) stating that “[t]his Agreement shall not provide any person not a Party to this Agreement

with any remedy, claim, liability, reimbursement, claim of action, or other right in excess of those existing without reference to this Agreement.”

Post-ICA disputes are handled under section 252 of the Act. Traditionally, these are bilateral cases, and only the parties to the contract (here AT&T Wisconsin and Halo) are permitted to participate. The Commission did not specifically list section 252 as one of the bases for its jurisdiction in this matter, and Halo submits that was correct since neither Halo nor AT&T has invoked dispute resolution under section 252, which is a necessary prerequisite. And, the legislature has expressly stated that the Commission’s authority to resolve ICA disputes does not extend to ICAs to which a CMRS provider is a party. Wis. Stat. sec. 196.199 (1). Regardless, and without any waiver of the foregoing, Halo submits that there has been no breach and Halo’s “actions” are fully consistent with the ICA terms.

B. Substance.

Any allegation of breach is purely based upon the LECs’ desire to disregard Transcom’s ESP rulings. AT&T has alleged in other jurisdictions that Halo has breached the relevant ICA because the traffic Halo is sending “is not wireless.” This allegation is based wholly on the assertion that the traffic in question began elsewhere on the PSTN. In other words, the allegation of breach assumes that Transcom is a carrier, not an end user. If Transcom is an end user (as its ESP rulings establish), then the traffic is wireless and there has been no breach.

7. Is Halo or Transcom operating or providing services in Wisconsin without proper certification from the Commission? Are Halo and Transcom operating or providing services, jointly or in concert, in Wisconsin without proper certification from the Commission?

Transcom is not a carrier and does not provide any telecommunications service in Wisconsin. Instead, Transcom is an ESP. The FCC preempted states from imposing common

carrier regulation on non-common carrier ESPs long ago and the 1996 amendments extended this preemption to all enhanced/information services.²³

Section 332(c)(3) of the Act expressly preempts state regulation of CMRS entry or rates. Equally important, Wisconsin law does not support the proposition that a CMRS provider or an ESP must secure a state certification, in any event. CMRS is specifically exempted from certification. Wis. Stat. § 196.202 (2). ESPs do not provide telecommunications, and only telecommunications providers are potentially subject to certification requirements under state law. Finally, and with specific regard to Transcom (as opposed to Halo), Transcom is not providing any service to any Wisconsin customers. While it is true that Transcom originates calls that terminate in Wisconsin, Transcom does not have a customer in Wisconsin. Thus, it simply cannot be said that Transcom provides service “in” Wisconsin, or provides any intrastate service. The answer is therefore no. No certificate is required under Wisconsin law, and even if Wisconsin law purported to require such a certification (which it does not), any state requirement has been preempted by federal law under the doctrines of express, field and conflict preemption.

Halo is operating as a CMRS carrier in Wisconsin. Pursuant to Wis. Stat. § 196.01(5)(b)(4), a CMRS carrier is not a “public utility” in Wisconsin and no certification is required.

The only way that certification could be required of either Transcom or Halo is if the Commission were to rule that neither Transcom nor Halo has the right to rely on Transcom’s

²³ See *California v. FCC*, 905 F.2d 1217, 1240 (9th Cir. 1990) [rejecting FCC’s initial attempt to preempt state regulation of common carrier provided intrastate enhanced services but affirming preemption as to “non-common carriers such as IBM”]; Memorandum Opinion and Order, *In the Matter of Petition for Declaratory Ruling that pulver.com’s Free World Dialup is Neither Telecommunications Nor a Telecommunications Service*, WC Docket No. 03-45, FCC 04-27, ¶ 13, 19 FCC Rcd 3307 (rel. Feb. 2004); *Vonage Holdings Corp. v. Minnesota Public Utilities Commission*, 290 F. Supp. 2d 993 (D. Minn. 2003).

ESP rulings. That is what the LECs are asking the Commission to do. Halo and Transcom respectfully suggest the Commission should decline their invitation.

8. What remedial actions, if any, should be ordered by the Commission in light of its findings or determinations with respect to Issue Nos. 1-7 above? Possible actions may include, but are not limited to, the following:

- **Rescission or enforcement of the Commission's approval of the AT&T-Halo interconnection agreement under Wis. Stat. § 196.04 and 47 U.S.C. §§ 251 and 252.**
- **Injunction against Halo and/or Transcom operations that violate state provider certification requirements.**
- **Order under Wis. Stat. § 196.219(3)(m) to incumbent providers to terminate services or connections that facilitate the unauthorized provisioning of services.**
- **Any other injunctive order respecting the propriety of the services provided by Halo and/or Transcom.**

Based on the analysis set forth above, both Halo and Transcom respectfully argue that any remedial actions ordered by the Commission would be improper and unlawful. Halo and Transcom also reserve the right to further respond on this issue after any LEC proposes or seeks any specific relief.

Respectfully submitted,

/s/ Steven H. Thomas (12/02/11)

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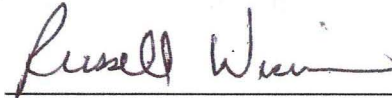
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*Attorneys for Halo Wireless, Inc.
and Transcom Enhanced Services, Inc.*

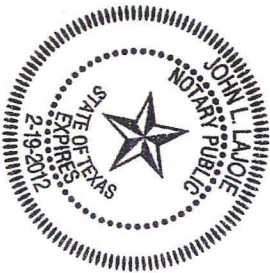
VERIFICATION OF HALO WIRELESS, INC.

My name is Russell Wiseman. I am President of Halo Wireless, Inc. ("Halo"). My business address is 2351 West Northwest Highway, Suite 1204, Dallas, Texas 75220. I am familiar with the business records of Halo. Further, to the best of the company's knowledge, the information provided herein is true and correct.



Russell Wiseman
President, Halo Wireless, Inc.

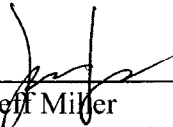
SUBSCRIBED and SWORN to before me by Russell Wiseman, this 2 day of December, 2011.



NOTARY PUBLIC, STATE OF TEXAS

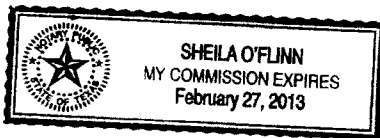
VERIFICATION OF TRANSCOM ENHANCED SERVICES, INC.

My name is Jeff Miller. I am Chief Financial Officer of Transcom Enhanced Services, Inc. ("Transcom"). My business address is 307 West 7th Street, Suite 1600, Fort Worth, Texas 76102. I am familiar with the business records of Transcom. Further, to the best of the company's knowledge, the information provided herein is true and correct.



Jeff Miller
Chief Financial Officer, Transcom Enhanced Services, Inc.

SUBSCRIBED and SWORN to before me by Jeff Miller, this 2 day of December, 2011.





NOTARY PUBLIC, STATE OF TEXAS

EXHIBIT 1

TO
HALO WIRELESS, INC. AND TRANSCOM ENHANCED SERVICES, INC.'S
ANSWERS ON ISSUES 1-8 IN THE NOTICE OF PROCEEDING



NORTHERN DISTRICT OF TEXAS
Schedule JSM-1
ENTERED
TAWANA C. MARSHALL, CLERK
THE DATE OF ENTRY IS
ON THE COURT'S DOCKET

The following constitutes the order of the Court.

Signed May 16, 2006

Harlin DeWayne Hale
United States Bankruptcy Judge

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION**

IN RE:	§	CASE NO. 05-31929-HDH-11
	§	
TRANSCOM ENHANCED	§	CHAPTER 11
SERVICES, LLC,	§	
	§	CONFIRMATION HEARING:
DEBTOR.	§	MAY 16, 2006 @ 10:00 a.m.

**ORDER CONFIRMING DEBTOR'S AND FIRST CAPITAL'S
ORIGINAL JOINT PLAN OF REORGANIZATION AS MODIFIED**

Came on for consideration on May 16, 2006 the Original Joint Plan of Reorganization Proposed by Transcom Enhanced Services, LLC (the "Debtor") and First Capital Group of Texas III, L.P. ("First Capital") filed on March 31, 2006 (the "Plan"). The Debtor and First Capital are collectively referred to herein as the "Proponents." All capitalized terms not defined herein have the meanings ascribed to them in the Plan. Just prior to the confirmation hearing, the Proponents filed their Modifications to Plan which relate to the Objections to Confirmation filed by Carrollton-Farmers Branch, Dallas County, Tarrant County and Arlington ISD, as well as the

comments of the United States Trustee and the Objection to Cure Amount in Plan filed by Riverrock Systems, Ltd. ("Riverrock"). The modifications comport with Bankruptcy Code 1127. In addition to the above objections, Broadwing Communications LLC ("Broadwing") and Broadwing Communications Corporation ("BCC") (collectively "Broadwing") filed its Objection to Final Approval of Disclosure Statement and Confirmation of Plan on May 11, 2006. Similar to the objections of Riverrock and the taxing authorities, and based upon an agreement reached between the Debtor and Broadwing, Broadwing withdrew its objection and amended its ballots to accept the Plan at the confirmation hearing. The Bankruptcy Court, having considered the Disclosure Statement, the Plan, the statements of counsel, the evidence presented or proffered, the pleadings, the record in this case, and being otherwise fully advised, makes the following findings of fact and conclusions of law:

Findings of Fact

1. On February 18, 2005 (the "Petition Date"), the Debtor filed its voluntary petition for relief under chapter 11 of title 11 of the United States Code (the "Bankruptcy Code") in the United States Bankruptcy Court for the Northern District of Texas, Dallas Division (the "Court"). Pursuant to Sections 1107(a) and 1108 of the Bankruptcy Code, the Debtor is operating its business and managing its property as debtor in possession.

2. The Debtor was formed in or around May of 2003 for the purpose of purchasing the assets of DataVon, Inc. Since then, the Debtor has continued to provide enhanced information services, including toll quality voice and data communications utilizing converged, Internet Protocol (IP) services over privately managed private IP networks. The Debtor's information services include voice processing and arranged termination utilizing voice over IP technology.

3. The Debtor's network is comprised of Veraz I-gate and Pro media gateways, a Veraz control switch, miscellaneous servers, routers and equipment, and leased bandwidth. The network, which is completely scalable, is currently capable of processing approximately 600 million minutes of uncompressed, wholesale IP phone calls per month. However, the number of minutes processed may be increased significantly with more efficient use of IP endpoints. The architecture of the network also provides a service creation environment for rapid deployment of new services via XML scripting capabilities and SIP interoperability.

4. Currently, the Debtor is a wholesaler of VoIP processing and termination services to domestic long distance providers. (The Debtor is in the process of expanding its service offerings to include retail services and additional IP applications). The primary asset of the Debtor is a private, nationwide VoIP network utilizing state-of-the-art media gateway and soft switch technology, connected by leased lines. Utilization of this network enables the Debtor to provide toll-quality voice services to its customers at significantly lower rates than comparable services provided by traditional carriers. In contested hearings held on or about April 14, 2005, the Debtor established that its business activities meet the definitions of "enhanced service" (47 C.F.R. § 67.702(a)) and "information service" (47 U.S.C. § 153(20)), and that the services it provides fall outside of the definitions of "telecommunications" and "telecommunications service" (47 U.S.C. § 153(43) and (46), respectively), and therefore, as this Court has previously determined, Debtor's services are not subject to access charges, but rather qualify as information services and enhanced services that must pay end user charges.

5. On March 31, 2006, the Proponents filed their Original Plan of Reorganization (the "Plan") and Disclosure Statement for Plan (the "Disclosure Statement"). On April 3, 2006, the Proponents filed their Joint Motion for Conditional Approval of Disclosure Statement (the

“Motion for Conditional Approval”). On April 12, 2006, and over the objections of Broadwing and EDS Information Services, L.L.C. (“EDIS”), the Court entered its order granting the Motion for Conditional Approval and conditionally approving the Disclosure Statement (the “Conditional Approval Order”). Under the Conditional Approval Order, a final hearing to consider approval of the Disclosure Statement was combined with the confirmation hearing of the Plan, which hearings were set for May 16, 2006 at 10:00 a.m. (the “Combined Hearing”). Thereafter, and in accordance with the Conditional Approval Order, the Disclosure Statement was supplemented to address the concerns raised in the objections of both Broadwing and EDIS, the Plan and Disclosure Statement was distributed to creditors, interest-holders, and other parties-in-interest.

6. On or about April 10, 2006 and May 15, 2006, the Proponents filed non-material Modifications to the Plan pursuant to Bankruptcy Code § 1127 (“Plan Modifications”).

7. The objections filed by Dallas County, Tarrant County, Carrollton-Farmers Branch ISD, Arlington ISD, Riverrock and Broadwing have been withdrawn.

8. The Proponents have provided appropriate, due and adequate notice of the Combined Hearing, the Disclosure Statement and Plan Supplements and the Plan Modifications, and such notice is in compliance with Bankruptcy Code § 1127 and Bankruptcy Rules 2002, 3019, 6006 and 9014. Without limiting the foregoing, as evidenced by certificates of service related thereto on file with the Court, and based upon statements of counsel, the Proponents have complied with the notice and solicitation procedures set forth in the April 12, 2006 Conditional Approval Order. No further notice of the May 16, 2006 Combined Hearing, the Plan, the Disclosure Statement or the Plan Modifications is necessary or required.

9. Class 1, consisting of the Pre-Petition Secured Claim on First Capital, is Impaired under the Plan and has accepted the Plan in accordance with Bankruptcy Code §§ 1126(c) and (d).

10. Class 2, consisting of the Post-Petition Secured Claim on First Capital, is Impaired under the Plan and has accepted the Plan in accordance with Bankruptcy Code §§ 1126(c) and (d).

11. Class 3, consisting of the Secured Claim on Redwing Equipment Partners Limited as successor-in-interest to Veraz Networks, Inc. ("Redwing"), is Impaired under the Plan and has accepted the Plan in accordance with Bankruptcy Code §§ 1126(c) and (d).

12. Class 4, consisting of the Secured Tax Claims, is Impaired under the Plan and has accepted the Plan in accordance with Bankruptcy Code §§ 1126(c) and (d).

13. Class 5, consisting of General Unsecured Claims, is Impaired under the Plan and has accepted the Plan in accordance with Bankruptcy Code §§ 1126(c) and (d).

14. Classes 6 and 7 of the Plan shall receive nothing under the Plan, and are deemed to reject the Plan.

15. Confirmation of the Plan is in the best interest of the Debtor, the Debtor's Estate, the Creditors of the Estate and other parties in interest.

16. The Court finds that the Debtor has articulated good and sufficient business reasons justifying the assumption of the executory contracts and unexpired leases specifically identified in Article X of the Plan, including the Debtor's Customer Contracts under Plan Section 10.01 and Vendor Agreements under Plan Section 10.02 and specifically listed on Exhibit 1-B of the Plan. No cure payments are owed with respect to the Debtor's Customer Contracts; and the only cure payments owed with respect to the Vendor Agreements are specifically identified in

Exhibit 1-B of the Plan. No other arrearages are owed with respect to the Vendor Agreements. Unless otherwise provided in the Plan Modifications, the proposed cure amounts set forth in Section 10.02 satisfies, in all respects, Bankruptcy Code § 365. Furthermore, the Court finds that the Debtor has articulated good and sufficient business reasons justifying the rejection of all other executory contracts and unexpired leases of the Debtor.

17. The Proponents have solicited the Plan in good faith and in compliance with the applicable provisions of the Bankruptcy Code.

Conclusions of Law

18. The Court has jurisdiction over this Chapter 11 Case and of the property of the Debtor and its Estate under 28 U.S.C. §§ 157 and 1334.

19. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(L).

20. Good and sufficient notice of the Disclosure Statement, the Plan, solicitation thereof, the May 16, 2006 Combined Hearing and the Plan Modifications have been given in accordance with the requirements of the Bankruptcy Code, the Bankruptcy Rules, the Local Bankruptcy Rules for the Northern District of Texas and the April 12, 2006 Conditional Approval Order. The Plan Modifications that were filed with the Bankruptcy Court are non-material and do not require additional disclosure or re-solicitation of Plan acceptances and/or rejections.

21. Adequate and sufficient notice of the Plan Modifications has been provided to the appropriate parties which have agreed to the modifications. Pursuant to Bankruptcy Rule 3019, the Bankruptcy Court finds that the Plan Modifications do not adversely change the treatment of the holder of any Claim under the Plan, who has not accepted in writing the Plan Modifications.

All Creditors who have accepted the Plan without the Plan Modifications, are deemed to accept the Plan with the Plan Modifications.

22. The Plan complies with all applicable requirements of Bankruptcy Code §§ 1122 and 1123. Furthermore, the Plan complies with the applicable requirements of Bankruptcy Code §§ 1129(a) and (b), including, but not limited to the following:

- a. the Plan complies with all applicable provisions of the Bankruptcy Code;
- b. the Debtor and First Capital, as Proponents of the Plan, have complied with the applicable provisions of the Bankruptcy Code;
- c. the Plan has been proposed in good faith and not by any means forbidden by law;
- d. any payment made or to be made by the Debtor for services or for costs and expenses in or in connection with the case, has been approved by, or will be subject to the approval of, this Court as reasonable;
- e. the Plan does not contain any rate change by the Debtor which requires approval of a governmental or regulatory entity;
- f. each holder of a Claim or Equity Security Interest in an Impaired Class has accepted the Plan or will receive or retain under the Plan on account of such Claim or Equity Security Interest property of a value as of the Effective Date that is no less than the amount that such holder would receive or retain if the Debtor were liquidated under Chapter 7 of the Bankruptcy Code as of the Effective Date;
- g. Classes 1, 2, 3, 4 and 5 are Impaired under the Plan, and have accepted the Plan;
- h. the Plan does not unfairly discriminate against dissenting classes;
- i. the Plan is fair and equitable with respect to each class of claims or interests that is impaired, and has not accepted, the Plan;
- j. the Plan provides that holders of Claims specified in Bankruptcy Code §§ 507(a)(1)-(6) receive Cash payments of value as of the Effective Date of the Plan equal to the Allowed Amount of such Claims;
- k. at least one Class of Creditors that is Impaired under the Plan, not including acceptances by Insiders, has accepted the Plan;

- l. confirmation of the Plan is not likely to be followed by liquidation or the need for further financial reorganization by the Debtor;
- m. all fees payable under 28 U.S.C. § 1930, have been timely paid or the Plan provides for payment of all such fees;
- n. the Debtor is not obligated for the payment of retiree benefits as defined in Bankruptcy Code § 1114.

23. All requirements of Bankruptcy Code § 365 relating to the assumption, rejection, and/or assumption and assignment of executory contracts and unexpired leases of the Debtor have been satisfied. The Debtor has demonstrated adequate assurance of future performance with regard to the assumed executory contracts and unexpired leases of the Debtor.

24. The Redwing Settlement Agreement attached as Exhibit 1-A to the Plan is fair and equitable, and approval of the Redwing Settlement Agreement is in the best interests of the Debtor and its Estate.

25. All releases of claims and causes of action against non-debtor persons or entities that are embodied within Section 15.04 of the Plan are fair, equitable, and in the best interest of the Debtor and its Estate.

26. The Proponents and their members, officers, directors, employees, agents and professionals who participated in the formulation, negotiation, solicitation, approval, and confirmation of the Plan shall be deemed to have acted in good faith and in compliance with the applicable provisions of the Bankruptcy Code with respect thereto and are entitled to the rights, benefits and protections of Bankruptcy Code §§ 1125(d) and (e).

27. The Disclosure Statement contains "adequate information" as defined in 11 U.S.C. § 1125. All creditors, equity interest holders and other parties in interest have received appropriate notice and an opportunity for a hearing of the Plan and the Disclosure Statement.

28. The Plan and Disclosure Statement have been transmitted to all creditors, equity interest holders and parties in interest. Notice and opportunity for hearing have been given.

29. The requirements of §1129 (a) and (b) have been met.

30. The Plan as proposed is feasible.

31. All conclusions of law made or announced by the Court on the record in connection with the May 16, 2006 Combined Hearing are incorporated herein.

32. All conclusions of law which are findings of fact shall be deemed to be findings of fact and vice versa.

It is therefore,

ORDERED that the Disclosure Statement for Original Joint Plan of Reorganization filed by the Debtor and First Capital on March 31, 2006, is hereby APPROVED; it is further

ORDERED that the Original Joint Plan of Reorganization filed by the Debtor and First Capital on March 31, 2006, as modified, is hereby CONFIRMED; it is further

ORDERED that the Debtor and First Capital are authorized to execute any and all documents necessary to effect and consummate the Plan; it is further

ORDERED that pursuant to section 365(a) of the Bankruptcy Code and Bankruptcy Rule 6006, the assumption of the Customer Contracts, as specifically defined in Section 10.01 of the Plan, is hereby approved; it is further

ORDERED that pursuant to section 365(a) of the Bankruptcy Code and Bankruptcy Rule 6006, the assumption of the Vendor Agreements, as specifically defined in Section 10.02 of the Plan, is hereby approved; it is further

ORDERED that unless otherwise agreed to in writing by the Reorganized Debtor and the counter-party to the Vendor Agreement, the Reorganized Debtor shall cure the arrears

specifically listed in Exhibit 1-B of the Plan by tendering six (6) equal consecutive monthly payments to the Vendor Agreement counter-party until the arrears are paid in full; it is further

ORDERED that, except for the Customer Contracts, Vendor Agreements, and executory contracts or leases that were expressly assumed by a separate order, all pre-petition executory contracts and unexpired leases to which the Debtor was a party are hereby REJECTED effective as of the Petition Date; it is further

ORDERED that pursuant to Bankruptcy Rule 9019, the Redwing Settlement Agreement is hereby APPROVED, and the Debtor may execute any and all documents required to carry out the Redwing Settlement, including, but not limited to the Redwing Settlement Agreement, and such agreement shall be in full force and effect; it is further

ORDERED that nothing contained in this Order or the Plan shall effect or control or be deemed to prejudice or impair the rights of the Debtor, the Reorganized Debtor, Veraz Networks, Inc. or Redwing with respect to the dispute over the validity or extent of any license claimed by the Debtor in 15,000 ICE or logical ports currently utilized by the Debtor in connection with the operation of its network and each of the Debtor, the Reorganized Debtor, Veraz Networks, Inc. and Redwing reserve all of their rights with respect to such issue; it is further

ORDERED that except as otherwise provided in Plan Section 15.03, First Capital, the Debtor, the Reorganized Debtor, and the Reorganized Debtor's present or former managers, directors, officers, employees, predecessors, successors, members, agents and representatives (collectively referred to herein as the "Released Party"), shall not have or incur any liability to any person for any claim, obligation, right, cause of action or liability (including, but not limited to, any claims arising out of any alleged fiduciary or other duty) whether known or unknown, foreseen or unforeseen, existing or hereafter arising, based in whole or in part on any act or

omission, transaction or occurrence from the beginning of time through the Effective Date in any way relating to the Debtor's Chapter 11 Case or the Plan; and all claims based upon or arising out of such actions or omissions shall be forever waived and released (other than the right to enforce the Reorganized Debtor's obligations under the Plan).

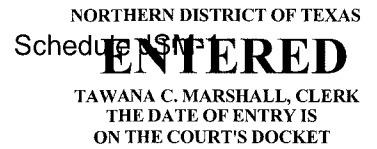
*** END OF ORDER ***

PREPARED BY:

By /s/ David L. Woods (5.16.06)
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State Bar No. 04189170
David L. Woods
State Bar No. 24004167
MCGUIRE, CRADDOCK & STROTHER, P.C.
ATTORNEYS FOR DEBTOR and
DEBTOR-IN-POSSESSION

EXHIBIT 2

TO
HALO WIRELESS, INC. AND TRANSCOM ENHANCED SERVICES, INC.'S
ANSWERS ON ISSUES 1-8 IN THE NOTICE OF PROCEEDING



Harlin DeWayne Hale
United States Bankruptcy Judge

PAGE 1

GLOBAL CROSSING BANDWIDTH,	§
INC. and GLOBAL CROSSING	§
TELECOMMUNICATIONS, INC.,	§
	§
Third Party Plaintiffs,	§
	§
v.	§
	§
TRANSCOM ENHANCED SERVICES,	§
LLC and TRANSCOM	§
COMMUNICATIONS, INC.,	§
	§
Third Party Defendants.	§
<hr/>	§

**ORDER GRANTING TRANSCOM'S MOTION FOR PARTIAL SUMMARY
JUDGMENT BASED ON THE AFFIRMATIVE DEFENSE THAT TRANSCOM
QUALIFIES AS AN ENHANCED SERVICE PROVIDER**

On this date, came on for consideration the Motion For Partial Summary Judgment On Counterplaintiffs' Sole Remaining Counterclaim Based On The Affirmative Defense That Transcom Qualifies As An Enhanced Service Provider (the "Motion") filed by Transcom Enhanced Services, Inc. ("Transcom" or "Counterdefendant"), in which Transcom seeks summary judgment on the sole remaining counterclaim (the "Counterclaim") asserted by Counterplaintiffs' Global Crossing Bandwidth, Inc. ("GX Bandwidth") and Global Crossing Telecommunications, Inc. ("GX Telecommunications") (collectively, "GX Entities" or "Counterplaintiffs") based on the affirmative defense that Transcom qualifies as an enhanced service provider.

Twice previously, this Court has ruled that Transcom qualifies as an enhanced service provider, and therefore is not obligated to pay access charges, but rather must pay end user charges. In filing the motion, Transcom relied heavily on the evidence previously presented to this Court in contested hearings (the "ESP Hearings") involving the SBC Telcos (collectively, "SBC") and AT&T

**ORDER GRANTING TRANSCOM'S MOTION FOR PARTIAL
SUMMARY JUDGMENT BASED ON THE AFFIRMATIVE DEFENSE THAT
TRANSCOM QUALIFIES AS AN ENHANCED SERVICE PROVIDER**

Corp. (“AT&T”) along with Affidavits from a principal of Transcom and one of Transcom’s expert witnesses establishing that Transcom’s system has not changed since the time of the ESP Hearings, that the services provided to the GX Entities by Transcom are the same as the services provided to all other Transcom customers, and that Transcom’s expert witness is still of the opinion that Transcom’s business operations fall within the definitions of “enhanced service provider” and “information service.”

In response to the Motion, Counterplaintiffs have asserted that they neither oppose nor consent to the relief sought in the Motion. In their responses to Transcom’s interrogatories, however, Counterplaintiffs asserted that Transcom did not qualify as an enhanced service provider because its service is merely an “IP-in-the-middle” service, which Transcom asserts is a reference to the FCC’s Order, *In The Matter Of Petition For Declaratory Ruling That AT&T’s Phone-to-Phone IP Telephony Services Are Exempt From Access Charges*, 19 FCC Rcd 7457, Release Number FCC 04-97, released April 21, 2004 (the “AT&T Order”).

During the ESP Hearings, a number of witnesses testified on the issue of whether Transcom is an enhanced service provider and therefore exempt from payment of access charges. The transcripts and exhibits from those hearings have been introduced as summary judgment evidence in support of the Motion. That record establishes by a preponderance of the evidence that the service provided by Transcom is distinguishable from AT&T’s specific service (as described in the AT&T Order) in a number of material ways, including, but not limited to, the following:

- (a) Transcom is not an interexchange (long distance) carrier.
- (b) Transcom does not hold itself out as a long distance carrier.
- (c) Transcom has no retail long distance customers.

- (d) The efficiencies of Transcom's network result in reduced rates for its customers.
- (e) Transcom's system provides its customers with enhanced capabilities.
- (f) Transcom's system changes the content of every call that passes through it.

On its face, the AT&T Order is limited to AT&T and its specific services. This Court therefore holds again, as it did at the conclusion of the ESP hearings, that the AT&T Order does not control the determination of whether Transcom qualifies as an enhanced service provider.

The term "enhanced service" is defined at 47 C.F.R. § 67.702(a) as follows:

For the purpose of this subpart, the term enhanced service shall refer to services, offered over common carrier transmission facilities used in interstate communications, which employ computer processing applications that act on the format, content, code, protocol or similar aspects of the subscriber's transmitted information; provide the subscriber additional, different, or restructured information; or involve subscriber interaction with stored information. Enhanced services are not regulated under title II of the Act.

The term "information service" is defined at 47 USC § 153(20) as follows:

The term "information service" means the offering of a capability for generating, acquiring, storing, transforming, processing, retrieving, utilizing, or making available information via telecommunications, and includes electronic publishing, but does not include any use of any such capability for the management, control, or operation of a telecommunications system or the management of a telecommunications service.

The definitions of "enhanced service" and "information service" differ slightly, to the point that all enhanced services are information services, but not all information services are also enhanced services. See First Report And Order, *In the Matter of Implementation of the Non-Accounting Safeguards of Sections 271 and 272 of the Communications Act of 1934*, as amended, 11 FCC Rcd 21905 (1996) at ¶ 103.

The Telecom Act defines the terms "telecommunications" and "telecommunications service" in 47 USC § 153(43) and (46), respectively, as follows:

The term “telecommunications” means the transmission, between or among points specified by the user, of information of the user's choosing, *without change in the form or content* of the information as sent and received. (emphasis added).

The term “telecommunications service” means the offering of *telecommunications* for a fee directly to the public, or to such class of users as to be effectively available directly to the public, regardless of the facilities used. (emphasis added).

These definitions make clear that a service that routinely changes either the form or the content of the transmission would fall outside of the definition of “telecommunications” and therefore would not constitute a “telecommunications service.”

Whether a service pays access charges or end user charges is determined by 47 C.F.R. § 69.5, which states in relevant part as follows:

(a) End user charges shall be computed and assessed upon end users ... as defined in this subpart, and as provided in subpart B of this part. (b) Carrier's carrier charges [i.e., access charges] shall be computed and assessed upon all interexchange carriers that use local exchange switching facilities *for the provision of interstate or foreign telecommunications services*. (emphasis added).

As such, only telecommunications services pay access charges. The clear reading of the above provisions leads to the conclusion that a service that routinely changes either the form or the content of the telephone call is an enhanced service and an information service, not a telecommunications service, and therefore is required to pay end user charges, not access charges.

Based on the summary judgment evidence, the Court finds that Transcom's system fits squarely within the definitions of “enhanced service” and “information service,” as defined above. Moreover, the Court finds that Transcom's system falls outside of the definition of “telecommunications service” because Transcom's system routinely makes non-trivial changes to user-supplied information (content) during the entirety of every communication. Such changes fall outside the scope of the operations of traditional telecommunications networks, and are not

necessary for the ordinary management, control or operation of a telecommunications system or the management of a telecommunications service. As such, Transcom's service is not a "telecommunications service" subject to access charges, but rather is an information service and an enhanced service that must pay end user charges. Judge Felsenthal made a similar finding in his order approving the sale of the assets of DataVoN to Transcom, that DataVoN provided "enhanced information services." *See* Order Granting Motion to Sell, 02-38600-SAF-11, no. 465, entered May 29, 2003. Transcom now uses DataVoN's assets in its business.

In the Counterclaim, paragraph 94 makes the following assertion:

Under the Communications Agreement, the Debtor asserted that it was an enhanced service provider. Not only did the Debtor make this assertion, it agreed to indemnify GX Telecommunications in the event that assertion proved untrue.

The Counterclaim goes on to allege that Transcom failed to pay access charges, and that Transcom is therefore liable under the indemnification provision in the governing agreement to the extent that it does not qualify as an enhanced service provider. In response to the Counterclaim, Transcom asserted the affirmative defense that it does indeed qualify as an enhanced service provider, and therefore has no liability under the indemnification provision. The Motion seeks summary judgment on that specific affirmative defense.

The Court has previously ruled, and rules again today, that Transcom qualifies as an enhanced service provider. As such, it is the opinion of the Court that the Motion should be granted.

It is therefore ORDERED that the Motion is GRANTED, and Transcom is awarded summary judgment that the GX Entities take nothing by their Counterclaim.

###END OF ORDER###

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EXHIBIT 3

TO
HALO WIRELESS, INC. AND TRANSCOM ENHANCED SERVICES, INC.'S
ANSWERS ON ISSUES 1-8 IN THE NOTICE OF PROCEEDING

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(Cite as: 427 B.R. 585)

C

United States Bankruptcy Court,
N.D. Texas,
Dallas Division.
In re TRANSCOM ENHANCED SERVICES, LLC,
Debtor.

No. 05-31929-HDH-11.
April 29, 2005.

Background: Bankrupt telecommunications provider that had filed for Chapter 11 relief moved for leave to assume master agreement between itself and telephone company.

Holdings: The Bankruptcy Court, Harlin D. Hale, J., held that:

(1) bankruptcy court had jurisdiction, in connection with motion by bankrupt telecommunications provider to assume master agreement between itself and telephone company, to decide whether Chapter 11 debtor qualified as enhanced service provider (ESP), so as to be exempt from payment of certain access charges, and
(2) debtor fit squarely within definition of "enhanced service provider" and was exempt from payment of access charges, as required for it to comply with terms of master agreement that it was moving to assume, and as required for court to approve this motion as proper exercise of business judgment.

So ordered.

West Headnotes

[1] Bankruptcy 51 ↪ 2048.2

51 Bankruptcy
511 In General
511(C) Jurisdiction
51k2048 Actions or Proceedings by Trustee or Debtor
51k2048.2 k. Core or related proceedings. Most Cited Cases

Bankruptcy court had jurisdiction, in connection with motion by bankrupt telecommunications provider to assume master agreement between itself and telephone company, to decide whether Chapter 11 debtor qualified as enhanced service provider (ESP), so as to be exempt from payment of certain access charges, where debtor's status as ESP bore directly upon whether it could satisfy terms of master agreement and whether its decision to assume this agreement was proper exercise of its business judgment; forum selection clause in master agreement, while it might have validity in other contexts and require that any litigation over debtor's status as ESP take place in New York, did not deprive court of jurisdiction to decide issue bearing directly on propriety of allowing debtor to assume master agreement. 11 U.S.C.A. § 365.

[2] Bankruptcy 51 ↪ 3111

51 Bankruptcy
51IX Administration
51IX(C) Debtor's Contracts and Leases
51k3110 Grounds for and Objections to Assumption, Rejection, or Assignment
51k3111 k. "Business judgment" test in general. Most Cited Cases

In deciding whether to grant debtor's motion to assume executory contract, bankruptcy court must ascertain whether or not debtor is exercising proper business judgment. 11 U.S.C.A. § 365.

[3] Bankruptcy 51 ↪ 3111

51 Bankruptcy
51IX Administration
51IX(C) Debtor's Contracts and Leases
51k3110 Grounds for and Objections to Assumption, Rejection, or Assignment
51k3111 k. "Business judgment" test in general. Most Cited Cases

Telecommunications 372 ↪ 866

372 Telecommunications

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372III Telephones

372III(F) Telephone Service

372k854 Competition, Agreements and Connections Between Companies

372k866 k. Pricing, rates and access charges. Most Cited Cases

Bankrupt telecommunications provider whose communications system resulted in non-trivial changes to user-supplied information for every communication processed fit squarely within definition of "enhanced service provider" and was exempt from payment of access charges, as required for it to comply with terms of master agreement that it was moving to assume, and as required for court to approve this motion as proper exercise of business judgment. 11 U.S.C.A. § 365; Communications Act of 1934, § 3 (43, 46), 47 U.S.C.A. § 153(43, 46); 47 C.F.R. § 64.702(a), 69.5.

***585 MEMORANDUM OPINION**

HARLIN D. HALE, Bankruptcy Judge.

On April 14, 2005, this Court considered Transcom Enhanced Services, LLC's (the "Debtor's") Motion To Assume AT & T *586 Master Agreement MA Reference No. 120783 Pursuant To 11 U.S.C. § 365 ("Motion").^{FN1} At the hearing, the Debtor, AT & T, and Southwestern Bell Telephone, L.P., et al ("SBC Telcos") appeared, offered evidence, and argued. These parties also submitted post-hearing briefs and proposed findings of fact and conclusions of law supporting their positions. This memorandum opinion constitutes the Court's findings of fact and conclusions of law pursuant to Federal Rules of Bankruptcy Procedure 7052 and 9014. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 1334 and 151, and the standing order of reference in this district. This matter is a core proceeding, pursuant to 28 U.S.C. § 157(b)(2)(A) & (O).

^{FN1} Debtor's Exhibit 1, admitted during the hearing, is a true, correct and complete copy of the Master Agreement between Debtor and AT & T.

I. Background Facts

This case was commenced by the filing of a voluntary Bankruptcy Petition for relief under Chapter 11 of the Bankruptcy Code on February 18, 2005. The Debtor is a wholesale provider of transmission services providing its customers an Internet Protocol

("IP") based network to transmit long-distance calls for its customers, most of which are long-distance carriers of voice and data.

In 2002, a company called DataVoN, Inc. invested in technology from Veraz Networks designed to modify the aural signal of telephone calls and thereby make available a wide variety of potential new services to consumers in the area of VoIP. The FCC had long supported such new technologies, and the opportunity to change the form and content of the telephone calls made it possible for DataVoN to take advantage of the FCC's exemption provided for Enhanced Service Providers ("ESP's"), significantly reducing DataVoN's cost of telecommunications service.

On September 20, 2002, DataVoN and its affiliated companies filed for protection under Chapter 11 of the Bankruptcy Code in the United States Bankruptcy Court for the Northern District of Texas, before Judge Steven A. Felsenthal. Southwestern Bell was a claimant in the DataVoN bankruptcy case. On May 19, 2003, the Debtor was formed for purposes of acquiring the operating assets of DataVoN. The Debtor was the winning bidder for the assets of DataVoN and on May 28, 2003, the bankruptcy court approved the sale of substantially all of the assets of DataVoN to the Debtor. Included in the order approving the sale, were findings by Judge Felsenthal that DataVoN provided "enhanced information services".

On July 11, 2003, AT & T and the Debtor entered into the AT & T Master Agreement MA Reference No. 120783 (the "Master Agreement"). In an addendum to the Master Agreement, executed on the same date, the Debtor states that it is an "enhanced information services" provider, providing data communications services over private IP networks (VoIP), such VoIP services are exempt from the access charges applicable to circuit switched interexchange calls, and such services would be provided over end user local services (such as the SBC Telcos).

AT & T is both a local-exchange carrier and a long-distance carrier of voice and data. The SBC Telcos are local exchange carriers that both originate and terminate long distance voice calls for carriers that do not have their own direct, "last mile" connections to end users. For this service, SBC Telcos charge an access charge. Enhanced service providers ("ESP's")

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are exempt from paying these access charges, and the SBC Telcos had been in litigation *587 with DataVoN during its bankruptcy, and has recently been in litigation with the Debtor, AT & T and others over whether certain services they provide are entitled to this exemption to access charges.

On April 21, 2004, the FCC released an order in a declaratory proceeding between AT & T and SBC (the "AT & T Order") that found that a certain type of telephone service provided by AT & T using IP technology was not an enhanced service and was therefore not exempt from the payment of access charges. Based on the AT & T Order, before the instant bankruptcy case was filed, AT & T suspended Debtor's services under the Master Agreement on the grounds that the Debtor was in default under the Master Agreement. Importantly, the alleged default of the Debtor is not a payment default, but rather pursuant to Section 3.2 of the Master Agreement, which, according to AT & T, gives AT & T the right to immediately terminate any service that AT & T has reason to believe is being used in violation of laws or regulations.

AT & T asserts that the services that the Debtor provides over its IP network are substantially the same as were being provided by AT & T, and therefore, the Debtor is also not exempt from paying these access charges. At the point that the bankruptcy case was filed, service had been suspended by AT & T pending a determination that the Debtor is an ESP, but AT & T had not yet assessed the access charges that it asserts are owed by the Debtor.

II. Issues

The issues before the Court are:

- (1) Whether the Debtor has met the requirements of § 365 in order to assume the Master Agreement; and
- (2) Whether the Debtor is an enhanced service provider ("ESP"), and is thus exempt from the payment of certain access charges in compliance with the Master Agreement.^{FN2}

^{FN2}. AT & T has stated in its Objection to the Motion that since it does not object to the Debtor's assumption of the Master Agreement provided the amount of the cure payment can be worked out, the Court need not

reach the issue of whether the Debtor is an ESP. However, this argument appears disingenuous to the Court. AT & T argues that the entire argument over cure amounts is a difference of about \$28,000.00 that AT & T is willing to forgo for now. However, AT & T later states in its objection (and argued at the hearing):

"To be sure, this is not the total which ultimately Transcom may owe. It is also possible that ... Transcom will owe additional amounts if it is determined that it should have been paying access charges. But at this point, AT & T has not billed for the access charges, so under the terms of the Addendum, they are not currently due.... AT & T is not requiring Transcom to provide adequate assurance of its ability to pay those charges should they be assessed, but will rely on the fact that post-assumption, these charges will be administrative claims.... Although Transcom's failure to pay access charges with respect to prepetition traffic was a breach, the Addendum requires, as a matter of contract, that those pre-petition charges be paid when billed. This contractual provision will be binding on Transcom post-assumption, and accordingly, is not the subject of a damage award now."

AT & T Objection p. 3-4. As will be discussed below, in evaluating the Debtor's business judgment in approving its assumption Motion, the Court must determine whether or not its approval of the Motion will result in a potentially large administrative expense to be borne by the estate.

AT & T argues against the Court's jurisdiction to determine this question as part of an assumption motion. However, the Court wonders if AT & T will make the same argument with regard to its post-assumption administrative claims it plans on asserting for past and future access charges that it states it will rely on for payment instead of asking for them to be included as cure payments under the pre-

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sent Motion.

***588 III. Analysis**

Under § 365(b)(1), a debtor-in-possession that has previously defaulted on an executory contract ^{FN3} may not assume that contract unless it: (A) cures, or provides adequate assurance that it will promptly cure, the default; (B) compensates the non-debtor party for any actual pecuniary loss resulting from the default; and (C) provides adequate assurance of future performance under such contract. See 11 U.S.C. § 365(b)(1).

FN3. The parties agree that the Master Agreement is an executory contract.

In its objection, briefing and arguments made at the hearing, AT & T does not object to the Debtor's assumption of the Master Agreement, provided the Debtor pays the cure amount, as determined by the Court. It does not expect the Debtor to cure any non-monetary defaults, including payment or proof of the ability to pay the access charges that have been incurred, as alleged by the SBC Telcos, as a prerequisite to assumption. See *In re BankVest Capital Corp.*, 360 F.3d 291, 300-301 (1st Cir.2004), cert. denied, 542 U.S. 919, 124 S.Ct. 2874, 159 L.Ed.2d 776 (2004) ("Congress meant § 365(b)(2)(D) to excuse debtors from the obligation to cure nonmonetary defaults as a condition of assumption.").

Only the Debtor offered evidence of the cure amounts due at the hearing totaling \$103,262.55. Therefore, based on this record, the current outstanding balance due from Debtor to AT & T is \$103,262.55 (the "Cure Amount"). Thus, upon payment of the Cure Amount Debtor's Motion should be approved by the Court, provided the Debtor can show adequate assurance of future performance.

[1][2] AT & T argues that this is where the Court's inquiry should cease. Since AT & T has suspended service under the Master Agreement, whether or not the Debtor is an ESP, and thus exempt from payment of the disputed access charges is irrelevant, because no future charges will be incurred, access or otherwise. This is because no service will be given by AT & T until the proper court makes a determination as to the Debtor's ESP status. However, in its argument, AT & T ignores the fact that part of the Court's necessary determination in approving the Debtor's motion to

assume the Master Agreement is to ascertain whether or not the Debtor is exercising proper business judgment. See *In re Liljeberg Enter., Inc.*, 304 F.3d 410, 438 (5th Cir.2002); *In re Richmond Leasing Co.*, 762 F.2d 1303, 1309 (5th Cir.1985).

If by assuming the Master Agreement the Debtor would be liable for the large potential administrative claim, to which AT & T argues that it will be entitled, ^{FN4} or if the Debtor cannot show that it can perform under the Master Agreement, which states that the Debtor is an enhanced information services provider exempt from the access charges applicable to circuit switched interexchange calls, and the Debtor would lose money going forward under the Master Agreement should it be determined that the Debtor is not an ESP, then the Court should deny the Motion. On this record, the Debtor has established that it cannot perform under the Master Agreement, and indeed cannot continue its day-to-day operations or successfully reorganize, unless it qualifies as an Enhanced Service Provider.

FN4. See n.2 above.

AT & T and SBC Telcos argue that a forum selection clause in the Master Agreement should be enforced and that any determination as to whether the Debtor*589 is an ESP, and thus exempt from access charges, must be tried in New York. While this argument may have validity in other contexts, the Court concludes that it has jurisdiction to decide this issue as it arises in the context of a motion to assume under § 365. See *In re Mirant Corp.*, 378 F.3d 511, 518 (5th Cir.2004) (finding that district court may authorize the rejection of an executory contract for the purchase of electricity as part of a bankruptcy reorganization and that the Federal Energy Regulatory Commission did not have exclusive jurisdiction in this context); see also, *Ins. Co. of N. Am. v. NGC Settlement Trust & Asbestos Claims Mgmt. Corp. (In re Nat'l Gypsum Co.)*, 118 F.3d 1056 (5th Cir.1997) (Bankruptcy Court possessed discretion to refuse to enforce an otherwise applicable arbitration provision where enforcement would conflict with the purpose or provisions of the Bankruptcy Code).

In re Orion, which is heavily relied upon by AT & T, is inapplicable in this proceeding. See *In re Orion Pictures Corp.*, 4 F.3d 1095 (2d Cir.1993). On its face, *Orion* is distinguishable from this case in that in

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Orion, the debtor sought damages in an adversary proceeding at the same time it was seeking to assume the contract in question under Section 365. The bankruptcy court decided the Debtor's request for damages as a part of the assumption proceedings awarding the Debtor substantial damages. Here, the Debtor is not seeking a recovery from AT & T under the contract which would augment the estate. Rather the Debtor is only seeking to assume the contract within the parameters of Section 365. Similar issues to the one before this Court have been advanced by another bankruptcy court in this district.

The court in *In re Lorax Corp.*, 307 B.R. 560 (Bankr.N.D.Tex.2004), succinctly pointed out that a broad reading of the Orion opinion runs counter to the statutory scheme designed by Congress. *Lorax*, 307 B.R. at 566 n. 13. The *Lorax* court noted that *Orion* should not be read to limit a bankruptcy court's authority to decide a disputed contract issue as part of hearing an assumption motion. *Id.* To hold otherwise would severely limit a bankruptcy court's inherent equitable power to oversee the debtor's attempt at reorganization and would diffuse the bankruptcy court's power among a number of courts. The *Lorax* court found such a result to be at odds with the Supreme Court's command that reorganization proceed efficiently and expeditiously. *Id.* at 567 (citing *United Sav. Ass'n of Tex. v. Timbers of Inwood Forest Assocs. Ltd.*, 484 U.S. 365, 376, 108 S.Ct. 626, 98 L.Ed.2d 740 (1988)). This Court agrees. The determination of the Debtors status as an ESP is an important part of the assumption motion.

Since the Second Circuit's 1993 *Orion* opinion, the Second Circuit has further distinguished non-core and core jurisdiction proceedings involving contract disputes. In particular, if a contract dispute would have a "much more direct impact on the core administrative functions of the bankruptcy court" versus a dispute that would merely involve "augmentation of the estate," it is a core proceeding. *In re United States Lines, Inc.*, 197 F.3d 631, 638 (2d Cir.1999) (allowing the bankruptcy court to resolve disputes over major insurance policies, and recognizing that the debtor's indemnity contracts could be the most important asset of the estate). Accordingly, the Second Circuit would reach the same conclusion of core jurisdiction here since the dispute addressed by the Motion "directly affect[s]" the bankruptcy court's "core administrative function." *United States Lines*, at 639 (citations

omitted).

Determination, for purposes of the motion to assume, of whether the Debtor *590 qualifies as an ESP and is exempt from paying access charges (the "ESP Issue") requires the Court to examine and take into account certain definitions under the Telecommunications Act of 1996 (the "Telecom Act"), and certain regulations and rulings of the Federal Communications Commission ("FCC"). None of the parties have demonstrated, however, that this is a matter of first impression or that any conflict exists between the Bankruptcy Code and non-Code cases. Thus, the Court may decide the ESP issues for purposes of the motion to assume.

[3] Several witnesses testified on the issues before the Court. Mr. Birdwell and the other representatives of the Debtor were credible in their testimony about the Debtor's business operations and services. The record establishes by a preponderance of the evidence that the service provided by Debtor is distinguishable from AT & T's specific service in a number of material ways, including, but not limited to, the following:

- (a) Debtor is not an interexchange (long-distance) carrier.
- (b) Debtor does not hold itself out as a long-distance carrier.
- (c) Debtor has no retail long-distance customers.
- (d) The efficiencies of Debtor's network result in reduced rates for its customers.
- (e) Debtor's system provides its customers with enhanced capabilities.
- (f) Debtor's system changes the content of every call that passes through it.

On its face, the AT & T Order is limited to AT & T and its specific services. This Court holds, therefore, that the AT & T Order does not control the determination of the ESP Issue in this case.

The term "enhanced service" is defined at 47 CFR § 67.702(a) as follows:

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For the purpose of this subpart, the term enhanced service shall refer to services, offered over common carrier transmission facilities used in interstate communications, which employ computer processing applications that act on the format, content, code, protocol or similar aspects of the subscriber's transmitted information; provide the subscriber additional, different, or restructured information; or involve subscriber interaction with stored information. Enhanced services are not regulated under title II of the Act.

The term "information service" is defined at 47 USC § 153(20) as follows:

The term "information service" means the offering of a capability for generating, acquiring, storing, transforming, processing, retrieving, utilizing, or making available information via telecommunications, and includes electronic publishing, but does not include any use of any such capability for the management, control, or operation of a telecommunications system or the management of a telecommunications service.

Dr. Bernard Ku, who testified for SBC was a knowledgeable and impressive witness. However, during cross examination, he agreed that he was not familiar with the legal definition for enhanced service.

The definitions of "enhanced service" and "information service" differ slightly, to the point that all enhanced services are information services, but not all information services are also enhanced services. See First Report And Order, *In the Matter of Implementation of the Non-Accounting Safeguards of Sections 271 and 272 of the Communications Act of 1934*, as amended, 11 FCC Rcd 21905 (1996) at ¶ 103.

The Telecom Act defines the terms "telecommunications" and "telecommunications*591 service" in 47 USC § 153(43) and (46), respectively, as follows:

The term "telecommunications" means the transmission, between or among points specified by the user, of information of the user's choosing, *without change in the form or content* of the information as sent and received. (emphasis added).

The term "telecommunications service" means the

offering of *telecommunications* for a fee directly to the public, or to such class of users as to be effectively available directly to the public, regardless of the facilities used. (emphasis added).

These definitions make clear that a service that routinely changes either the form or the content of the transmission would fall outside of the definition of "telecommunications" and therefore would not constitute a "telecommunications service."

Whether a service pays access charges or end user charges is determined by 47 C.F.R. § 69.5, which states in relevant part as follows:

(a) End user charges shall be computed and assessed upon end users ... as defined in this subpart, and as provided in subpart B of this part. (b) Carrier's carrier charges [i.e., access charges] shall be computed and assessed upon all interexchange carriers that use local exchange switching facilities *for the provision of interstate or foreign telecommunications services*, (emphasis added).

As such, only telecommunications services pay access charges. The clear reading of the above provisions leads to the conclusion that a service that routinely changes either the form or the content of the telephone call is an enhanced service and an information service, not a telecommunications service, and therefore is required to pay end user charges, not access charges.

Based on the evidence and testimony presented at the hearing, the Court finds, for purposes of the § 365 motion before it, that the Debtor's system fits squarely within the definitions of "enhanced service" and "information service," as defined above. Moreover, the Court finds that Debtor's system falls outside of the definition of "telecommunications service" because Debtor's system routinely makes non-trivial changes to user-supplied information (content) during the entirety of every communication. Such changes fall outside the scope of the operations of traditional telecommunications networks, and are not necessary for the ordinary management, control or operation of a telecommunications system or the management of a telecommunications service. As such, Debtor's service is not a "telecommunications service" subject to access charges, but rather

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is an information service and an enhanced service that must pay end user charges. Judge Felsenthal made a similar finding in his order approving the sale of the assets of DataVoN to the Debtor, that DataVoN provided "enhanced information services". See Order Granting Motion to Sell, 02-38600-SAF-11, no. 465, entered May 29, 2003. The Debtor now uses DataVoN's assets in its business.

Because the Court has determined that the Debtor's service is an "enhanced service" not subject to the payment of access charges, the Debtor has met its burden of demonstrating adequate assurance of future performance under the Master Agreement. The Debtor has demonstrated that it is within Debtor's reasonable business judgment to assume the Master Agreement.

Regardless of the ability of the Debtor to assume this agreement, the Court cannot go further in its ruling, as the Debtor has requested to order AT & T to resume *592 providing service to the Debtor under the Master Agreement. The Court has reached the conclusions stated herein in the context of the § 365 motion before it and on the record made at the hearing. An injunction against AT & T would require an adversary proceeding, a lawsuit. Both the Debtor and AT & T are still bound by the exclusive jurisdiction provision in § 13.6 of the Master Agreement, as found by the United States District Court for the Northern District of Texas, Hon. Terry R. Means. As Judge Means ruled, any suit brought to enforce the provisions of the Master Agreement must be brought in New York.

IV. Conclusion

In conclusion, the Court finds that the provisions of 11 U.S.C. § 365 have been met in this case. Because the Court finds that the Debtor's service is an enhanced service, not subject to payment of access charges, it is therefore within Debtor's reasonable business judgment to assume the Master Agreement with AT & T.

Only the Debtor offered evidence of the cure amounts at the hearing. Based on the record at the hearing, the current outstanding balance due from Debtor to AT & T is \$103,262.55. To assume the Master Agreement, the Debtor must pay this Cure Amount to AT & T within ten (10) days of the entry of the Court's order on this opinion.

A separate order will be entered consistent with

this memorandum opinion.

Bkrcty.N.D.Tex.,2005.
In re Transcom Enhanced Services, LLC
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END OF DOCUMENT

EXHIBIT 4

TO
HALO WIRELESS, INC. AND TRANSCOM ENHANCED SERVICES, INC.'S
ANSWERS ON ISSUES 1-8 IN THE NOTICE OF PROCEEDING



U.S. BANKRUPTCY COURT
NORTHERN DISTRICT OF TEXAS
Schedule JSM-1
ENTERED
TAWANA C. MARSHAL, CLERK
THE DATE OF ENTRY IS
ON THE COURT'S DOCKET

The following constitutes the order of the Court.

Signed May 28, 2003.

United States Bankruptcy Judge

IN THE UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

IN RE:

DATAVON, INC., et al.,

DEBTORS.

§ CASE NO. 02-38600-SAF-11
§ (Jointly Administered)
§ CHAPTER 11
§
§
§

ORDER GRANTING MOTION FOR ENTRY OF ORDERS (i) AUTHORIZING AND APPROVING SALE OF SUBSTANTIALLY ALL ASSETS FREE AND CLEAR OF LIENS, CLAIMS, ENCUMBRANCES, INTERESTS AND EXEMPT FROM ANY STAMP, TRANSFER, RECORDING OR SIMILAR TAX; (ii) AUTHORIZING ASSUMPTION AND ASSIGNMENT OF EXECUTORY CONTRACTS AND UNEXPIRED LEASES; (iii) ESTABLISHING AUCTION DATE, RELATED DEADLINES AND BID PROCEDURES; (iv) APPROVING THE FORM AND MANNER OF SALE NOTICES; AND (v) APPROVING BREAK-UP FEES IN CONNECTION WITH THE SOLICITATION OF HIGHER OR BETTER OFFERS

Upon the motion of DataVoN, Inc. ("DataVoN"), DTVN Holdings, Inc. ("DTVN"), Zydeco Exploration, Inc. ("Zydeco"), and Video Intelligence, Inc. ("VI") (collectively, the "Debtors") dated December 31, 2002, for, among other things, entry of an order under 11 U.S.C. §§ 105(a), 363, 365 and 1146(c), and Fed.R.Bankr.P. 2002, 6004, 6006 and 9014 (i) authorizing

ORDER GRANTING MOTION FOR ENTRY OF ORDERS
(i) AUTHORIZING AND APPROVING SALE OF SUBSTANTIALLY ALL ASSETS FREE AND CLEAR OF LIENS, CLAIMS, ENCUMBRANCES, INTERESTS AND EXEMPT FROM ANY STAMP, TRANSFER, RECORDING OR SIMILAR TAX, ETC. - Page 1

and approving the sale of substantially all of the assets of the estate free and clear of liens, claims, encumbrances, interests and exempt from any stamp, transfer, recording or similar tax; (ii) authorizing the assumption and assignment of various executory contracts and unexpired leases; (iii) establishing an auction date, related deadlines and bid procedures in connection with the asset sale; (iv) approving the form and manner of sale notices to be sent to potential bidders, creditors and parties-in-interest; and (v) approving certain break-up fees in connection with the solicitation of higher or better offers for the assets (the "Sales Motion");¹ and the Court having entered on February 20, 2003 an order with respect to the Sale (i) Establishing Auction Date, Related Deadlines and Bid Procedures; (ii) Approving the Form and Manner of Sales Notices; and (iii) Approving Break-up Fees in Connection with the Solicitation of Higher or Better Offers (the "Bid Procedures Order"), that scheduled a hearing on the Sale Motion (the "Sale Hearing") and set an objection deadline with respect to the Sale; and the Sale Hearing having been commenced on April 1, 2003; and the Court having reviewed and considered the Sales Motion, the objections thereto, if any, and the arguments of counsel made and the evidence proffered or adduced at the Sale Hearing; and it appearing that the relief requested in the Sales Motion is in the best interests of the Debtors, their estates, creditors and other parties in interest; and upon the record of the Sale Hearing and in this case; and after due deliberation thereon; and good cause appearing therefore; it is hereby

FOUND AND DETERMINED THAT:²

1. The Court has jurisdiction over the Sales Motion pursuant to 28 U.S.C. § 1334.

¹ Unless otherwise defined, capitalized terms used herein shall have the meanings ascribed to them in the Sales Motion.

² Findings of fact shall be construed as conclusions of law and conclusions of law shall be construed as findings of fact when appropriate. See Fed. R. Bankr. P. 7052.

This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2). Venue in this district is proper under 28 U.S.C. §§ 1408 and 1409.

2. The statutory predicates for the relief sought in the Sales Motion are §§ 105(a), 363(b), (f), (m), and (n), 365, and 1146(c) of the United States Bankruptcy Code (11 U.S.C. §§ 101-1330, as amended (the “Bankruptcy Code”)) and Fed.R.Bankr.P. 2002, 6004, 6006 and 9014.

3. As evidenced by the certificates of service and publication previously filed with the Court, and based on the representations of counsel at the Sale Hearing, (i) proper, timely, adequate and sufficient notice of the Sales Motion, the Sale Hearing, and the Sale has been provided in accordance with Bankruptcy Code §§ 105(a), 363, 365 and 1146(c), and Fed.R.Bankr.P. 2002, 6004, 6006 and 9014 and in compliance with the Bidding Procedures Order; (ii) such notice was good and sufficient, and appropriate under the particular circumstances; and (iii) no other or further notice of the Sales Motion, the Sale Hearing, or the Sale is or shall be required.

4. As evidenced by the certificates of service and publication previously filed with the Court, and based on the representations of counsel at the Sale Hearing, (i) proper, timely, adequate and sufficient notice of the assumption and assignment of the Assumed Contracts and the cure payments to be made therefore has been provided in accordance with Bankruptcy Code §§ 105(a) and 365 and Fed.R.Bankr.P. 9014; (ii) such notice was good and sufficient; and (iii) no other or further notice of the assumption and assignment of the Assumed Contracts is or shall be required.

5. As demonstrated by: (i) the testimony and other evidence proffered or adduced at

the Sale Hearing and (ii) the representations of counsel made on the record at the Sale Hearing, the Debtors and the Bid Selection Committee marketed the Assets and conducted the Sale process in compliance with the Bidding Procedures Order.

6. The Debtors: (i) have full corporate power and authority to execute the Agreement and all other documents contemplated thereby, and the sale of the Assets by the Debtors has been duly and validly authorized by all necessary corporate action of the Debtors; (ii) have all of the corporate power and authority necessary to consummate the transactions contemplated by the Agreement; and (iii) have taken all corporate action necessary to authorize and approve the Agreement and the consummation by the Debtors of the transactions contemplated thereby. No consents or approvals other than those expressly provided for in the Agreement are required for the Debtors to consummate such transactions.

7. Approval of the Agreement and consummation of the Sale at this time are in the best interests of the Debtors, their estates, their creditors, and other parties in interest.

8. The Debtors have demonstrated both (i) good, sufficient, and sound business purpose and justification and (ii) compelling circumstances for the Sale pursuant to Bankruptcy Code § 363(b) prior to, and outside of, a plan of reorganization in that, among other things:

a. The Debtors and the Bid Selection Committee diligently and in good faith marketed the Assets to secure the highest and best offer therefore. Further, the Debtors and the Bid Selection Committee published a notice substantially in the form of the Sale Notice in *The Wall Street Journal*. The terms and conditions set forth in the Agreement, and the transfer to Purchaser of the Assets pursuant thereto, represent a fair and reasonable purchase price and constitute the highest and best offer obtainable for the Assets.

b. A sale of the Assets at this time to Purchaser pursuant to Bankruptcy Code § 363(b) is the only viable alternative to preserve the value of the Assets and to maximize the Debtors' estates for the benefit of all constituencies. Delaying approval of the Sale may result in Purchaser's termination of the Agreement and result in an alternative

outcome that will achieve far less value for creditors.

c. Except as otherwise provided in this Sale Order, the cash proceeds of the Sale will be distributed to the Debtors' administrative and pre-petition creditors under the terms of a confirmed liquidating Chapter 11 plan.

d. The highest and best offer received for the purchase of the Assets came from Transcom Communications, Inc. ("Transcom" or "Purchaser").

9. On March 3, 2003, the Debtors filed their Notice of Cure Amounts Under Contracts and Leases that may be Assumed and Assigned to Purchaser of Substantially All of Debtors' Assets, detailing the executory contracts that may be assumed and assigned to the successful purchaser of the Debtors' assets (the "Assumed Contracts"). The Cure Notice not only fixed the Cure Amount for each contract for any non-objecting party, but also constituted a waiver by any non-objecting party to the assumption and assignment of the various contracts to the Purchaser. The Assumed Contracts are unexpired and executory contracts within the meaning of the Bankruptcy Code. Pursuant to the Agreement, the Purchaser shall cure all monetary defaults under the Assumed Contracts as provided for in the Notice or as agreed between the parties to any Assumed Contract. There are no non-monetary defaults requiring cure. The Sale satisfies the requirements of Bankruptcy Code § 365(b). The Debtors are not required to cure any defaults of the kind described in Bankruptcy Code § 365(b)(2). The Purchaser's excellent financial health and own expertise in the telecommunications industry provide adequate assurance of future performance to all non-debtor parties to Assumed Contracts. Pursuant to Bankruptcy Code § 365(f), all restrictions on assignment in any of the Assumed Contracts are unenforceable against the Debtors and all Assumed Contracts may lawfully be assigned to the Purchaser.

10. A reasonable opportunity to object or be heard with respect to the Sale Motion

and the relief requested therein has been afforded to all interested persons and entities, including:

- (i) each and every holder of a “claim” (as defined in Bankruptcy Code § 101(5)) against the Debtors;
- (ii) each and every holder of an equity or other interest in the Debtors;
- (iii) each and every contractor and subcontractor that has performed any services or otherwise dealt with any of the Assets;
- (iv) each and every Governmental Entity with jurisdiction over the Debtors or any of the Assets;
- (v) each and every holder of an Encumbrance on any of the Assets;
- (vi) the Office of the United States Trustee for the Northern District of Texas;
- (vii) the Official Committee of Unsecured Creditors appointed in the Debtors’ cases under the Bankruptcy Code, if any;
- (viii) any and all other persons and entities upon whom the Debtors are required (pursuant to the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure or any order of the Court) to serve notice;
- (ix) any and all other persons and entities upon whom Purchaser instructed Seller to serve notice; and
- (x) any parties who are on the list of prospective purchasers maintained by CRP.

11. The Agreement was negotiated, proposed, and entered into by the Debtors, CRP, members of the Bid Selection Committee, and Purchaser without collusion, in good faith, and from arm’s-length bargaining positions. None of the Debtors, CRP, members of the Bid Selection Committee, and the Purchaser has engaged in any conduct that would cause or permit the Agreement to be avoided under Bankruptcy Code § 363(n).

12. Purchaser is a good faith purchaser under Bankruptcy Code § 363(m) and, as such, is entitled to all of the protections afforded thereby. Purchaser will be acting in good faith within the meaning of Bankruptcy Code § 363(m) in closing the transactions contemplated by the Agreement at all times after the entry of this Sale Order.

13. The consideration provided by Purchaser for the Assets pursuant to the

Agreement: (i) is fair and reasonable, (ii) is the highest and best offer for the Assets, (iii) will provide a greater recovery for the Debtors' creditors than would be provided by any other practical, available alternative, and (iv) constitutes reasonably equivalent value and fair consideration under the Bankruptcy Code.

14. The Sale must be approved promptly in order to preserve the value of the Assets.

15. The transfer of the Assets to Purchaser will be a legal, valid, and effective transfer of such Assets, and will vest Purchaser with all right, title, and interest of the Debtors to such Assets free and clear of all Interests, including those: (i) that purport to give any party a right or option to effect any forfeiture, modification, right of first refusal, or termination of the Debtors' or Purchaser's interest in such Assets, or any similar rights, or (ii) relating to taxes arising under, out of, in connection with, or in any way relating to the operation of the Debtors' business prior to the date (the "Closing Date") of the consummation of the Agreement (the "Closing").

16. Purchaser would not have entered into the Agreement, and would not have been willing to consummate the transactions contemplated thereby, if the sale of the Assets to Purchaser were not free and clear of all Interests, or if Purchaser would, or in the future could, be liable for any of the Interests. Thus, any ruling that the sale of Assets was not free and clear of all Interests, or that Purchaser would, or in the future could, be liable for any Interests would adversely affect the Debtors, their estates, and their creditors.

17. The Debtors may sell the Assets free and clear of all Interests because, in each case, one or more of the standards set forth in Bankruptcy Code §§ 363(f)(1)-(5) has been satisfied. Those holders of Interests who did not object, or who withdrew their objections, to the Sale or the Sales Motion are deemed to have consented pursuant to Bankruptcy Code § 363(f)(2).

Those holders of Interests who did object fall within one or more of the other subsections of Bankruptcy Code § 363(f) and are adequately protected by having their Interests, if any, attach to the cash proceeds of the Sale.

18. Except with respect to the payment of the Cure Amounts and the Assumed Liabilities, the transfer of the Assets to Purchaser will not subject Purchaser, prior to the Closing Date, to any liability whatsoever with respect to the operation of the Debtors' business or by reason of such transfer under the laws of the United States, any state, territory, or possession thereof, or the District of Columbia, based, in whole or in part, directly or indirectly, on any theory of law or equity, including, without limitation, any theory of equitable subordination or successor or transferee liability.

19. The valuations placed by the Bid Selection Committee on the Purchaser's bid are fair and reasonable and reflect fair and reasonable consideration for the sale of the Assets.

20. Through DataVoN, the primary operating subsidiary, the Debtors provide enhanced information services, including toll-quality voice and data services utilizing converged, Internet protocol (IP) transmitted over private IP networks. DataVoN, Inc., the primary operating subsidiary of the Debtors is a provider of wholesale enhanced information services. DataVoN provides toll quality voice and data communications services over private IP networks (VoIP) to carrier and enterprise customers. Companies who deploy soft switch equipment on an IP network can provide high quality video, voice, and data services while retaining flexibility, scalability, and cost efficiencies. DTVN is a holding company with no operations of its own. DataVoN's information services include voice origination, voice termination, 8xx origination and termination, utilizing voice over IP technology. VI formerly provided video services. That

line of business has been withdrawn. Zydeco, once the manager of DTVN's corporate oil and gas holdings, sold most of its assets in the third quarter of 2001 and retains only nominal activity.

21. Objections to the Sales Motion were filed by Cisco Systems, Inc. and Unipoint Holdings, Inc. with respect to certain aspects of the Sales Motion. Those objections were resolved by settlement terms announced on the record as follows: (1) the "Transcom Note" as set forth in section 9.32(g) of the Agreement shall be modified to provide that the original principal amount of the note may not be less than \$1,282,539 and that such principal and accrued interest, if any, may be offset only by an allowed secured claim of Transcom as set forth in a final order; (2) the interest accruing on any allowed secured claim of Transcom, if any, will be equal to and shall not exceed an offsetting interest under the Transcom Note; (3) *on the Closing Date of the Sale, Transcom shall wire transfer the sum of \$100,000 to Unipoint, per Unipoint's instructions, in connection with that certain Reimbursement Agreement executed by and between Unipoint and Transcom;* (4) Transcom will, at Closing, pay \$440,000.00, to Hughes & Luce, LLC, to be held in Hughes & Luce, L.L.P.'s IOLTA Trust Account, in trust for the payment of Cisco's administrative claim in this case in accordance with the Term Sheet by and between Cisco and the Debtors as approved by the Court in its Order dated March 26, 2003, with such funds to be wire transferred by Hughes & Luce, L.L.P., pursuant to written instructions of Cisco, no later than 72 hours after the date of Closing of the Sale; and (5) Transcom shall amend the Agreement to reflect that Transcom is not acquiring net operating losses of the Debtors. Each of the foregoing terms shall be collectively referred to hereafter as the "Settlement Terms."

22. All cash consideration paid on the date of Closing of the Sale ("Sale Proceeds") shall be delivered to Hughes & Luce, L.L.P. ("H&L") and shall be placed in H&L's IOLTA

Trust Account. In addition to the Sale Proceeds, pursuant to the Settlement Terms, \$440,000.00 shall be delivered to H&L, to be disbursed to Cisco pursuant to written instructions of Cisco, no later than 72 hours after the date of Closing of the Sale. Pursuant to the terms of that certain Order approving employee stay put bonuses, \$344,860.54 of the Sale Proceeds, if delivered to H&L, shall be disbursed to the DataVoN, Inc. payroll account pursuant to written instructions from DataVoN, Inc., for the purpose of funding the employee stay put bonuses. After the aforesaid disbursements to Cisco and for the employee stay put bonuses, all remaining Sale Proceeds delivered to H&L shall be held in H&L's IOLTA Trust Account until the earlier to occur of (i) Confirmation of the Plan and creation of the Liquidating Trust, at which time H&L shall transfer such remaining Sale Proceeds to the Liquidating Trust by wire transfer, pursuant to the written instructions of the Liquidating Trustee, (ii) receipt by H&L of written Order of the Court ordering disbursement of the Sale Proceeds if the Plan is not Confirmed, or (iii) June 30, 2003, and petition by H&L to the Court requesting further direction of the Court regarding disbursement of remaining Sale Proceeds.

NOW THEREFORE, IT IS HEREBY:

General Provisions

ORDERED that the Sales Motion is granted, as further described herein; it is further

ORDERED that all objections to the Sales Motion or to the relief requested therein that have not been withdrawn, waived, or settled and all reservations of rights included in any objection to the Sales Motion are hereby overruled on the merits; it is further

ORDERED that the Court's findings and conclusions stated at the Sale Hearing are incorporated herein; it is further

ORDER GRANTING MOTION FOR ENTRY OF ORDERS
(i) AUTHORIZING AND APPROVING SALE OF SUBSTANTIALLY
ALL ASSETS FREE AND CLEAR OF LIENS, CLAIMS,
ENCUMBRANCES, INTERESTS AND EXEMPT FROM ANY
STAMP, TRANSFER, RECORDING OR SIMILAR TAX, ETC. - Page 10

Approval of the Agreement

ORDERED that the Agreement as modified by the Settlement Terms, and all of the terms and conditions thereof, are hereby approved; it is further

ORDERED that pursuant to Bankruptcy Code § 363(b), the Debtors are authorized and directed to consummate the Sale as modified by the Settlement Terms, pursuant to and in accordance with the terms and conditions of the Agreement as modified by the Settlement Terms; it is further

ORDERED that the Debtors are authorized and directed to execute and deliver, and empowered to perform under, consummate and implement, the Agreement as modified by the Settlement Terms, together with all additional instruments and documents that may be reasonably necessary or desirable to implement the Agreement as modified by the Settlement Terms, and to take all further actions as may be requested by Purchaser for the purpose of assigning, transferring, granting, conveying and conferring the Assets to Purchaser or as may be necessary or appropriate to the performance of the obligations as contemplated by the Agreement as modified by the Settlement Terms; it is further

ORDERED that on the Closing Date of the Sale, the Debtors and Hughes & Luce, L.L.P. ("H&L") shall (i) refund the \$50,000 deposit paid by Unipoint Holdings, Inc. ("Unipoint") and held by H&L in its IOLTA trust account by wire transfer per written instructions from Unipoint, (ii) refund the \$50,000 deposit paid by CNM Network Inc. ("CNM") and held by H&L in its IOLTA trust account by wire transfer per written instructions from CNM, and (iii) provided Transcom substitutes the equivalent sum on the Closing Date of the Sale, refund the \$50,000

deposit paid by Transcom and Sowell and held by H&L in its IOLTA trust account by wire transfer per written instructions from Transcom; it is further

Assignment and Assumption of Assumed Contracts

ORDERED that the Debtors are hereby authorized and directed, in accordance with § 365(b) of the Bankruptcy Code: (i) to assume and assign to the Purchaser the Assumed Contracts, with the Purchaser being responsible for the cure amounts specified in Exhibit "A" attached hereto (the "Cure Amounts") and (ii) to execute and deliver to the Purchaser such assignment documents as may be necessary to sell, assign, and transfer the Assumed Contracts. The Purchaser shall provide no adequate assurance of future performance under the Assumed Contracts, other than its promise to perform pursuant to the terms and conditions of the Assumed Contracts. Pursuant to Bankruptcy Code §§ 365(a), (b), (c) and (f), the Purchaser is directed to pay the Cure Amounts on the Closing Date, within a reasonable period of time thereafter, or as agreed by the Purchaser with the non-debtor party or parties to any Assumed Contract; it is further

ORDERED that upon the closing of the Agreement in accordance with this Order, any and all defaults under the Assumed Contracts shall be deemed cured in all respects; it is further

ORDERED that all provisions limiting the assumption and/or assignment of any of the Assumed Contracts are invalid and unenforceable pursuant to Bankruptcy Code § 365(f); it is further

Transfer of Assets

ORDERED that pursuant to Bankruptcy Code §§ 105(a) and 363(f), all Assets shall be transferred to Purchaser as of the Closing Date, and all Assets shall be free and clear of all

ORDER GRANTING MOTION FOR ENTRY OF ORDERS
(i) AUTHORIZING AND APPROVING SALE OF SUBSTANTIALLY
ALL ASSETS FREE AND CLEAR OF LIENS, CLAIMS,
ENCUMBRANCES, INTERESTS AND EXEMPT FROM ANY
STAMP, TRANSFER, RECORDING OR SIMILAR TAX, ETC. - Page 12

Interests, with all such Interests to attach to the net proceeds of the Sale in the order of their priority, with the same validity, force, and effect which they now have as against the Assets, subject to any claims and defenses the Debtors may possess with respect thereto; it is further

ORDERED that except as expressly permitted or otherwise specifically provided by the Agreement as modified by the Settlement Terms or this Sale Order, all persons and entities, including, but not limited to, all debt security holders, equity security holders, governmental, tax, and regulatory authorities, lenders, trade and other creditors holding Interests against or in the Debtors or the Assets (whether legal or equitable, secured or unsecured, matured or unmatured, contingent or non-contingent, senior or subordinated), arising under, out of, in connection with, or in any way relating to the Debtors, the Assets, the operation of the Debtors' businesses prior to the Closing Date, or the transfer of the Assets to Purchaser, are hereby forever barred, estopped, and permanently enjoined from asserting against Purchaser or its successors or assigns, their property, or the Assets, such persons' or entities' Interests; it is further

ORDERED that the transfer of the Assets to Purchaser pursuant to the Agreement as modified by the Settlement Terms constitutes a legal, valid, and effective transfer of the Assets and shall vest Purchaser with all right, title, and interest of the Debtors in and to all Assets free and clear of all Interests; it is further

Additional Provisions

ORDERED that the consideration provided by Purchaser for the Assets under the Agreement as modified by the Settlement Terms shall be deemed to constitute reasonably equivalent value and fair consideration under the Bankruptcy Code and under the laws of the United States, any state, territory, possession thereof, or the District of Columbia; it is further

ORDER GRANTING MOTION FOR ENTRY OF ORDERS
(i) AUTHORIZING AND APPROVING SALE OF SUBSTANTIALLY
ALL ASSETS FREE AND CLEAR OF LIENS, CLAIMS,
ENCUMBRANCES, INTERESTS AND EXEMPT FROM ANY
STAMP, TRANSFER, RECORDING OR SIMILAR TAX, ETC. - Page 13

ORDERED that the consideration provided by Purchaser for the Assets under the Agreement as modified by the Settlement Terms is fair and reasonable and may not be avoided under Bankruptcy Code § 363(n); it is further

ORDERED that on the Closing Date of the Sale, each of the Debtors' creditors is authorized and directed to execute such documents and take all other actions as may be necessary to release its Interests in the Assets, if any, as such Interests may have been recorded or may otherwise exist; it is further

ORDERED that this Sale Order (a) shall be effective as a determination that, on the Closing Date, all Interests existing as to the Debtors or the Assets prior to the Closing have been unconditionally released, discharged, and terminated, and that the conveyances described herein have been effected, and (b) shall be binding upon and shall govern the acts of all entities including without limitation, all filing agents, filing officers, title agents, title companies, recorders of mortgages, recorders of deeds, registrars of deeds, administrative agencies, governmental departments, secretaries of state, federal, state, and local officials, and all other persons and entities who may be required by operation of law, the duties of their office, or contract, to accept, file, register or otherwise record or release any documents or instruments, or who may be required to report or insure any title or state of title in or to any of the Assets; it is further

ORDERED that each and every federal, state, and local governmental agency or department is hereby directed to accept any and all documents and instruments necessary and appropriate to consummate the transactions contemplated by the Agreement; it is further

ORDERED that if any person or entity that has filed financing statements, mortgages, mechanic's liens, *lis pendens*, or other documents or agreements evidencing Interests in the Debtors or the Assets shall not have delivered to the Debtors prior to the Closing Date, in proper form for filing and executed by the appropriate parties, termination statements, instruments of satisfaction, releases of all Interests which the person or entity has with respect to the Debtors or the Assets or otherwise, then (a) the Debtors are hereby authorized and directed to execute and file such statements, instruments, releases and other documents on behalf of the person or entity with respect to the Assets and (b) Purchaser is hereby authorized to file, register, or otherwise record a certified copy of this Sale Order, which, once filed, registered, or otherwise recorded, shall constitute conclusive evidence of the release of all Interests in the Assets of any kind or nature whatsoever; it is further

ORDERED that Purchaser shall not have any liability or responsibility for any liability or other obligation of the Debtors arising under or related to the Assets, other than payment of the Cure Amounts, the amounts specified in the Settlement Terms and the Assumed Liabilities and its obligations to perform under the Assumed Contracts after the Closing Date. Without limiting the generality of the foregoing, Purchaser shall not be liable for any claims against the Debtors or any of their predecessors or affiliates, and Purchaser shall not have any successor or vicarious liabilities of any kind or character whether known or unknown as of the Closing Date, now existing or hereafter arising, whether fixed or contingent, with respect to the Debtors or any obligations of the Debtors arising prior to the Closing Date except as specified in the Settlement Terms; it is further

ORDERED that under no circumstances shall Purchaser be deemed a successor of or to the Debtors for any Interest against or in the Debtors or the Assets of any kind or nature whatsoever. The sale, transfer, assignment and delivery of the Assets shall not be subject to any Interests, and Interests of any kind or nature whatsoever shall remain with, and continue to be obligations of, the Debtors. All persons holding Interests against or in the Debtors or the Assets of any kind or nature whatsoever shall be, and hereby are, forever barred, estopped, and permanently enjoined from asserting, prosecuting, or otherwise pursuing such Interests against Purchaser, its successors and assigns, its properties, or the Assets with respect to any Interest of any kind or nature whatsoever such person or entity had, has, or may have against or in the Debtors, their estates, officers, directors, shareholders, or the Assets. Following the Closing Date no holder of an Interest in the Debtors shall interfere with Purchaser's title to or use and enjoyment of the Assets based on or related to such Interest, or any actions that the Debtors may take in its chapter 11 case; it is further

ORDERED that subject to, and except as otherwise provided in, the Bidding Procedures Order, any amounts that become payable by the Debtors pursuant to the Agreement or any of the documents delivered by the Debtors pursuant to or in connection with the Agreement shall (a) constitute administrative expenses of the Debtors' estate and (b) be paid by the Debtors in the time and manner as provided in the Agreement without further order of this Court; it is further

ORDERED that this Court retains jurisdiction to enforce and implement the terms and provisions of the Agreement, the Settlement Terms, and all amendments thereto, any waivers and consents thereunder, and of each of the documents executed in connection therewith in all respects, including, but not limited to, retaining jurisdiction to (a) compel delivery of the Assets

to Purchaser, (b) resolve any disputes arising under or related to the Agreement except as otherwise provided therein, (c) interpret, implement, and enforce the provisions of this Sale Order, and (d) protect Purchaser against any Interests in the Debtors or the Assets; it is further

ORDERED that nothing contained in any plan of liquidation confirmed in these cases or in any final order of this Court confirming such plan shall conflict with or derogate from the provisions of the Agreement, the Settlement Terms, or the terms of this Sale Order; it is further

ORDERED that the transfer of the Assets pursuant to the Sale shall not subject Purchaser to any liability with respect to the operation of the Debtors' business prior to the Closing Date or by reason of such transfer under the laws of the United States, any state, territory, or possession thereof, or the District of Columbia, based, in whole or in part, directly or indirectly, on any theory of law or equity, including, without limitation, any theory of equitable subordination or successor or transferee liability; it is further

ORDERED that the transactions contemplated by the Agreement as modified by the Settlement Terms are undertaken by Purchaser in good faith, as that term is used in Bankruptcy Code § 363(m), and accordingly, the reversal or modification on appeal of the authorization provided herein to consummate the Sale shall not affect the validity of the Sale to Purchaser, unless such authorization is duly stayed pending such appeal. Purchaser is a purchaser in good faith of the Assets and is entitled to all of the protections afforded by Bankruptcy Code § 363(m); it is further

ORDERED that the terms and provisions of the Agreement, the Settlement Terms and this Sale Order shall be binding in all respects upon, and shall inure to the benefit of, the Debtors, their estates, and their creditors, Purchaser, and their respective affiliates, successors

and assigns, and any affected third parties including, but not limited to, all persons asserting Interests in the Assets, notwithstanding any subsequent appointment of any trustee(s) under any chapter of the Bankruptcy Code. The terms and provisions of the Agreement and of this Sale Order likewise shall be binding on any such trustee(s); it is further

ORDERED that the failure specifically to include any particular provisions of the Agreement in this Sale Order shall not diminish or impair the effectiveness of such provision, it being the intent of the Court that the Agreement as modified by the Settlement Terms be authorized and approved in its entirety; it is further

ORDERED that the Agreement and related agreements, documents, or other instruments may be modified, amended, or supplemented by the parties thereto, in a writing signed by both parties, and in accordance with the terms thereof, without further order of the Court, provided that any such modification, amendment or supplement does not have a material adverse effect on the Debtors' estates or impair the Settlement Terms; it is further

ORDERED that the transfer of the Assets pursuant to the Sale is a transfer pursuant to Bankruptcy Code § 1146(c), and accordingly shall not be taxed under any law imposing a stamp tax or a sale, transfer, or any other similar tax; it is further

ORDERED that as provided by Fed.R.Bankr.P. 6004(g), this Sale Order shall not be stayed for 10 days after the entry of the Sale Order and shall be effective and enforceable immediately upon entry; it is further

ORDERED that the provisions of this Sale Order and the Settlement Terms recited herein are non-severable and mutually dependent; and it is further

ORDERED that in the event that Purchaser fails to close the Sale Agreement as modified by the Settlement Terms on or before June 2, 2003, the Debtors shall close under the next highest bid from Unipoint Holdings, Inc. reflected in its Asset Purchase Agreement of April 25, 2003 (the "Unipoint APA"). In such event, this Order and all of its findings shall be automatically effective as to Unipoint Holdings, Inc. as "Purchaser" and the Unipoint APA as the "Sale Agreement" without further hearing or order of this Court.

END OF ORDER

EXHIBIT A TO SALE ORDER

Non-Debtor Contract Party	Agreement Name/Description	Proposed Cure Amount (as of April 4, 2003)
Broadwing Communication Services, Inc.	Master Service Agreement dated February 28, 2001 as amended and supplemented; Settlement Agreement as approved by Bankruptcy Court Order dated January 28, 2003	\$ 60,000.00
Campbell Road Village (Ippolito)	Gross Standard Shopping Center Lease dated May 19, 2000	\$ 1,455.17
Dell Financial Services	Lease dated August 1, 2001	\$ 10,238.32
Electronic Data Systems Corporation (EDS)	Sublease Agreement September 27, 2002	\$ -
Gulfcoast Workstation Corp	Equipment Lease Agreement dated February 2, 2002	\$ 20,000.00
Illuminet, Inc.	Connectivity Service Agreement dated October 4, 2000	\$ 18,116.95
IpVerse/Nexverse	Software Licenses Agreement dated April 11, 2001	\$ 746,144.25
IX-2 Networks	License Agreement for Use of Collocation Space dated March 28, 2000	\$ -
Looking Glass Networks	Looking Glass Service Agreement dated December 2001	\$ 1,062.00
OneStar Long Distance	Wholesale Service Agreement dated November 12, 2002	\$ -
Pae Tec Communications, Inc.	Wholesale Local Service Agreement dated July 2002	\$ 27,289.38
RiverRock Systems, Ltd.	Application Service Provider Agreement date May 1, 2001	\$ 86,029.48
Sun Microsystems, Inc.	Sun Microsystems, Inc. Customer Agreement dated March 28, 2001	\$ 27,687.33
The CIT Group	Lease Agreement dated October 16, 2001	\$ 1,076.50

EXHIBIT A TO SALE ORDER

Focal Communications Corporation	Master Service Agreement dated June 14, 2001, as amended	As Agreed
Transcom Communication Corporation	Master Service Agreement dated August 15, 2001, as supplemented	\$ 1,192,229.61
Barr Tel/ColoCentral	Master Services Agreement	\$ -
C2C Fiber, Inc. n/k/a Capital Telecommunications, Inc.	Master Services Agreement dated August 31, 2001	\$ -
Cytus Communication	Master Services Agreement dated December 20, 2002	\$ -
ePhone Telecom, Inc.	Master Services Agreement dated April 3, 2002	\$ -
Excel Telecommunications, Inc.	Master Services Agreement dated January 19, 2001	\$ -
Florida Digital Network	Master Services Agreement dated September 7, 2001	\$ -
Go-Comm, Inc.	Master Services Agreement dated April 1, 2002	\$ -
Grande Communications Networks, Inc.	Master Services Agreement dated April 13, 2001	\$ -
IDT Telecom LLC	Master Services Agreement dated February 12, 2002	\$ -
IONEX Telecommunications, Inc.	Master Services Agreement dated October 28, 2002	\$ -
ITC DeltaCom Communications, Inc.	Master Services Agreement dated September 25, 2002	\$ -
ITXC Corporation	Master Services Agreement dated September 31, 2002	\$ -
Linx Communications, Inc.	Master Services Agreement dated June 5, 2002	\$ -
Macro Communications, Inc.	Master Services Agreement dated December 3, 2002	\$ -

EXHIBIT A TO SALE ORDER

Novatel, Inc.	Reciprocal Services Agreement dated January 18, 2002	\$	-
Novolink Communications, Inc.	Reciprocal Services Agreement dated January 10, 2002	\$	-
Orion Telecommunications Corporation	Master Services Agreement dated August 13, 2001	\$	-
TCAST Communications, Inc.	Master Services Agreement dated July 10, 2002	\$	-
Telic Communications, Inc.	Master Services Agreement dated September 21, 2001	\$	-
Transcom Communications, Inc.	Master Services Agreement dated February 16, 2001	\$	-
TXU Communications Telecom Services Company	Master Services Agreement dated April 9, 2002	\$	-
Voice Exchange, Inc.	Master Services Agreement dated May 2, 2002	\$	-
Webtel Wireless, Inc.	Master Services Agreement dated July 19, 2002	\$	-
WorldxChange Corporation	Master Services Agreement dated August 15, 2002	\$	-
World Link Telecom, Inc.	Master Services Agreement dated October 9, 2002	\$	-
XTEL	Master Services Agreement	\$	-
TRC Telecom, Inc.	Master Services Agreement dated December 20, 2001	\$	-
Capital Telecommunications, Inc.	Master Services Agreement dated March 19, 2001	\$	-
SafeTel, Inc.	Master Services Agreement dated June 27, 2002	\$	-
CT Cube LP	Master Services Agreement dated September 25, 2002	\$	-

EXHIBIT A TO SALE ORDER

CGKC&H Rural Cellular #2	Master Services Agreement dated September 25, 2002	\$	-
Dollar Phone Corporation	Master Services Agreement dated February 4, 2003	\$	-
Pae Tec Communications, Inc.	Reciprocal Services Agreement dated July 15, 2002	\$	-
MCI Worldcom Network Services, Inc.	Termination Services Agreement dated July 31, 2001	\$	-
McGregor Bay Communications, Inc.	Agency Agreement dated March 18, 2002	\$	-
Chip Greenberg Studios, Inc.	Agency Agreement dated July 25, 2002	\$	-
CallNet, L.L.C.	Agency Agreement dated June 27, 2001	\$	-
Barry L. Greenspan	Agency Agreement dated January 10, 2002	\$	-
Brandon J. Becicka	Agency Agreement dated May 9, 2002	\$	-
		\$	2,191,328.99

EXHIBIT 5

TO
HALO WIRELESS, INC. AND TRANSCOM ENHANCED SERVICES, INC.'S
ANSWERS ON ISSUES 1-8 IN THE NOTICE OF PROCEEDING



Federal Communications Commission
Wireless Telecommunications Bureau

Schedule JSM-1

1

RADIO STATION AUTHORIZATION

LICENSEE: HALO WIRELESS

ATTN: NATHAN NELSON
HALO WIRELESS
307 WEST 7TH STREET SUITE 1600
FORT WORTH, TX 76102-5114

Call Sign WQJW781	File Number 0003681223
Radio Service NN - 3650-3700 MHz	
Regulatory Status Common Carrier	

FCC Registration Number (FRN): 0018359711

Grant Date 01-27-2009	Effective Date 01-27-2009	Expiration Date 11-30-2018	Print Date 01-27-2009
---------------------------------	-------------------------------------	--------------------------------------	---------------------------------

Market Name: Nationwide

Channel Block: 003650.00000000 - 003700.00000000 MHz

Waivers/Conditions:

This nationwide, non-exclusive license qualifies the licensee to register individual fixed and base stations for wireless operations in the 3650-3700 MHz band. This license does not authorize any operation of a fixed or base station that is not posted by the FCC as a registered fixed or base station on ULS and mobile and portable stations are authorized to operate only if they can positively receive and decode an enabling signal transmitted by a registered base station. To register individual fixed and base stations the licensee must file FCC Form 601 and Schedule M with the FCC. See Public Notice DA 07-4605 (rel November 15, 2007)

Conditions:

Pursuant to §309(h) of the Communications Act of 1934, as amended, 47 U.S.C. §309(h), this license is subject to the following conditions: This license shall not vest in the licensee any right to operate the station nor any right in the use of the frequencies designated in the license beyond the term thereof nor in any other manner than authorized herein. Neither the license nor the right granted thereunder shall be assigned or otherwise transferred in violation of the Communications Act of 1934, as amended. See 47 U.S.C. § 310(d). This license is subject in terms to the right of use or control conferred by §706 of the Communications Act of 1934, as amended. See 47 U.S.C. §606.

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF TEXAS
SHERMAN DIVISION

In Re:) Case No. 11-42464
HALO WIRELESS, INC.,)
Debtor.) Sherman, Texas
September 19, 2011
SECTION 341 MEETING OF
CREDITORS

TRANSCRIPT OF PROCEEDINGS CONDUCTED
BY THE UNITED STATES TRUSTEE

ATTENDEES:

For the U.S. Trustee: John M. Vardeman
OFFICE OF THE UNITED STATES
TRUSTEE
110 N. College Street, Suite 300
Tyler, TX 75702
(903) 590-1450 x218

For the Debtor: E. Paul Keiffer
Kim E. Moses
WRIGHT GINSBERG BRUSLOW
Republic Center, Suite 4150
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(214) 651-6517

For Texas and Missouri
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MCGINNIS, LOCHRIDGE & KILGORE,
LLP
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Proceedings recorded by electronic sound recording;
transcript produced by transcription service.

1 SHERMAN, TEXAS - SEPTEMBER 19, 2011

2 MR. VARDEMAN: This is the meeting of creditors in
3 Bankruptcy Case No. 11-42464, Halo Wireless, Inc. That's the
4 name of the debtor. The Debtor's attorney is Mr. Paul
5 Keiffer, and also Ms. Kim Moses. Both of those are present
6 today. The Debtor's representatives are Russell Wiseman and
7 Jeff Miller. I have checked their driver's licenses, for the
8 record.

9 Mr. Wiseman and Mr. Miller, my name is John Vardeman.
10 I'm an attorney with the U.S. Trustee's Office. I need to
11 swear you in and ask you some questions. Please raise your
12 right hand as I swear you in, and please answer all of my
13 questions out loud. We are recording this.

14 (Mr. Wiseman and Mr. Miller are sworn.)

15 MR. VARDEMAN: And Mr. Wiseman, what is your
16 capacity with the Debtor?

17 MR. WISEMAN: President and Chief Operating Officer.

18 MR. VARDEMAN: And Mr. Miller?

19 MR. MILLER: Chief Financial Officer.

20 MR. VARDEMAN: Okay. Did you help Mr. Keiffer and
21 Ms. Moses in the preparation of the bankruptcy petition, the
22 schedules, and the Statement of Financial Affairs filed in
23 this case?

24 MR. WISEMAN: Yes.

25 MR. MILLER: Yes.

1 MR. VARDEMAN: Is all of the information contained
2 in the bankruptcy filing true and correct?

3 MR. WISEMAN: Yes, to our knowledge.

4 MR. MILLER: Yes.

5 MR. VARDEMAN: Did you list all of the Debtor's
6 assets?

7 MR. WISEMAN: Yes.

8 MR. MILLER: Yes.

9 MR. VARDEMAN: Did you list all of the Debtor's
10 liabilities?

11 MR. WISEMAN: Yes.

12 MR. MILLER: Yes.

13 MR. VARDEMAN: Is there anything in the bankruptcy
14 filing that needs to be changed or corrected at this point?

15 MR. WISEMAN: No.

16 MR. MILLER: No.

17 MR. VARDEMAN: Okay. Mr. Keiffer, as I understand,
18 the Debtor was provided approximately \$50,000 as a retainer
19 in this case. Is that correct?

20 MR. KEIFFER: Correct. Of which \$42,000 was filed
21 with the -- as the actual retainer. The \$8,000 was pre --
22 earned prepetition.

23 MR. VARDEMAN: All right. And there is an
24 application to employ on file. Is that correct?

25 MR. KEIFFER: Already granted.

1 MR. VARDEMAN: Are there going to be any other
2 professionals hired in this case?

3 MR. KEIFFER: There are already two professionals
4 employed by the Court. There are two that remain at issue.

5 MR. VARDEMAN: These are special counsel?

6 MR. KEIFFER: Correct.

7 MR. VARDEMAN: Any CPAs or Realtors or anything, --

8 MR. KEIFFER: No.

9 MR. VARDEMAN: -- valuation experts?

10 MR. KEIFFER: Not at this juncture.

11 MR. VARDEMAN: All right. Where is the debtor in
12 possession account located?

13 MR. MILLER: Wells Fargo.

14 MR. VARDEMAN: Are there any other accounts still
15 open that the Debtor has an interest in?

16 MR. MILLER: No, sir.

17 MR. VARDEMAN: How much money does the Debtor have?
18 Everything?

19 MR. KEIFFER: Today, or on the date of --

20 MR. VARDEMAN: Today. Approximately.

21 MR. MILLER: I don't know that. I mean, --

22 MR. VARDEMAN: Mr. Wiseman, do you know?

23 MR. WISEMAN: I do not know, no.

24 MR. VARDEMAN: Okay. How would you find out?

25 MR. MILLER: I'd just call. I mean, I know at the

1 end of August there was roughly \$300,000 in the account.

2 MR. GERBER: Could you speak up a bit?

3 MR. MILLER: Sure.

4 MR. GERBER: And say it again?

5 MR. MILLER: Sure. At the end of August, there was
6 roughly \$300,000 on the books.

7 MR. VARDEMAN: Is there a cash collateral issue in
8 this case?

9 MR. KEIFFER: No.

10 MR. VARDEMAN: The case was filed on August the 8th.
11 I believe, then, the monthly operating report would be first
12 due tomorrow, on September the 20th, and every 20th of the
13 month thereafter.

14 MR. KEIFFER: Correct. And working on it now.
15 People are working on it now. We should get our first draft
16 this afternoon.

17 MR. VARDEMAN: Are you operating a business?

18 MR. MILLER: Yes.

19 MR. VARDEMAN: Okay. How many employees --

20 MR. KEIFFER: Try to be a little more forceful in
21 your --

22 MR. VARDEMAN: Yeah. We are recording it.

23 MR. MILLER: I'm sorry. Okay.

24 MR. VARDEMAN: How many employees?

25 MR. MILLER: Two employees, and 15 -- 15 --

1 MR. WISEMAN: Contractor/consultants included, or
2 just employees?

3 MR. VARDEMAN: Just employees.

4 MR. MILLER: Two.

5 MR. VARDEMAN: Are you the two employees?

6 MR. WISEMAN: No. Well, he is.

7 MR. MILLER: I am a --

8 MR. VARDEMAN: Okay. And who's the other employee?

9 MR. MILLER: Carolyn Malone.

10 MR. VARDEMAN: All right. Are your wages current
11 since the date of the bankruptcy?

12 MR. MILLER: Yes.

13 MR. VARDEMAN: Tax withholding?

14 MR. MILLER: Yes.

15 MR. VARDEMAN: All the bills that have come due
16 since the date of the bankruptcy, are those current?

17 MR. MILLER: Yes. All right. Can you --

18 MR. KEIFFER: We usually say all the bills that have
19 accrued postpetition and are due currently, we have. There
20 may have been other bills that have come due, but the split,
21 we've -- we'll take the pre and post and take care of that.

22 MR. VARDEMAN: Is it the same answer?

23 MR. MILLER: Yes.

24 MR. VARDEMAN: Okay. Are there any officers that
25 are being compensated? Are you being compensated?

1 MR. MILLER: Yes.

2 MR. VARDEMAN: All right. And how much are you

3 compensated, Mr. Miller?

4 MR. MILLER: \$500 a month.

5 MR. VARDEMAN: Is that it?

6 MR. MILLER: Yes.

7 MR. VARDEMAN: Mr. Wiseman?

8 MR. WISEMAN: Yes, sir?

9 MR. VARDEMAN: Are you being compensated?

10 MR. WISEMAN: Yes.

11 MR. VARDEMAN: How much?

12 MR. WISEMAN: As -- I'm not an employee.

13 MR. VARDEMAN: As an officer?

14 MR. WISEMAN: My annual compensation through my

15 employer is \$200,000 a year.

16 MR. VARDEMAN: Who is your employer?

17 MR. WISEMAN: Source Communications of America.

18 MR. VARDEMAN: All right. Do you receive any

19 compensation from Halo Wireless?

20 MR. KEIFFER: Directly?

21 MR. WISEMAN: Directly? No.

22 MR. VARDEMAN: Okay. Any other officers that

23 receive compensation?

24 MR. MILLER: Carolyn Malone.

25 MR. KEIFFER: Is she an officer or an employee?

1 MR. MILLER: She's an officer and an employee.

2 MR. KEIFFER: All right.

3 MR. VARDEMAN: How much does she get?

4 MR. MILLER: \$500 a month.

5 MR. VARDEMAN: Where do you carry your casualty and
6 liability insurance?

7 MR. MILLER: I'd have to look it up.

8 MR. KEIFFER: I don't know that there's a statement
9 on it. Do you recall, Kim? Do we pay any -- we sent the
10 data to them.

11 MR. VARDEMAN: You've provided that to our office?

12 MR. KEIFFER: Yes. We provided that --

13 MR. VARDEMAN: Okay. Then I'll waive that question
14 for the time being until we have a chance to look at that.

15 Okay. Franchises and licenses: Are there franchises and
16 licenses that the Debtor has?

17 MR. WISEMAN: Would you consider the radio station
18 authorization from the FCC a license?

19 MR. VARDEMAN: I would.

20 MR. KEIFFER: Yes.

21 MR. WISEMAN: Off the top of my head, that's the
22 only one I can think of.

23 MR. VARDEMAN: FCC license? Is there just one?

24 MR. WISEMAN: Yes.

25 MR. VARDEMAN: Are you current with your obligations

1 on that?

2 MR. WISEMAN: There are no obligations on it.

3 MR. KEIFFER: We do have another license listed on
4 Schedule B-23 as Ameliowave software license.

5 MR. VARDEMAN: Okay.

6 MR. KEIFFER: But that's -- I don't know if -- you
7 know, that depends upon whether you consider your Microsoft
8 operating system license as a license.

9 MR. VARDEMAN: Okay. All right.

10 MR. MILLER: Right. It's just a software license.

11 MR. VARDEMAN: Right. Mr. Keiffer, very briefly,
12 tell me how we got here and where we're going. I think
13 everybody knows, though.

14 MR. KEIFFER: Everybody knows and everybody has
15 their opinions on whether they agree with how I put it or
16 not. But the Debtor was facing or involved in at least 20
17 actions in 10 different states, in either public utilities
18 commissions, public service commissions, state district or
19 U.S. district courts, some of which the Debtor brought
20 themselves but most of which they had not, the vast majority
21 they had not.

22 Regarding the nature of the Debtor's operations, that 20
23 -- and, again, continued to increase; it was moving up in
24 time -- litigation sequence was crippling to the Debtor's
25 prospects. The Debtor could not continue, did not have the

1 There may be interim decisions that may make one thing happen
2 and you have to operate under that, but there'll be appellate
3 rights. This matter will not, I suspect, when the first
4 judge makes the first statement about -- at the first battle,
5 that that will be the end of it. I suspect we'll be going up
6 as far as these -- as circumstances will allow us.

7 MR. VARDEMAN: Okay. All right. I understand.

8 Okay. How many creditor groups do we have represented
9 here? If you'll please raise your hand. Okay. I see four
10 hands. Okay. What I'll do is I'll divide your time up ten
11 minutes at a time and we'll go that way and see where we get
12 from at that point.

13 I think we all sat in on the hearing the other day. I
14 know what the issues are in this case. Please understand
15 that the scope of the 341 is basically to find out about the
16 Debtor's assets, liabilities, income and expenses, and their
17 schedules. So let's please limit the questions to those
18 items.

19 It's always ladies first. Ma'am, you're first. Your
20 name and who do you represent?

21 MS. BROWN: Brook Brown.

22 MR. VARDEMAN: Okay.

23 MS. BROWN: And I represent the Texas and Missouri
24 Telephone Companies.

25 MR. VARDEMAN: Do you have questions for the Debtor?

1 MS. BROWN: Yes, I do. Pull up a chair?

2 MR. VARDEMAN: You may. That would be the easiest
3 thing to do.

4 MS. BROWN: Thank you.

5 MR. VARDEMAN: Okay. Go ahead.

6 MS. BROWN: Thank you. Mr. Wiseman and Mr. Miller,
7 could you turn to Schedule B? And can you tell me: Are the
8 base stations with which Halo connects with Transcom, are
9 they shown on this Schedule B?

10 MR. WISEMAN: The base stations that Halo connects
11 to Transcom with? The Halo base stations are leased through
12 a company called SAT Net. So the leasing arrangements are
13 included in the schedules, but the assets themselves are
14 owned by a company called SAT Net.

15 MR. KEIFFER: The SAT Net reference is in Schedule
16 G. And there is a reference at that point in Schedule G that
17 there's an issue of whether it is or isn't a lease. We
18 reserve that point.

19 MS. BROWN: Okay. What is the annual amount of that
20 lease?

21 MR. MILLER: Well, the current payment terms are
22 \$165,000 a month for 12 months.

23 MR. KEIFFER: It would be about \$1,900,000 to \$2
24 million?

25 MR. MILLER: Right. The current --

1 MR. KEIFFER: For an annual.

2 MR. MILLER: The current obligation --

3 MS. BROWN: A month for nine months, did you say?
4 I'm sorry.

5 MR. MILLER: Twelve. Twelve months.

6 MS. BROWN: For 12 months? And when was that --
7 that contract was entered into June 1 of 2010?

8 MR. MILLER: If that's what it says here, that's
9 correct.

10 MS. BROWN: Okay. And SAT Net is also an affiliate
11 of the Debtor?

12 MR. KEIFFER: Under bankruptcy definitions, we
13 believe that to be the case.

14 MS. BROWN: Okay. Mr. Miller, are you president of
15 SAT Net?

16 MR. MILLER: I am.

17 MS. BROWN: Are you an employee of SAT Net?

18 MR. MILLER: I am.

19 MS. BROWN: And Ms. Malone is Secretary/Treasurer of
20 SAT Net?

21 MR. MILLER: She is.

22 MS. BROWN: Are there any other common directors or
23 owners or investors between SAT Net and Halo?

24 MR. MILLER: There are.

25 MS. BROWN: Who are they, please?

1 MR. MILLER: Gary Shapiro, Tim Terrell and Scott
2 Birdwell.

3 MS. BROWN: And where are these base stations
4 located? What is the physical address?

5 MR. MILLER: There's a schedule in the documents
6 that lists the exact address.

7 MS. BROWN: Could you identify that for me, please?

8 MR. MILLER: Okay. Exhibit G-1 is the -- is 27 of
9 the 28 tower site addresses. There is one additional site in
10 Enid, Oklahoma. I don't know that we have the address listed
11 here, but if you need the address I can provide it.

12 MS. BROWN: So is it your -- are you saying that
13 there is a Halo-owned or operated base station at each of the
14 addresses listed on Exhibit G-1?

15 MR. MILLER: Halo has tower leases in each of those
16 locations --

17 MS. BROWN: That's not my question.

18 MR. MILLER: -- from which it operates the base
19 stations which are leased from SAT Net.

20 MS. BROWN: Let me ask my question again. Are the
21 base stations that Halo uses to connect with Transcom, are
22 those base stations physically located at the addresses
23 listed on G-1?

24 MR. MILLER: Yes.

25 MS. BROWN: And I believe that those tower leases

1 are also leases, right, not Halo assets?

2 MR. MILLER: Those are leases. And --

3 MR. KEIFFER: I don't know if I'm going to
4 characterize the leases as being assets are not, but
5 nonetheless they are leases.

6 MS. BROWN: They're not physical property owned by
7 -- the towers are not owned by Halo?

8 MR. MILLER: That's correct.

9 MS. BROWN: They're leased?

10 MR. WISEMAN: Space on the towers are leased. The
11 towers themselves.

12 MS. BROWN: And who are they leased by? Are they
13 leased in Halo's name? Does Halo hold the lease?

14 MR. MILLER: Yes.

15 MS. BROWN: And who is the lessor?

16 MR. MILLER: American Tower in 27 of the locations,
17 and SBA Communications in one of them.

18 MS. BROWN: And who is the second? I'm sorry.

19 MR. MILLER: SBA Communications. That's the one in
20 Enid, Oklahoma.

21 MR. KEIFFER: That's the one we need to add.

22 MS. MOSES: No, it's listed.

23 MR. WISEMAN: It's listed?

24 MR. KEIFFER: In G.

25 MS. MOSES: It's just listed separately.

1 MR. KEIFFER: Yeah. Rural telephonic service. It's
2 been out there forever.

3 MR. WISEMAN: It's a fee that any common carrier has
4 to pay to subsidize rural services across the -- every
5 carrier pays it.

6 MR. KEIFFER: Every carrier. Any phone bill you'll
7 get, you'll see one.

8 MR. WISEMAN: It's not an optional thing.

9 MS. SEPANIK: So there's no contract?

10 MR. KEIFFER: Correct.

11 MR. WISEMAN: No.

12 MR. KEIFFER: I think it's statutory.

13 MR. WISEMAN: We report our --

14 MS. SEPANIK: It's statutory?

15 MR. WISEMAN: We report our revenues and they --
16 it's like any other tax obligation. There's schedules based
17 on your revenues. You pay the fees.

18 MR. KEIFFER: That's why it's on Schedule E, because
19 it's a statutory obligation.

20 MS. SEPANIK: Right. Yeah.

21 MR. KEIFFER: An excise tax --

22 MS. SEPANIK: Uh-huh.

23 MR. KEIFFER: -- is what it's been characterized to
24 be similar to.

25 MS. SEPANIK: Uh-huh.

1 MR. BENNETT: And is 100 percent of that thought to
2 be priority?

3 MR. KEIFFER: There's -- yeah. I don't think
4 there's any subdivision, David, for them that they've got to
5 do part of it's priority, and what's not. I think it's just
6 like, everything Uncle Sam has, it's all priority.

7 MR. WISEMAN: Yeah.

8 MR. KEIFFER: Okay.

9 MR. VARDEMAN: A couple of more questions.

10 MS. SEPANIK: That's it.

11 MR. VARDEMAN: Okay. Mr. Gerber, do you have any
12 other questions?

13 MR. GERBER: If you don't mind, sir.

14 Mr. Wiseman, who do you report to in your capacity as an
15 officer of the Debtor?

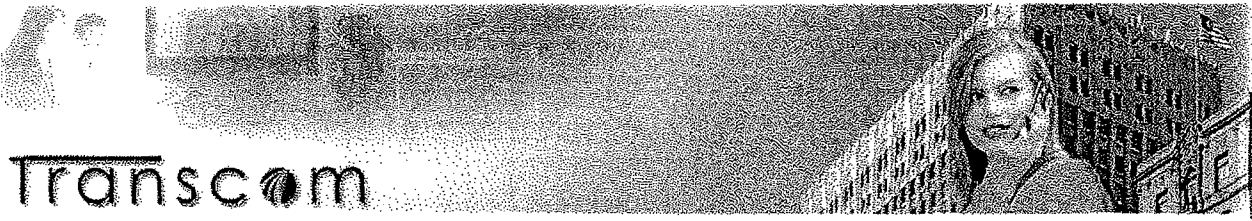
16 MR. WISEMAN: I report to a management committee of
17 the investor-owners.

18 MR. GERBER: Okay. And who is -- who sits on that
19 management committee?

20 MR. WISEMAN: It's Scott Birdwell, Jake Miller,
21 Carolyn Malone. Occasionally the major investors have
22 participated in that.

23 MR. GERBER: And who are those -- would you just
24 name those major investors?

25 MR. WISEMAN: Tim Terrell and Gary Shapiro.

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Products & Services



Transcom's end-to-end global connectivity and comprehensive services do more than meet your communications needs—they give you a competitive advantage in the marketplace.

Our worldwide network, state-of-the-art technology and unmatched reliability enable us to bring you the highest quality services at competitive prices. With Transcom, it's never "one size fits all." We work closely with you to understand your needs and create customized solutions that keep your costs low—without sacrificing quality or efficiency.

Unlike many of our competitors, we're easy to talk to. As a Transcom customer, you'll always have direct access to our executive and customer service teams. That means that when a question comes up, you don't have to work hard to get an answer. As we see it, easy access and personalized service build closer, more profitable relationships.

Transcom is a new kind of communications company. We understand your business. We have the energy and know-how to support your success. **And we make it all easy for you.**

Voice Termination Service

This is our core service offering. Transcom provides termination services throughout the world with a focus on North America. Transcom has an onnet footprint that covers about 70% of the US Population. Customers looking for a TDM Interconnect can connect to Transcom's Veraz based network at the following switch locations:

Atlanta

Dallas

Los Angeles

New York

Customers who do not have facilities at these locations or prefer to connect via an IP connection can connect to us via our Nextone SBC (Session Border Controller). We support most protocols with H.323 and SIP being the most common.

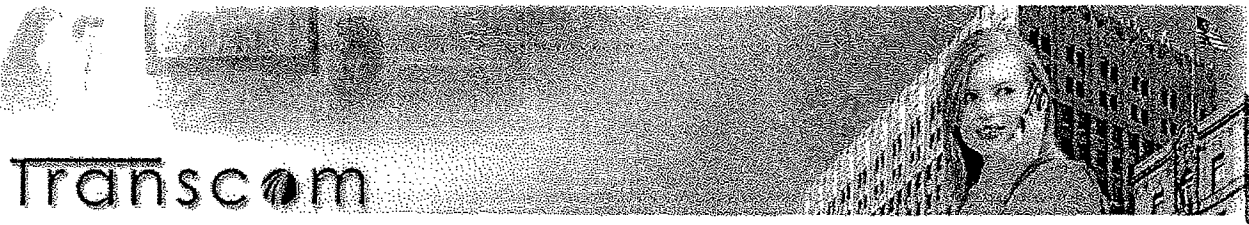
Voice Origination Services

Transcom provides origination services using Toll Free numbers and local DIDs. Transcom will pass the originated call to the Customer using dedicated facilities or via an IP handoff. Customer can connect to the above switch locations for this product also.

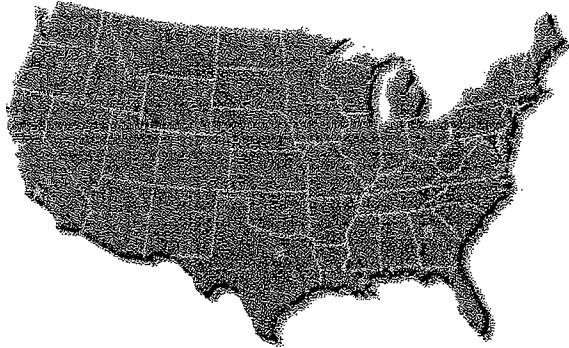
Toll Free Termination Services


Transcom noticed that many of their customers were having a problem terminating toll free numbers that end-users were calling. This was especially true for many emerging broadband IP Telephony providers. Customers can direct their outbound toll free calling for Transcom to terminate.

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Transcom Enhanced Services is a wholesale enhanced voice service provider serving most of North America. A facilities based provider, Transcom terminates nearly one billion minutes per month. Transcom's customers include the largest Cable/MSOs, CLECs, broadband service providers, and wireless carriers. Transcom's focus is US/Canada termination but its customers are located globally.



 Locate star to view offices

Our goal is to provide our
Customers with



Transcom provides superior customer service, seamless interoperability with the customer network, reliable voice service and the best pricing in the industry.

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AT&T Wholesale Agreement

**INTERCONNECTION AGREEMENT
UNDER SECTIONS 251 AND 252
OF THE
TELECOMMUNICATIONS ACT OF 1996**

This Interconnection Agreement (the "MFN Agreement"), is being entered into by and between Southwestern Bell Telephone Company d/b/a AT&T Missouri¹ ("AT&T Missouri"), and Halo Wireless, Inc. ("CARRIER"), (each a "Party" and, collectively, the "Parties"), pursuant to Sections 251 and 252 of the Telecommunications Act of 1996 ("the Act").

RECITALS

WHEREAS, pursuant to Section 252(i) of the Act, Halo Wireless Inc. ("CARRIER") has requested to adopt the Interconnection Agreement by and between AT&T Missouri and the separate CARRIER designated in Section 2.4 below for the State of Missouri, which was previously approved by the Missouri Public Service Commission ("the Commission") under Section 252(e) of the Act, including any Commission approved amendments to such Agreement (the "Separate Agreement"), which is incorporated herein by reference; and

WHEREAS, the Parties have agreed to certain voluntarily negotiated provisions to the MFN Agreement which are set forth in an amendment(s) to this MFN Agreement (collectively the "MFN Agreement"), which is incorporated herein by this reference and attached hereto for Commission approval;

NOW, THEREFORE, in consideration of the mutual provisions contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, CARRIER and AT&T Missouri hereby agree as follows:

1. Incorporation of Recitals and Separate Agreement by Reference

- 1.1 The foregoing Recitals are hereby incorporated into and made a part of this MFN Agreement.
- 1.2 Except as expressly stated herein, the MFN Agreement, including any and all applicable Appendices, Schedules, Exhibits, Attachments and Commission approved Amendments thereto, are incorporated herein by this reference and form an integral part of the MFN Agreement.

2. Modifications to Separate Agreement

- 2.1 References in the Separate Agreement to "CARRIER" or to "Other" shall for purposes of the MFN Agreement be deemed to refer to CARRIER.
- 2.2 References in the Separate Agreement to the "Effective Date," the date of effectiveness thereof and like provisions shall for purposes of this MFN Agreement be deemed to be the date which is ten (10) days following Commission approval of the MFN Agreement or, absent Commission approval, the date the MFN Agreement is deemed approved under Section 252(e)(4) of the Act (the "Effective Date"). In addition, this MFN Agreement shall expire on.
- 2.3 The Notices Section in the Separate Agreement is hereby revised to reflect that Notices should be sent to CARRIER under this MFN Agreement at the following address:

¹ On December 30, 2001, Southwestern Bell Telephone Company (a Missouri corporation) was merged with and into Southwestern Bell Texas, Inc. (a Texas corporation) and, pursuant to Texas law, was converted to Southwestern Bell Telephone, L.P., a Texas limited partnership. On June 29, 2007, Southwestern Bell Telephone, L.P., a Texas limited partnership, was merged with and into SWBT Inc., a Missouri corporation, with SWBT Inc. as the survivor entity. Simultaneous with the merger, SWBT Inc. changed its name to Southwestern Bell Telephone Company. Southwestern Bell Telephone Company is doing business in Missouri as "AT&T Missouri".

NOTICE CONTACT	CARRIER CONTACT
NAME, TITLE	Todd Wallace CTO
STREET ADDRESS	3437 W. 7th Street
ROOM OR SUITE	Box 127
CITY, STATE, ZIP CODE	Fort Worth, TX 76107
FACSIMILE NUMBER	(817) 338-3777

2.4 For purposes of its MFN Agreement, CARRIER hereby adopts the Separate Agreement between AT&T Missouri and T-Mobile USA, Inc. ("Separate Agreement"), which was previously approved by the Commission in Case No. TO-2001-489.

2.5 Intercarrier Compensation Options

2.5.1 CARRIER hereby elects the Intercarrier Compensation Choice it desires for purposes of its MFN Agreement by placing "X" next to its chosen Intercarrier Compensation Billing Option immediately below. If CARRIER fails to designate one of the Intercarrier Compensation Billing Options below, the default Intercarrier Compensation Option set forth in the Separate Agreement chosen by CARRIER in Section 2.4 above shall automatically apply upon the Effective Date of this MFN Agreement.

Designate Choice with X	Option Number	Description
	Option 1	Contract Rates for Section 251(b)(5) Traffic and FCC's Interim ISP Terminating Compensation Plan rate for ISP-Bound Traffic
X	Option 2	All ISP-Bound Traffic and All Section 251(b)(5) Traffic at the FCC's ISP Terminating Compensation Plan Rate
	Option 3	Long-term local Bill and Keep as the reciprocal compensation arrangement for Section 251(b)(5) Traffic and ISP-Bound Traffic

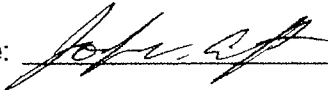
3. Clarifications

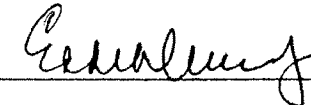
3.1 In entering into this MFN Agreement, the Parties acknowledge and agree that neither Party is waiving, and each Party hereby expressly reserves, any of its rights, remedies or arguments it may have at law or under the intervening law or regulatory change provisions in this MFN Agreement (including intervening law rights asserted by either Party via written notice as to the Separate Agreement), with respect to any orders, decisions, legislation or proceedings and any remands by the FCC, state utility commission, court, legislature or other governmental body including, without limitation, any such orders, decisions, legislation, proceedings, and remands which were issued, released or became effective prior to the Effective Date of this MFN Agreement, or which the Parties have not yet fully incorporated into this Agreement or which may be the subject of any associated appeal and/or further government review. If any action by any state or federal regulatory or legislative body or court of competent jurisdiction ("Government Action"), invalidates, modifies, or stays provisions of the Separate Agreement and/or otherwise affects the rights or obligations of either Party that are addressed by the Separate Agreement specifically including but not limited to those arising with respect to a Government Action, the affected provision(s) in this MFN Agreement shall be immediately invalidated, modified or stayed consistent with such Government Action as to the Separate Agreement.

3.2 It is AT&T Missouri's position that this MFN Agreement (including all attachments thereto) and every interconnection, service and network element provided hereunder, is subject to all rates, terms and conditions contained in the MFN Agreement (including all attachments/appendices thereto), and that all of such provisions are integrally related and non-severable.

Halo Wireless, Inc.

**Southwestern Bell Telephone Company d/b/a AT&T
Missouri By AT&T Operations, Inc., its authorized
agent**

Signature: 

Signature: 

Print Name: Jody W. Croft

Print Name: Eddie A. Reed, Jr.

Title: President

Title: Director-Interconnection Agreements

Date: 17 Jun, 2010

Date: 6.21.10

MISSOURI
AGREEMENT FOR INTERCONNECTION
AND RECIPROCAL COMPENSATION

by and between

VOICESTREAM WIRELESS CORPORATION

and

SOUTHWESTERN BELL TELEPHONE COMPANY

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APPENDICES:

GSA

DCO

PRICING

AGREEMENT FOR INTERCONNECTION AND RECIPROCAL COMPENSATION

This Agreement, entered into this _____ day of _____ 1997, is by and between Southwestern Bell Telephone Company, a Missouri corporation with its offices located at One Bell Center, St. Louis, Missouri 63101 ("SWBT"), and VoiceStream Wireless Corporation, with its offices located at 3650 131st Avenue SE, #400, Bellevue, Washington 98006 ("Carrier") (collectively, the "Parties").

WHEREAS, SWBT is a Local Exchange Carrier in the State of Missouri;

WHEREAS, Carrier is a Commercial Mobile Radio Service provider operating within the state of Missouri and, specifically, the Geographic Service Areas set forth in Appendix GSA;

WHEREAS, the Parties desire to enter into an agreement for the interconnection of their networks and reciprocal compensation for the termination of Local Traffic (as defined below) between their respective networks pursuant to the Telecommunications Act of 1996 (the "Act"), and other applicable state laws;

NOW THEREFORE, the Parties hereby agree as follows:

1. DEFINITIONS

Definitions of the terms used in this Agreement are listed below. The Parties agree that certain terms may be defined elsewhere in this Agreement, as well. Terms not defined shall be construed in accordance with their customary meaning in the telecommunications industry as of the effective date of this Agreement.

"Act" means the Communications Act of 1934 (47 U.S.C. Section 151 et seq.), as amended by the Telecommunications Act of 1996, as may be subsequently amended or, as from time to time interpreted in the duly authorized rules and regulations of the FCC or the Commission having authority to interpret the Act within its state of jurisdiction.

"Area Wide Calling Plan" or "AWCP" means a billing option available to CMRS providers where the CMRS provider compensates SWBT for land to mobile traffic in lieu of toll charges that would normally be billed to SWBT's end user.

"Calling Party Number" or "CPN" is a feature of signaling system 7 ("SS7") protocol whereby the 10 digit number of the calling party is forwarded from the end office.

"Carrier" has the meaning set forth in the preamble.

"Cell Site" means the location of fixed radio transmitting and receiving facilities associated with the origination and termination of wireless traffic to a wireless end user and may be used as a point of interconnection to the landline network.

"Collocation" has the meanings given to the term in the Act, applicable rules of the FCC and Commission, and the Commission's arbitration awards.

"Commercial Mobile Radio Service" or "CMRS" has the meaning given to the term in the Act.

"Commission" or "PUC" or "PSC" means the state administrative agency to which the United States Congress or state legislature has delegated authority to regulate the operations of Local Exchange Carriers ("LECs") as defined in the Act.

"Common Channel Signaling" or "CCS" means a special network, fully separate from the transmission path of the public switched network, that digitally transmits call set-up and network control data.

"Connecting Facilities" means dedicated facilities provided either under this Agreement or separate contract used to connect Carrier's network and SWBT's network for the purposes of interchanging traffic.

"Conversation Time" means the time (in full second increments) that both Parties' equipment is used for a call, measured from the receipt of answer supervision to disconnect supervision.

"Customer" means, whether or not capitalized, any business, residential or governmental customer of services covered by the Agreement, and includes the term "End User". More specific meanings of either of such terms are dependent upon the context in which they appear in the Agreement and the provisions of the Act.

"End Office" means a local SWBT switching point where SWBT exchange service customer station loops are terminated for purposes of interconnection to each other and to the network.

"End User" means, whether or not capitalized, any business, residential or governmental customer of services covered by the Agreement and includes the term "Customer". More specific meanings of either of such terms are dependent upon the context in which they appear in the Agreement and the provisions of the Act.

"Exchange Access" has the meaning given the term in the Act.

"FCC" means the Federal Communications Commission.

"Independent Local Exchange Carrier" has the meaning given the term in the Act.

"Interconnection" has the meaning given the term in the Act and refers to the connection of separate pieces of equipment, facilities, or platforms between or within networks for the purpose of transmission and routing to Telephone Exchange Service traffic and Exchange Access traffic.

"Interexchange Carrier" or "IXC" means a carrier other than a CMRS provider or a LEC that provides, directly or indirectly, interLATA and/or intraLATA, for-hire telecommunications service.

"InterLATA" has the meaning given the term in the Act.

"InterMTA Traffic" means all calls which originate in one MTA and terminate in another MTA.

"IntraLATA Toll Traffic" means all IntraLATA calls other than Local Traffic.

"Local Access and Transport Area" or "LATA" has the meaning given to the term in the Act.

"Local Exchange Carrier" or "LEC" has the meaning given to the term in the Act.

"Local Service Provider" means a carrier licensed by the Commission with the appropriate certification (e.g., a Certificate of Authorization or Service Provider Certificate of Authorization).

"Local Traffic", for the application of reciprocal compensation, means telecommunications traffic between a LEC and a CMRS provider that, at the beginning of the call, originates and terminates within the same Major Trading Area ("MTA"), as defined in 47 CFR Section 24.202(A).

"Mobile Switching Center" or "MSC" means a Carrier's facilities and related equipment used to route, transport and switch wireless calls to and from the public switched telephone network.

"Major Trading Area" or "MTA" has the meaning given to the term in 47 CFR Section 24.202(A).

"NXX", "NXX Code", "Central Office Code", or "CO Code" is the 3-digit switch indicator that is defined by the D, E, and F digits of a 10-digit telephone number within the NANP. Each NXX Code contains 10,000 telephone numbers.

"Party" means either SWBT or Carrier, and "Parties" means SWBT and Carrier.

"Reciprocal Compensation" means the arrangement between two carriers in which each of the two carriers receives symmetrical compensation from the other carrier for the transport and termination on each carrier's network of Local Traffic that originates on the network of the other carrier.

"Service Area" means the geographic area, e.g., Major Trading Area, Basic Trading Area, Metropolitan Service Area, Geographic Service Area, Rural Service Area, served by the cellular system within which Carrier is licensed to provide service.

"Signaling System 7" or "SS7" means a signaling protocol used by the CCS network.

"Signaling Transfer Point" or "STP" means the point where a party interconnects, either directly or through facilities provided by SWBT, or a Third Party Provider, with the CCS/SS7 network.

"SWBT" has the meaning set for in the preamble.

"Synchronous Optical Network" or "SONET" means an optical interface standard that allows inter-networking of transmission products from multiple vendors.

"Tandem" means the following:

"Access Tandem" means a switching system that provides a concentration and distribution function for originating or terminating traffic between end offices, other tandems and Third Party Providers.

"Wireless Tandem" means a switching system that provides a concentration and distribution function for originating and terminating traffic between the wireless MSCs and the landline network and has the software necessary to provide wireless interconnection services.

"Telecommunications" and "Telecommunications Carrier" have the meanings given to those terms in the Act.

"Termination" means the switching of Local Traffic at the terminating carrier's end office switch, or equivalent facility, and delivery of such traffic to the called party.

"Territory" means the five states of Missouri, Missouri, Kansas, Arkansas and Oklahoma in which SWBT was originally given the ability to operate its business following divestiture.

"Third Party Provider" shall mean any other facilities-based telecommunications carrier, including, without limitation, interexchange carriers, independent telephone companies, competitive local exchange carriers, or CMRS providers. The term shall not mean resellers of a LEC's local exchange services or resellers of a CMRS provider's services.

"Transiting Traffic" means intermediate transport and switching of traffic between two parties, one of which is not a Party to this Agreement, carried by a Party that neither originates nor terminates that traffic on its network while acting as an intermediary.

“Transport” means the transmission of Local Traffic subject to Section 251 (b)(5) of the Act from the interconnection point between two carriers to the terminating carrier's end office switch that directly serves the called party, or equivalent facility provided by Third Party Provider.

“Trunk Group” means a set of trunks of common routing, origin and destinations, and which serve a like purpose or function.

“Trunk Side” means a Party's connection that is capable of, and has been programmed to treat the circuit as, connecting to another switching entity, for example another SWBT to Carrier switch. Trunk Side connections offer those transmission and signaling features appropriate for the connections of switching entities.

“V and H Coordinates Method” means the computing of airline miles between two points utilizing an established formula which is based on the vertical and horizontal coordinates of the two points used in the rating of calls.

“Wireless Calls” for the application of reciprocal compensation, means all calls originating from or terminating to the Carrier's network.

2. INTERCONNECTION

This Section 2 describes the network architecture with which the Parties to this Agreement may interconnect their respective networks for the transmission and routing of Telephone Exchange Service and Exchange Access as required by Section 251 (c)(2) of the Act.

2.1 Interconnection Facilities

- 2.1.1 Type 1: Facilities which provide a trunk side connection (line side treatment) between a SWBT end office and Carrier's Mobile Switching Center (“MSC”) within that end office boundary. Type 1 facilities provide the capability to access all SWBT end offices within the LATA and Third Party Providers.
- 2.1.2 Type 2A: Facilities which provide a trunk side connection between Carrier's MSC and a SWBT Wireless Tandem. Type 2A facilities provide the capability to access all SWBT end offices within the LATA and Third Party Providers, excluding IXCs.
- 2.1.3 Type 2B: One-way facilities which provide a trunk side connection from a Carrier's MSC to a SWBT end office. Type 2B facilities provide the capability to access only subscribers served by that end office.

- 2.1.4 Type S: Facilities provisioned to provide out of band signaling between SWBT STPs and Carrier MSCs or STPs.
- 2.1.5 Equal Access Facilities: One-way facilities which provide a trunk side connection between Carrier's MSC and a SWBT Access Tandem. Equal Access Trunks provide the capability to pass interexchange traffic to IXCs.
- 2.1.6 Miscellaneous Facilities: Facilities which provide the transmission and routing of various types of traffic, such as 800/888 traffic, 911/E911 traffic, Operator Services traffic, and Directory Assistance traffic.
- 2.1.7 Carrier may develop additional Points of Presence (POP) other than the actual location of their MSC through the use of either SWBT's Special Access facilities, their own facilities, or facilities of a third party.
- 2.1.8 Carrier shall provide SWBT with an annual forecast of intended mobile to land usage for each point of interconnection. The Parties agree to work cooperatively to determine the number of trunks needed to handle the estimated traffic. Type 1 and Type 2A facilities may be either one-way or two-way when both Parties agree to share the facility; Type 2B facilities are restricted to one-way mobile to land. For one-way, or two-way facilities, terms, conditions, recurring and nonrecurring charges will apply as specified in Section 7 of the applicable interstate or intrastate Special Access Tariffs. When both Parties agree to utilize two-way facilities charges will be shared by the Parties on a proportional (percentage) basis as specified in Appendix PRICING. The Parties shall review actual billed minutes accrued on shared two-way facilities and modify, six (6) months from the Effective Date of this Agreement and every six (6) months thereafter, the percentages specified in Appendix PRICING.

2.2 Facility Location

2.2.1 Technical Feasibility

- 2.2.1.1 As required by Section 251 of the Act, Carrier may interconnect with SWBT's network at any technically feasible point. The Parties acknowledge for purposes of this requirement that the locations listed in Appendix DCO constitute the technically feasible points of interconnection for the Carrier to pass traffic to SWBT for transport and termination by SWBT on its network or for transport to a Third Party Provider.
- 2.2.1.2 If Carrier requires interconnection at a location not listed in Appendix DCO, then it shall submit a Special Request pursuant to section 6.1.2.1.

- 2.2.1.3 The Parties recognize that SWBT, in its sole discretion, may remove a location from Appendix DCO in the normal course of its business, thus rendering interconnection at the location technically infeasible; provided, however, that SWBT shall provide Carrier at least 120 days written notice and shall work cooperatively with Carrier, at Carrier's expense, to reestablish the interconnection at another SWBT location within the 120 days; provided, further, however, that Carrier shall be responsible for any costs associated with the reconfiguration of its own network (except for the re-homing of the facilities, which shall be borne by SWBT). In addition, SWBT may add a location to Appendix DCO at any time, and shall notify Carrier of such addition in writing, which shall be considered an amendment to Appendix DCO.

2.2.2 Per LATA Requirement

Carrier acknowledges that SWBT is restricted in its ability to pass traffic from one LATA to another under the Act. As a result, Carrier agrees to interconnect to at least one SWBT facility in each LATA in which it desires to pass traffic to SWBT for transport and termination within such LATA. This requirement shall remain in effect until SWBT, in its reasonable judgment, notifies Carrier in writing that it is no longer subject to InterLATA restrictions in its Territory.

2.2.3 Incumbent LEC Requirement

The Parties acknowledge that the terms and conditions specified in this Agreement do not apply to the provision of services or facilities by SWBT in those areas where SWBT is not the incumbent LEC.

2.3 **Additional Interconnection Methods Available to Carrier**

- 2.3.1 Carrier may provide its own facilities and transport for the delivery of traffic from its MSC (or other mutually agreed upon point on Carrier's network) to the interconnection point on SWBT's network. Alternatively, Carrier may purchase an entrance facility and transport from a third party or from SWBT for the delivery of such traffic. Rates for entrance facilities and transport purchased from SWBT are specified in Section 7 of the applicable interstate or intrastate Special Access Tariffs.
- 2.3.2 Carrier may request virtual collocation from SWBT at the rates, terms and conditions specified in FCC Tariff No. 73, Section 25, and physical collocation as specified in applicable tariff (or in the absence of an applicable tariff, on an individual case basis). Alternatively, Carrier may collocate at a SWBT facility with a third party with whom SWBT has

already contracted for collocation. When Carrier collocates at a SWBT facility, it shall provide for the transport of traffic from its network to the appropriate interconnection point on SWBT's network pursuant to section 2.3.1 above. SWBT shall provide collocation space to Carrier only for equipment used for the purposes of interconnecting to SWBT's network. SWBT is not required to permit collocation of equipment used to provide enhanced services. If Carrier causes SWBT to build a collocation cage and then Carrier does not use the facility (or all the facility), Carrier shall reimburse SWBT as if Carrier was using the entire facility.

- 2.3.3 Carrier may request SONET Based Interconnection ("SBI") pursuant to SWBT's tariff terms and conditions in FCC No. Tariff 73, Section 30.
- 2.3.4 Carrier and SWBT may share SWBT's interconnection facilities at the rates specified in Section 7 of the applicable interstate or intrastate Special Access Tariffs. Charges will be shared by the Parties based on their proportional (percentage) use of such facilities as specified in Appendix PRICING.

2.4 Interconnection Methods Available to SWBT

- 2.4.1 Carrier locations listed in Appendix DCO constitute the technically feasible points of interconnection. Carrier shall provide for SWBT to pass traffic to Carrier for transport and termination on Carrier's network.
- 2.4.2 If SWBT requires interconnection at a location not listed in Appendix DCO, then it shall submit a Special Request pursuant to section 6.1.2.1.
- 2.4.3 SWBT may provide its own facilities and transport for the delivery of traffic from its point of interconnection to the interconnection point on Carrier's network. Alternatively, SWBT may purchase an entrance facility and transport from a third party or from Carrier for the delivery of such traffic. Rates for entrance facilities and transport purchased from Carrier are specified in Appendix PRICING.
- 2.4.4 SWBT may request virtual or physical collocation from Carrier at the rates, terms and conditions established by Carrier for such services. Alternatively, SWBT may collocate at a Carrier facility with a third party with whom Carrier has already contracted for collocation. When SWBT collocates at a Carrier facility, it shall provide for the transport of traffic from its network to the appropriate interconnection point on Carrier's network pursuant to section 2.4.3 above.
- 2.4.5 SWBT may request SONET Based Interconnection ("SBI") pursuant to rates, terms and conditions established by Carrier for such services.

- 2.4.6 Carrier and SWBT may share Carrier's interconnection facilities at the rates specified in Appendix PRICING. Charges will be shared by the Parties based on a proportional (percentage) basis as specified in Appendix PRICING.

2.5 Technical Requirements and Standards

- 2.5.1 Each Party will provide the services in this Agreement to the other Party at a standard at least equal in quality and performance to that which the Party provides itself. Either Party may request, and the other Party will provide, to the extent technically feasible, services that are superior or lesser in quality than the providing Party provides to itself, provided, however, that such services shall be considered Special Requests.
- 2.5.2 Nothing in this Agreement will limit either Party's ability to modify its network, including, without limitation, the incorporation of new equipment, new software or otherwise. Each Party will provide the other Party written notice of any such modifications to its network which will materially impact the other Party's service consistent with the timelines established by the FCC in the Second Report and Order, CC Docket 96-98. Carrier will be solely responsible, at its own expense, for the overall design of its telecommunications services and for any redesigning or rearrangement of its telecommunications services which may be required because of SWBT modifications, including, without limitation, changes in facilities, operations or procedures, minimum network protection criteria, or operating or maintenance characteristics of facilities.

3. TRANSMISSION AND ROUTING OF TELEPHONE EXCHANGE SERVICE PURSUANT TO SECTION 251(C)(2)

This Section 3 provides the terms and conditions for the exchange of traffic between the Parties' respective networks for the transmission and routing by the Parties of Local Traffic, and Transiting Traffic.

3.1 Basic Terms

3.1.1 Mobile to Land Traffic

- 3.1.1.1 Carrier shall be responsible for the delivery of traffic from its network to the appropriate point of interconnection on its network for the transport and termination of such traffic by SWBT to a SWBT end user or for delivery by SWBT to a Third Party Provider.
- 3.1.1.2 Unless Carrier elects to provision its own facilities under section 2.3, SWBT shall provide the physical plant facilities

that interconnect Carrier's point of interconnection with SWBT's point of interconnection. SWBT shall provision mobile to land connecting facilities for Carrier under the terms and conditions specified in Section 7 of the applicable interstate or intrastate Special Access Tariffs.

3.1.2 Land to Mobile Traffic

3.1.2.1 SWBT shall be responsible for the delivery of traffic from its network to the appropriate point of interconnection (within the serving wire center boundary of the end office in which the tandem, providing Type 2A Interconnection, is located, or within the serving wire center boundary of the end office providing Type 1 Interconnection) on its network for the transport and termination of such traffic by Carrier to the handset of a Carrier end user.

3.1.2.2 Unless SWBT elects to have Carrier or a third party provision facilities under section 2.4, SWBT shall provide the physical plant facilities that interconnect SWBT's point of interconnection with Carrier's point of interconnection. SWBT shall be responsible for the physical plant facility from its network to the appropriate point of interconnection within the serving wire center boundary of the end office in which the tandem, providing Type 2A Interconnection, is located, or within the serving wire center boundary of the end office providing Type 1 Interconnection.

3.1.3 Traffic To Third Party Providers

Carrier and SWBT shall compensate each other for traffic that transits their respective systems to any Third Party Provider, as specified in Appendix PRICING. The Parties agree to enter into their own agreements with Third Party Providers. In the event that Carrier sends traffic through SWBT's network to a Third Party Provider with whom Carrier does not have a traffic interchange agreement, then Carrier agrees to indemnify SWBT for any termination charges rendered by a Third Party Provider for such traffic.

3.2 **Reciprocal Compensation**

3.2.1 Rates

The Parties shall provide each other symmetrical, Reciprocal Compensation for the transport and termination of Local Traffic at the

rates specified in Appendix PRICING. SWBT shall compensate Carrier for the transport and termination of Local Traffic originating on SWBT's network; Carrier shall compensate SWBT for the transport and termination of Local Traffic originating on Carrier's network. Compensation shall vary based on the method of interconnection used by the Parties, as specified in Appendix PRICING. Additional charges may also apply (on a non-symmetrical, non-reciprocal basis) as provided for in this Agreement. The Parties acknowledge that the rates set forth in Appendix PRICING are interim and shall be replaced by final rates as adopted by the Commission or the FCC, based on a final and unappealable ruling, and as further described below and in section 14.

3.2.2 True Up

The Parties recognize that rates, among other things, provided for under this Agreement may be affected by subsequent ruling of state or federal legislative bodies, courts, or regulatory agencies of competent jurisdiction. Accordingly, the Parties agree that in the event of such a final, non-appealable ruling, the Parties shall true up the Reciprocal Compensation provided for in this section once the ruling, decision or other mandate becomes effective, final and non-appealable (the "True Up Date"). The Parties shall complete true up 60 days after the True Up Date. The Parties agree that such True Up will include the Reciprocal Compensation associated with the provisioning of an AWCP, as outlined in paragraph 5.5.2.

3.2.3 Exclusions

Reciprocal Compensation shall apply solely to the transport and termination of Local Traffic, and shall not apply to any other traffic or services, including without limitation:

- 3.2.3.1 interMTA traffic;
- 3.2.3.2 Transiting Traffic;
- 3.2.3.3 traffic which neither originates nor terminates on Carrier's network; and
- 3.2.3.4 Paging Traffic.

3.2.4 Measuring Calls as Local Traffic

In order to measure whether traffic is Local Traffic for purposes of calculating Reciprocal Compensation, the Parties agree as follows: for SWBT, the origination or termination point of a call shall be the end office

which serves, respectively, the calling or called party. For Carrier, the origination or termination point of a call shall be the cell site/base station which serves, respectively, the calling or called party at the time the call begins.

3.2.5 Conversation Time

For purposes of billing compensation for the interchange of Local Traffic, billed minutes will be based upon conversation time. Conversation time will be determined from actual usage recordings. Conversation time begins when the terminating Party's network receives answer supervision and ends when the terminating Party's network receives disconnect supervision.

3.3 **Additional Compensation**

In addition to any other charges specified in this Agreement, the following charges may be applicable as specified in this Agreement at the rates listed in Appendix PRICING. Charges listed are in addition to, not exclusive of, any other charges that may be applicable under this Agreement.

3.3.1 Transiting Charge: Each Party shall compensate the other Party for traffic which transits the other Party's network destined to a Third Party Provider at rates specified in Appendix PRICING.

3.3.2 Facilities Charges: Each Party shall compensate the other (not on a reciprocal, symmetrical basis) for the use of the providing Party's facilities between Carrier and SWBT points of interconnection, in either direction, as the case may be.

3.3.3 Special Requests: All requests for (i) services covered by this Agreement for which facilities do not exist, (ii) facilities, equipment or technologies not in the providing Party's sole discretion, necessary to fulfill a request under this Agreement, or (iii) services not specifically enumerated in this Agreement, shall be handled as a Special Request, as described in Section 6.1.2.2. Special Requests under (ii) may include, without limitation, requests for fiber, microwave, alternate routing, redundant facilities and other non-standard facilities or services.

3.4 **Signaling**

SWBT will provide at Carrier's request Signaling System 7 ("SS7") in order to allow out of band signaling in conjunction with the exchange of traffic between the Parties' respective networks. SWBT shall provide such service at the rates specified in Appendix PRICING. This rate is for the use of multiple SWBT STPs in the provisioning of mobile to land traffic. Charges for STP Access Links and Port Terminations used to connect Carrier's MSC or STP (whichever is

applicable) and SWBT's STP shall be shared by the Parties based on the proportional (percentage) basis as specified in Appendix PRICING and at rates specified in Section 23 of FCC Tariff No. 73.

4. TRANSMISSION AND ROUTING OF EXCHANGE ACCESS SERVICE PURSUANT TO SECTION 251(C)(2)

This Section 4 provides the terms and conditions for the exchange of traffic between Carrier's network and SWBT's network for switched access to IXC's, thus enabling Carrier end users to access IXC's for the transmission and routing of interMTA and interLATA calls.

4.1 General

4.1.1 Carrier may order Equal Access Trunks in order to provide for access to IXC's through SWBT's network. Equal Access Trunks shall be used solely for the transmission and routing of Exchange Access to allow Carrier's end users to access IXC's, and shall not be used by Carrier for any other purpose.

4.1.2 For as long as SWBT may require, Carrier shall provide SWBT the appropriate call data to allow SWBT to bill IXC's for Originating Access (as defined below). Such data shall be provided in a form mutually agreed to by the Parties. SWBT shall notify Carrier in writing when it no longer requires Carrier to provide such data.

4.2 Access Charges

4.2.1 When Applicable

Carrier shall pay SWBT Switched Access charges (including Carrier Common Line, Local Switching and Transport) for any and all traffic which crosses an MTA boundary (as defined by the cell site/base station at which the call originates or terminates and the SWBT end user's serving wire center at which the call originates or terminates). Switched Access charges are specified in Appendix PRICING paragraph 5.2 as InterMTA rates.

Both Parties recognize that legislative and regulatory activities may impact the rates, terms and conditions associated with Switched Access services. The Parties agree that any rate changes associated with Switched Access services will flow through to the InterMTA rates specified in Appendix PRICING as stated in Section 14 of this Agreement.

If traffic is handed from SWBT directly to an IXC, from Carrier to an IXC via equal access trunks, or from an IXC directly to SWBT, access charges shall not apply to Carrier.

4.2.2 InterMTA Factor

The Parties have agreed upon the interMTA factor specified in Appendix PRICING, which represents the percent of total minutes to be billed access charges. Carrier represents that the factor is based on a reasonable traffic study conducted by Carrier, and shall make such study available to SWBT upon request. Six months after the effective date of this Agreement, and every six (6) months thereafter, Carrier shall conduct a study (available to SWBT on request) to ensure the Parties are using an accurate interMTA factor.

The Parties agree that if the percent of land to mobile interMTA traffic is less than 3% of total land to mobile traffic, then such traffic will be deemed as de minimis and the land to mobile factor will be set at 0%.

The Parties agree that the percent of land to mobile interMTA traffic is less than 3% of the total land to mobile traffic as of the effective date of this Agreement.

4.2.3 Examples

Following are two examples of traffic for which Carrier shall be required to pay access charges. They are examples only and in no way shall be deemed limiting or exhaustive of the applicability of access charges under this Agreement.

4.2.3.1 When a SWBT end user calls a Carrier end user (a land to mobile call), SWBT delivers the call to Carrier, and Carrier transports the call across MTA boundaries (either directly or through an IXC, access charges shall apply to Carrier ("Originating Access").

4.2.3.2 When a Carrier end user calls a SWBT end user (a mobile to land call), the call crosses MTA boundaries, and Carrier transports the call across MTA boundaries, access charges shall apply to Carrier ("Terminating Access").

5. TRANSMISSION AND ROUTING OF OTHER TYPES OF TRAFFIC

This Section 5 provides the terms for the exchange of 800/888 traffic, 911/E911 traffic, and Directory Assistance traffic from an end user on Carrier's network to SWBT's network.

5.1 **800/888 Traffic**

- 5.1.1 Carrier may order from SWBT Miscellaneous Facilities in order to deliver 800/888 Traffic from a Carrier end user to SWBT's network. Such Miscellaneous Facilities shall be used solely for the transmission and routing of 800/888 traffic to allow Carrier's end users to send calls to SWBT for completion to IXC's, LEC's other than SWBT, or SWBT.
- 5.1.2 Charges for Miscellaneous Facilities are specified in Section 7 of the applicable interstate or intrastate Special Access Tariffs. Additional charges for services provided on Miscellaneous Facilities may also apply, including, without limitation charges for directory assistance services and transport as well as other operator services.

5.2 E911/911 Traffic

With respect to all matters relating to E911/911 traffic, the Parties shall: (i) continue to handle such services as they do today and (ii) work together to meet any and all applicable requirements mandated under law, including tariffs, and rules and regulations of the FCC. The Parties acknowledge and agree that as applicable requirements are met and implemented, additional charges for E911/911 traffic may apply and shall in no way delay implementation of such requirements.

5.3 Directory Assistance

5.3.1 Directory Assistance Service

- 5.3.1.1 SWBT may provide Directory Assistance ("DA") service from directory assistance locations to Carrier's premises. SWBT DA service is provided when Carrier's customers reach a SWBT DA position.
- 5.3.1.2 DA calls will be completed over Type 1 end office connections for NPAs served within the LATA. For NPA 555-1212 calls, Carrier may pass those to IXC's over equal access facilities.
- 5.3.1.3 Carrier may combine DA calls over existing Type 1 connecting circuits or may complete DA calls over a Miscellaneous Facility group.
- 5.3.1.4 Rates listed in Appendix PRICING shall apply.

5.3.2 DA Call Completion

5.3.2.1 General

- 5.3.2.1.1 DA Call Completion ("DACC") is a service that provides Carrier's customers the option of having their

local or IntraLATA calls completed when requesting a telephone listing from a SWBT DA operator.

5.3.2.1.2 DACC is available when Carrier has elected to receive the service and has ordered the required dedicated operator service circuits to each of the DA locations within the LATA. DACC, when billed to Carrier, is only available on a fully automated basis.

5.3.2.1.3 In addition to the appropriate charges for DA and DACC, terminating usage charges, rated as Type 2A service, apply for all calls completed using DACC.

5.3.2.1.4 DACC is available under three billing applications, specified in the next three sections: multiple rate option, single rate option and alternate billing.

5.3.2.2 Multiple Rate Option

5.3.2.2.1 Under the multiple rate option, Carrier is billed individually for DA and DACC when provided.

5.3.2.2.2 If Carrier chooses the multiple rate option, a seven digit Automatic Number Identification ("ANI") field following the called number is required from Carrier as prescribed in SWBT publication DACC Technical Requirements for Cellular Providers.

5.3.2.2.3 Carrier has the option of providing customer specific ANI for the purpose of directly billing for DACC or providing Carrier's billing number in the ANI field.

5.3.2.3 Single Rate Option

With a single rate option, Carrier is charged a single fixed rate for the DA and DACC portion of a DA call. This rate applies for all DA calls including those where DACC was not requested by Carrier's customer.

5.3.2.4 Alternate Billing

5.3.2.4.1 Carrier's customer has the option of billing the DACC charge as a credit card, third number or collect call under alternate billing. Alternate billing is only available when Carrier has advised SWBT of its intent to allow alternate billing of DACC.

5.3.2.4.2 Alternate billing of DACC is available in conjunction with existing DA and the DACC Multiple Rate Option. Alternate billing will not be provided with the Single Rate Option.

5.3.2.4.3 When an unauthorized alternate billing request for DACC is received, Carrier's customer will be advised of the unavailability of alternately billed DACC and to contact Carrier for further assistance in completing the call.

5.3.2.5 Manner of Provisioning

5.3.2.5.1 Operator Service Circuits: When Carrier requests DACC service, both DA and DACC services are provided over a dedicated trunk group from each Carrier MSC to the SWBT DA switch in the LATA. A separate trunk group is required for each NPA served by the SWBT DA switch in the LATA.

5.3.2.5.2 Billing Information Tape: When Carrier chooses the multiple rate option, billing information tapes ("BIT") will be automatically provided on a daily basis detailing the call information associated with the ANI provided by Carrier. Carrier has the option of receiving the call information via a data circuit as detailed in section 5.3.2.5.3. The charge for BIT is listed in Appendix PRICING.

5.3.2.5.3 Electronic Data Transmission: Electronic Data Transmission ("EDT") provides Carrier the option of receiving detailed call information via a data circuit instead of the daily BIT. The EDT data circuit is established between SWBT's data center and Carrier's premises of choice. The type EDT data circuit required is dependent upon the volume of billing information and the type terminating equipment provided by Carrier at its premises. While there is no charge for EDT, Carrier is responsible for the data circuit charges.

5.3.2.6 Rate Regulations

5.3.2.6.1 Type 2A usage charges for DACC service are found in Appendix PRICING and are rated from the Type 2A SWC. If Carrier does not have Type 2A service, usage charges are rated from the SWBT end user to the Type 1 end office designated by Carrier.

- 5.3.2.6.2 Under the multiple rate option, the DA rates found in Appendix PRICING apply in addition to the multiple rate option charge in Appendix PRICING.
- 5.3.2.6.3 DACC and associated usage are charged only upon completion of calls under the multiple rate option. DA charges always apply for calls placed to a DA position.
- 5.3.2.6.4 Under the single rate option, the DA charges listed in Appendix PRICING apply to all calls placed to a DA position including those calls where DACC was not requested by Carrier's customer. The associated usage charges only apply when a call has been completed.
- 5.3.2.6.5 When Carrier's customer elects to alternately bill DACC, Carrier will be charged for the completed DA call from Appendix PRICING and Carrier's customer will be charged the appropriate DACC rate from Section 11 of the General Exchange Tariff.
- 5.3.2.6.6 When an alternately billed DACC call is completed outside a local calling area, Carrier's customer will be billed the applicable rates from Section 2 of the Long Distance Message Telecommunications Service Tariff in addition to the DACC charges.

5.4 Operator Services

Operator Service ("OS") calls will be limited to 0+ or 0- calls on a sent paid basis only. The term "sent paid" means that all calls must be paid for by Carrier's end user at the time the call is placed. This can be accomplished by using a telecommunications credit card, placing the call collect or billing the call to a third number. No charges are incurred by Carrier. Sent paid calls can be completed as follows:

- 5.4.1 Fully Automated: when Carrier's end user dials zero (0) plus a seven or ten digit telephone number and the call is completed without the assistance of a SWBT operator.
- 5.4.2 Semi-Automated: when Carrier's end user dials zero (0) plus a seven or ten digit telephone number and the call is completed with assistance of a SWBT operator.
- 5.4.3 Manual: when Carrier's end user dials zero (0) only, then places a call with the assistance of a SWBT operator.

5.5 Area Wide Calling Plan

Area Wide Calling Plan (AWCP) is an optional reverse billing arrangement which may be requested by Carrier. This optional service permits SWBT's end user to call certain Carrier end users from any location within the LATA without incurring an additional charge, i.e., no "toll" charges are applied to the SWBT's end user.

- 5.5.1 Subscribing to the AWCP, Carrier agrees to incur a per minute of use charge for all land to mobile calls, which terminate outside of the local calling scope of the SWBT local exchange, as defined by the Intrastate Local Exchange Tariff, serving the SWBT end user who originated the call.
- 5.5.2 The charges for this service are as specified in Appendix PRICING. Mileage charges shall be calculated or measured using the V & H Coordinates Method. Mileage will be determined by calculating the airline distance from the calling party's end office to the Carrier point of interconnection. In addition to the AWCP rates in Appendix PRICING, Carrier agrees to pay the Land to Mobile Interconnection Rate for all minutes billed under an AWCP.
- 5.5.3 AWCP will be provisioned using a SWBT provided dedicated one-way land to mobile Type 2A Connecting Facility group established solely for the completion of AWCP calls. AWCP will only be provisioned utilizing a NXX code dedicated to this service.
- 5.5.4 No AWCP usage charges will apply for calls which originate and terminate within the local calling scope of the SWBT local exchange where Carrier and SWBT interconnect for the provisioning of this service.
- 5.5.5 SWBT will pay the Land to Mobile Interconnection Rate for all traffic associated with an AWCP.

6. ADDITIONAL ORDERING AND BILLING PROVISIONS

6.1 Ordering

- 6.1.1 Unless otherwise provided for in this Agreement, this provision shall apply for the ordering of interconnection herein. Each Party shall be responsible for ordering from the other any interconnection or other facilities as specified in this Agreement. The Parties shall mutually agree upon the format for any orders and any required codes or other information that must be included in any particular order. Subject to the paragraph immediately below, orders shall be processed as follows: after the receipt of a request, a Party shall notify the ordering Party, in a timely manner and

in agreement with published intervals, of any additional information it may require to determine whether it is technically feasible to meet the request. Within 45 days of its receipt of said information, the Party shall notify the ordering Party ("Notification") if the request is technically feasible. If the request is technically feasible, the Party shall activate the order as mutually agreed to by the parties after Notification (the "Activation Date").

6.1.2 Special Requests

6.1.2.1 If either Party requires interconnection at a location not listed in Appendix DCO, then it shall submit a Special Request in writing to the other Party specifying (i) the point of interconnection, (ii) an estimated activation date, and (iii) a forecast of intended use. Within 20 days of its receipt of the ordering Party's request (the "Request Date"), the providing Party shall notify the ordering Party of any additional information it may require to determine whether it is technically feasible to meet the request. Within 60 days of its receipt of said information (or 60 days from the Request Date if the providing Party does not ask for additional information), the providing Party shall notify the ordering Party ("Notification") if its request is technically feasible. If the request is technically feasible, the providing Party shall activate the interconnection at any time 15 days after Notification (the "Activation Date") as specified by the ordering Party. Upon activation the Parties shall be deemed to have amended Appendix DCO to include the added location. Special Requests for interconnection locations not listed in Appendix DCO may involve additional charges.

6.1.2.2 The Parties recognize that Special Requests may be made of the other Party pursuant to section 3.3.3 herein. The providing Party shall have 75 days to notify the ordering Party ("Special Notification") if the ordering Party's Special Request, in the providing Party's sole discretion, will be fulfilled and what the cost of fulfilling such request will be. If the Special Request will be fulfilled, the providing Party shall activate the order at a time agreed to by the Parties.

6.1.2.3 An ordering Party may cancel a Special Request at any time, but will pay the providing Party's reasonable and demonstrable costs of processing and/or implementing the Special Request up to the date of cancellation.

6.2 **Billing**

6.2.1 Each Party shall deliver monthly settlement statements for terminating the other Party's traffic based on a mutually agreed schedule. Each Party will record its terminating minutes of use including identification of the originating and terminating CLLI Code for all intercompany calls. Bills rendered by either Party shall be paid within thirty (30) days of the bill date or by the next bill date.

6.2.2 Late Charges

Bills will be considered past due 30 days after the bill date or by the next bill date (i.e., same date as the bill date in the following month), whichever occurs first, and are payable in immediately available funds.

If the entire amount billed, exclusive of any amount disputed, is received by the billing Party after the payment due date or if any portion of the payment is received by the billing Party in funds which are not immediately available to the billing Party, then a late payment charge will apply to the unpaid balance. The late payment charge will be the lesser of:

The highest interest rate (in decimal value) which may be levied by law for commercial transactions, compounded daily and applied for each month or portion thereof that an outstanding balance remains; or

0.000590, compounded daily and applied for each month or portion thereof that an outstanding balance remains.

6.3 **Miscellaneous Nonrecurring Charges**

6.3.1 Maintenance of Service Charge

When Carrier reports trouble to SWBT for clearance and no trouble is found in SWBT's network, the Carrier shall be responsible for payment of a Maintenance of Service Charge for the period of time when SWBT personnel are dispatched. In the event of an intermittent service problem that is eventually found to be in SWBT's network, Carrier shall receive a credit for any Maintenance of Service Charges applied in conjunction with this service problem.

If the carrier reports trouble to SWBT for clearance and SWBT personnel are not allowed access to the Carrier's premises, the Maintenance of Service Charge will apply for the time that SWBT personnel are dispatched; provided that SWBT and Carrier have arranged a specific time for the service visit.

6.3.2 Additional Engineering Charges

Additional Engineering charges will be billed to the Carrier when SWBT incurs engineering time to customize the Carrier's service at the Carrier's request.

6.3.3 Additional Labor Charges

Additional labor will be charged when SWBT installs facilities outside of normally scheduled working hours at the customers request. Additional labor also includes all time in excess of one-half (1/2) hour during which SWBT personnel stand by to make installation acceptance test or cooperative test with a Carrier to verify facility repair on a given service.

6.3.4 Access Order Charge

An Access Order charge applies whenever Carrier requests installation, addition, rearrangement, change or move of the interconnection services associated with this Agreement.

6.3.5 Design Change Charge

A Design Change Charge applies when SWBT personnel review Carrier's interconnection service to determine what changes in the design of the service are required as a result of request(s) by the Carrier. SWBT will notify Carrier when the Design Change Charge would apply.

6.3.6 Service Date Change Charge

The Service Date Change Charge applies when the Carrier requests a change in the date of installation or rearrangement of interconnection service. The customer may request changes provided that the new date is no more than 45 calendar days beyond the original service date unless the requested changes are associated with an order which has been designated as a "special project". If a change or rearrangement of interconnection is necessary beyond 45 days, then the order must be canceled and reordered.

6.3.7 Access Customer Name and Address (ACNA), Billing Account Number (BAN) and Circuit Identification Change Charges

These charges apply whenever the Carrier requests changes in their ACNA, their BAN number or their Circuit Ids, respectively.

6.3.8 Supercedure

This charge also applies when Carrier assumes the license of and incorporates the interconnection services provided to another Carrier into Carrier's account.

7. NETWORK MAINTENANCE AND MANAGEMENT

The Parties will work cooperatively to install and maintain a reliable network. The Parties will exchange appropriate information (e.g., maintenance contact numbers, network information, information required to comply with law enforcement and other security agencies of the government, etc.) to achieve this desired reliability, subject to the confidentiality provisions herein.

7.1 Network Management Controls

- 7.1.1 Each Party shall provide a 24-hour contact number for network traffic management issues to the other's surveillance management center. A FAX number must also be provided to facilitate notifications for planned mass calling events. Each Party agrees, at a minimum, to maintain the network traffic management controls capabilities set forth in SWBT's Wireless Interconnection Handbook, a copy of which has been provided to Carrier. Carrier acknowledges that the Handbook may be amended by SWBT from time to time.
- 7.1.2 Neither Party will use any service provided under this Agreement in a manner that impairs the quality of service to other carriers or to either Party's subscribers. Either Party will provide the other Party notice of said impairment at the earliest practicable time.
- 7.1.3 A Party's use of the other Party's facilities, or of its own equipment or that of a third party in conjunction with the other Party's facilities, shall not materially interfere with or impair service over any facilities of the other Party, its affiliated companies or its connecting and concurring carriers involved in its services, cause damage to their plant, impair the privacy of any communications carrier over their facilities or create hazards to the employees of any of them or the public. Upon reasonable written notice and opportunity to cure, the Party providing the facilities may discontinue or refuse service if the Party using the facilities violates this provision, provided that such termination of service will be limited to the Party's use of a facility, where appropriate.

7.2 Law Enforcement and Civil Process

SWBT and Carrier shall handle law enforcement requests as follows:

- 7.2.1 Intercept Devices: Local and federal law enforcement agencies periodically request information or assistance from local telephone service providers. When either Party receives a request associated with a customer of the other Party, it shall refer such request to the Party that serves such customer, unless the request directs the receiving Party to attach a pen register, trap-and-trace or form of intercept on the Party's facilities, in which case that Party shall comply with any valid request.

- 7.2.2 **Subpoenas:** If a Party receives a subpoena for information concerning an end user the Party knows to be an end user of the other Party it shall refer the subpoena back to the requesting Party with an indication that the other Party is the responsible company, unless the subpoena requests records for a period of time during which the Party was the end user's service provider, in which case the Party will respond to any valid request.
- 7.2.3 **Law Enforcement Emergencies:** If a Party receives a request from a law enforcement agency for a temporary number change, temporary disconnect or one way denial of outbound calls for an end user of the other Party by the receiving Party's switch, that Party will comply with any valid emergency request. However, neither Party shall be held liable for any claims or damages arising from compliance with such requests on behalf of the other Party's end user and the Party serving such end user agrees to indemnify and hold the other Party harmless against any and all such claims.

8. NUMBERING ISSUES

8.1 Access to Numbering Resources

Carrier shall have access to numbering resources in the same fashion as they are provided to other Telecommunications Carriers. Carrier may either pay SWBT the sum of \$110 per NXX in exchange for SWBT's input of required data necessary to update the Local Exchange Routing Guide ("LERG") on Carrier's behalf, or Carrier may perform its own LERG updates at its own expense. SWBT shall not be liable for any losses or damages arising out of errors, defects, or failures associated with the input of Carrier's data into the LERG other than direct damages; provided, however, that Carrier's direct damages shall not exceed the amount of the charges paid to SWBT by Carrier for LERG input under this Agreement. Carrier agrees to defend, indemnify and hold harmless SWBT from any and all losses, damages, or other liabilities, including attorneys' fees, that it may incur as a result of claims, demands, or other suits brought by any party that may arise out of the data submitted and/or the input of that data into the LERG by SWBT. Carrier shall defend against all end user claims just as if Carrier had performed its own input into the LERG.

8.2 Local Dialing Parity

SWBT agrees that local dialing parity will be available to Carrier in accordance with the Act.

8.3 IntraLATA Toll Dialing Parity

SWBT agrees to make IntraLATA toll dialing parity available in accordance with Section 271(e) of the Act.

9. VERIFICATION REVIEWS

- 9.1 Each Party will be responsible for the accuracy and quality of its data as submitted to the other Party. Upon reasonable written notice, each Party or its authorized representative (providing such authorized representative does not have a conflict of interest related to other matters before one of the Parties) shall have the right to conduct a review and verification of the other Party to give assurances of compliance with the provisions of this Agreement. This includes on-site verification reviews at the other Party's or the Party's vendor locations.
- 9.2 After the initial year of this Agreement verification reviews will normally be conducted on an annual basis with provision for staged reviews, as mutually agreed, so that all subject matters are not required to be reviewed at the same time. Follow up reviews will be permitted on a reasonable time schedule between annual reviews where significant deviations are found. During the initial year of the Agreement more frequent reviews may occur.
- 9.3 The review will consist of an examination and verification of data involving records, systems, procedures and other information related to the services performed by either Party as related to settlement charges or payments made in connection with this Agreement as determined by either Party to be reasonably required. Each Party, whether or not in connection with an on-site verification review, shall maintain reasonable records for a minimum of twenty-four (24) months and provide the other Party with reasonable access to such information as is necessary to determine amounts receivable or payable under this Agreement.
- 9.4 The Parties' right to access information for verification review purposes is limited to data not in excess of twenty-four (24) months in age. Once specific data has been reviewed and verified, it is unavailable for future reviews. Any items not reconciled at the end of a review will, however, be subject to a follow-up review effort. Any retroactive adjustments required subsequent to previously reviewed and verified data will also be subject to follow-up review. Information of either Party involved with a verification review shall be subject to the confidentiality provisions of this Agreement.
- 9.5 The Party requesting a verification review shall fully bear its costs associated with conducting a review. The Party being reviewed will provide access to required information, as outlined in this section, at no charge to the reviewing Party. Should the reviewing Party request information or assistance beyond that reasonably required to conduct such a review, the Party being reviewed may, at its option, decline to comply with such request or may bill actual costs incurred in complying subsequent to the concurrence of the reviewing Party.

10. LIABILITY AND INDEMNIFICATION

- 10.1 With respect to any claim or suit for damages arising out of mistakes, omissions, defects in transmission, interruptions, failures, delays or errors occurring in the course of furnishing any service hereunder, the liability of the Party furnishing the affected service, if any, shall not exceed an amount equivalent to the proportionate charge to the other Party for the period of that particular service during which such mistake, omissions, defect in transmission, interruption, failures, delay or error occurs and continues; provided, however, that any such mistakes, omissions, defects in transmission, interruptions, failures, delays, or errors which are caused or contributed to by the negligence or willful act of the complaining Party or which arise from the use of the complaining Party's facilities or equipment shall not result in the imposition of any liability whatsoever upon the Party furnishing service.

10.2 NO CONSEQUENTIAL DAMAGES

NEITHER SWBT NOR CARRIER SHALL BE LIABLE TO THE OTHER PARTY FOR ANY INDIRECT, INCIDENTAL, CONSEQUENTIAL, RELIANCE, OR SPECIAL DAMAGES SUFFERED BY SUCH OTHER PARTY (INCLUDING, WITHOUT LIMITATION, DAMAGES FOR HARM TO BUSINESS, LOST REVENUES, LOST SAVINGS, OR LOST PROFITS SUFFERED BY SUCH OTHER PARTY), REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT, WARRANTY, STRICT LIABILITY, OR TORT, INCLUDING, WITHOUT LIMITATION, NEGLIGENCE WHETHER ACTIVE OR PASSIVE, AND REGARDLESS OF WHETHER THE PARTIES KNEW OF THE POSSIBILITY THAT SUCH DAMAGES COULD RESULT. EACH PARTY HEREBY RELEASES THE OTHER PARTY (AND SUCH OTHER PARTY'S SUBSIDIARIES AND AFFILIATES, AND THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES, AND AGENTS) FROM ANY SUCH CLAIM. NOTHING CONTAINED IN THIS SECTION WILL LIMIT SWBT'S OR CARRIER'S LIABILITY TO THE OTHER FOR (i) WILLFUL OR INTENTIONAL MISCONDUCT (INCLUDING GROSS NEGLIGENCE) OR (ii) BODILY INJURY, DEATH, OR DAMAGE TO TANGIBLE REAL OR TANGIBLE PERSONAL PROPERTY TO THE EXTENT PROXIMATELY CAUSED BY SWBT OR CARRIER'S NEGLIGENT ACT OR OMISSION OR THAT OF THEIR RESPECTIVE AGENTS, SUBCONTRACTORS OR EMPLOYEES, NOR WILL ANYTHING CONTAINED IN THIS SECTION LIMIT THE PARTIES' INDEMNIFICATION OBLIGATIONS, AS SPECIFIED HEREIN.

- 10.3 Each Party shall be indemnified and held harmless by the other Party against claims and damages by third parties arising from (i) any act or omission of the indemnifying Party in connection with its performance or non-performance under this Agreement; (ii) actual or alleged infringement by the indemnifying Party of any patent, trademark, copyright, service mark, trade name, trade secret or

intellectual property right (now know or later developed); and (iii) provision of the indemnifying Party's services or equipment, including but not limited to claims arising from the provision of the indemnifying Party's services to its end users (e.g., claims for interruption of service, quality of service or billing disputes). Each Party shall also be indemnified and held harmless by the other Party against claims and damages of persons furnished by the indemnifying Party or by any of its subcontractors, under worker's compensation laws or similar statutes.

10.4 The Parties agree to release, defend, indemnify, and hold harmless the other Party from any claim, demand or suit that asserts any infringement or invasion of privacy or confidentiality of any person or persons caused or claimed to be caused, directly or indirectly, by the other Party's employees and equipment associated with the provision of any service herein. This provision includes but is not limited to suits arising from disclosure of the telephone number, address, or name associated with the telephone called or the telephone used in connection with any services herein.

10.5 When the lines or services of other companies and carriers are used in establishing connections to and/or from points not reached by a Party's lines, neither Party shall be liable for any act or omission of the other companies or carriers.

10.6 **OSHA Requirements**

The Parties agree to abide by and to undertake the duty of compliance on behalf of the other Party with all federal, state and local laws, safety and health regulations relating to one Party's at other Party's facilities, and to indemnify and hold the other Party harmless for any judgments, citations, fines, or other penalties which are assessed against such Party as the result solely of the first Party's failure to comply with any of the foregoing.

11. **CONFIDENTIALITY AND PROPRIETARY INFORMATION**

11.1 For the purposes of this Agreement, confidential information ("Confidential Information") means confidential or proprietary technical or business information given by one Party (the "Discloser") to the other (the "Recipient"). All information which is disclosed by one Party to the other in connection with this Agreement, during negotiations and the term of this Agreement will automatically be deemed proprietary to the Discloser and subject to this Section 11, unless otherwise confirmed in writing by the Discloser. The Recipient agrees (i) to use Confidential Information only for the purpose of performing under this Agreement, (ii) to hold it in confidence and disclose it to no one other than its employees having a need to know for the purpose of performing under this Agreement, and (iii) to safeguard it from unauthorized use or disclosure using at least the same degree of care with which the Recipient safeguards its own Confidential Information. If the Recipient wishes to disclose the Discloser's

Confidential Information to a third-party agent or consultant, such disclosure must be agreed to in writing by the Discloser, and the agent or consultant must have executed a written agreement of nondisclosure and nonuse comparable in scope to the terms of this section.

- 11.2 The Recipient may make copies of Confidential Information only as reasonably necessary to perform its obligations under this Agreement. All such copies will be subject to the same restrictions and protections as the original and will bear the same copyright and proprietary rights notices as are contained on the original.
- 11.3 The Recipient agrees to return all Confidential Information in tangible form received from the Discloser, including any copies made by the Recipient, within thirty (30) days after a written request is delivered to the Recipient, or to destroy all such Confidential Information if directed to so by Discloser except for Confidential Information that the Recipient reasonably requires to perform its obligations under this Agreement; the Recipient shall certify destruction by written letter to the Discloser. If either Party loses or makes an unauthorized disclosure of the other Party's Confidential Information, it will notify such other Party immediately and use its best efforts to retrieve the lost or wrongfully disclosed information.
- 11.4 The Recipient shall have no obligation to safeguard Confidential Information: (i) which was in the possession of the Recipient free of restriction prior to its receipt from the Discloser; (ii) after it becomes publicly known or available through no breach of this Agreement by the Recipient; (iii) after it is rightfully acquired by the Recipient free of restrictions on its disclosure; or (iv) after it is independently developed by personnel of the Recipient to whom the Discloser's Confidential Information had not been previously disclosed. In addition, either Party will have the right to disclose Confidential Information to any mediator, arbitrator, state or federal regulatory body, or a court in the conduct of any mediation, arbitration or approval of this Agreement, as long as, in the absence of an applicable protective order, the Discloser has been previously notified by the Recipient in time sufficient for the Recipient to undertake all lawful measures to avoid disclosing such information and for Discloser to have reasonable time to seek or negotiate a protective order before or with any applicable mediator, arbitrator, state or regulatory body or a court.
- 11.5 The Parties recognize that an individual end user may simultaneously seek to become or be a customer of both Parties. Nothing in this Agreement is intended to limit the ability of either Party to use customer specific information lawfully obtained from end users or sources other than the Discloser.
- 11.6 Each Party's obligations to safeguard Confidential Information disclosed prior to expiration or termination of this Agreement will survive such expiration or termination.

- 11.7 No license is hereby granted under any patent, trademark, or copyright, nor is any such license implied solely by virtue of the disclosure of any Confidential Information.
- 11.8 Each Party agrees that the Discloser may be irreparably injured by a disclosure in breach of this Agreement by the Recipient or its representatives and the Discloser will be entitled to seek equitable relief, including injunctive relief and specific performance, in the event of any breach or threatened breach of the confidentiality provisions of this Agreement. Such remedies will not be deemed to be the exclusive remedies for a breach of this Agreement, but will be in addition to all other remedies available at law or in equity.

12. PUBLICITY

- 12.1 The Parties agree not to use in any advertising or sales promotion, press release or other publicity matter any endorsement, direct or indirect quote, or picture implying endorsement by the other Party or any of its employees without such Party's prior written approval. The Parties will submit to each other for written approval, and obtain such approval, prior to publication, all publicity matters that mention or display one another's name and/or marks or contain language from which a connection to said name and/or marks may be inferred or implied.
- 12.2 Neither Party will offer any services using the trademarks, service marks, trade names, brand names, logos, insignia, symbols or decorative designs of the other Party or its affiliates without the other Party's written authorization.

13. DISPUTE RESOLUTION

13.1 Finality of Disputes

No claims shall be brought for disputes arising from this Agreement more than twenty-four (24) months from the date of occurrence which gives rise to the dispute, or the applicable statute of limitations, whichever is shorter.

13.2 Alternative to Litigation

The Parties desire to resolve disputes arising out of this Agreement without litigation. Accordingly, except for action seeking a temporary restraining order or an injunction related to the purposes of this Agreement, or suit to compel compliance with this dispute resolution process, the Parties agree to use the following alternative dispute resolution procedure as their sole remedy with respect to any controversy or claim of \$25,000 or less, arising out of or relating to this Agreement or its breach.

13.2.1 Resolution of Disputes Between Parties to the Agreement

At the written request of a Party, each Party will appoint a knowledgeable, responsible representative to meet and negotiate in good faith to resolve any dispute arising under this Agreement. The location, form, frequency, duration and conclusion of these discussions shall be left to the discretion of the representatives. Upon agreement, the representatives may utilize other alternative dispute resolution procedures such as mediation to assist in the negotiations. Discussions and correspondence among the representatives for purposes of settlement are exempt from discovery and production and shall not be admissible in the arbitration described below or in any lawsuit without the concurrence of all Parties. Documents identified in or provided with such communications, which are not prepared for purposes of the negotiations, are not so exempted and, if otherwise admissible, may be admitted in evidence in the arbitration or lawsuit.

13.2.2 Arbitration

13.2.2.1 If the negotiations do not resolve the dispute within sixty (60) days of the initial written request, the dispute shall be submitted to binding arbitration by a single arbitrator pursuant to the Commercial Arbitration Rules of the American Arbitration Association. A Party may demand such arbitration in accordance with the procedures set out in those rules. Discovery shall be controlled by the arbitrator and shall be permitted to the extent set out in this section. Each Party may submit in writing to a Party, and that Party shall so respond, to a maximum of any combination of thirty-five (35) (none of which may have subparts) of the following: interrogatories; demands to produce documents; requests for admission.

13.2.2.2 Additional discovery may be permitted upon mutual agreement of the Parties. The arbitration hearing shall be commenced within sixty (60) days of the demand for arbitration. The arbitration shall be held in the state where the Parties interconnect. The arbitrator shall control the scheduling so as to process the matter expeditiously. The Parties shall submit written briefs five days before the hearing. The arbitrator shall rule on the dispute by issuing a written opinion within thirty (30) days after the close of hearings. The arbitrator has no authority to order punitive or consequential damages. The times specified in this section may be extended upon mutual agreement of the Parties or by the arbitrator upon a showing of good cause. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction.

13.2.3 Costs

Each Party shall bear its own costs of these procedures. A Party seeking discovery shall reimburse the responding Party for the costs of production of documents (including search time and reproduction costs). The Parties shall equally split the fees of the arbitration and the arbitrator.

14. INTERVENING LAW

- 14.1 This Agreement is entered into as a result of both private negotiation between the Parties, acting pursuant to the Act, PURA'95, and/or other applicable state laws or Commission rulings. If the actions of state or federal legislative bodies, courts, or regulatory agencies of competent jurisdiction invalidate, modify, or stay the enforcement of laws or regulations that were the basis for a provision of the contract, the affected provision will be invalidated, modified, or stayed as required by action of the legislative body, court, or regulatory agency. In such event, the Parties shall expend diligent efforts to arrive at an agreement respecting the modifications to the Agreement required. If negotiations fail, disputes between the Parties concerning the interpretation of the actions required or provisions affected by such governmental actions will be resolved pursuant to any remedy available to the Parties under law; provided that the Parties may mutually agree to use the dispute resolution process provided for in this Agreement.
- 14.2 In the event a court or regulatory agency of competent jurisdiction should determine that modifications of this Agreement are required to bring the services being provided hereunder into compliance with the Act, the affected Party shall promptly give the other Party written notice of the modifications deemed required. Upon delivery of such notice, the Parties shall expend diligent efforts to arrive at an agreement respecting such modifications required, and if the Parties are unable to arrive at such agreement within sixty (60) days after such notice, either Party may seek any remedy available to it under law; provided that the Parties may mutually agree to invoke the dispute resolution process set forth in this Agreement.

15. SECTION 252 (i) OBLIGATIONS

If SWBT enters into an agreement approved by the Commission providing for Interconnection and Reciprocal Compensation with another Wireless Telecommunications Carrier in the State of Missouri (a "Third Party Agreement"), then Carrier shall have the option to avail itself of the terms and conditions of the Third Party Agreement in its entirety, without picking and choosing less than all of the provisions of the Third Party Agreement, unless so required by subsequent applicable intervening law under Section 14. Carrier may request to renegotiate, at any time, this agreement in its entirety or any provision of this agreement. Carrier acknowledges that other agreements are or will be on file with the Commission and that such agreements are available to the public. If Carrier desires to avail itself of a Third Party Agreement, it shall provide SWBT written notice of such desire, and the Parties shall be deemed to have adopted the Third Party Agreement, in place of this Agreement, upon SWBT's receipt of

Carrier's notice; provided, however, that Carrier may not avail itself of any Third Party Agreement if SWBT demonstrates to the Commission that SWBT would incur greater cost to provide Carrier the Third Party Agreement than SWBT incurs to provide such arrangements to the third party that is party to the Third Party Agreement. The Parties agree to make arrangements to pay one another retroactively based upon the adopted Third Party Agreement for the period from the adoption date of the adopted agreement to the date on which both Parties can implement changes in their respective billing systems or arrangements. The Parties agree that the implementation of changes to billing systems or arrangements will not exceed sixty (60) days from receipt of Carrier's notice by SWBT.

16. ACCESS TO RIGHTS OF WAY

The provisions concerning Carrier's access to and use of space on or within a pole, duct, conduit, or right-of-way owned or controlled by SWBT are set forth in Appendix POLES, CONDUIT, AND ROW to be negotiated and entered into by the Parties after the execution of this Agreement. At such time, the Appendix shall be deemed incorporated into and part of this Agreement. The Parties agree that the Appendix POLES, CONDUIT, AND ROW will be developed with 30 day of the effective date of this Agreement.

17. CERTIFICATION REQUIREMENTS

Carrier warrants that it has obtained all necessary jurisdictional certification required in those jurisdictions in which Carrier has ordered services pursuant to this Agreement. Upon request by any governmental entity, Carrier shall provide proof of certification to SWBT.

18. MISCELLANEOUS PROVISIONS

18.1 Effective Date

The Parties shall effectuate all the terms of this Agreement upon¹ final approval of this Agreement by the relevant state Commission when it has determined that this Agreement is in compliance with Section 252 of the Act; provided, however, the Parties agree to make arrangements to pay one another for the period from date of approval² to the date on which both Parties can implement changes in their respective billing systems or arrangements. The Parties agree that the implementation of changes to billing systems or arrangements will not exceed sixty (60) days.

18.2 Term and Termination

¹ This agreement is based upon the previously approved agreement between SWBT and Western Wireless and however it will become effective only after Commission approval. The date of Commission approval will become the effective date of this agreement.

² see footnote 1

18.2.1 SWBT and Carrier agree to interconnect pursuant to the terms defined in this Agreement for a term Agreement that shall expire on October 7, 1998³, and thereafter the Agreement shall continue in force and effect unless and until terminated as provided herein. Either Party may terminate this Agreement by providing written notice of termination to the other Party, such written notice to be provided at least sixty (60) days in advance of the date of termination; provided, however, that no such termination shall be effective prior to the date one year from the Effective Date of this Agreement. By mutual agreement, SWBT and Carrier may amend this Agreement in writing to modify its terms.

18.2.2 Either Party may terminate this Agreement upon thirty (30) days written notice of a material breach of this Agreement by the other Party to this Agreement, which material breach remains uncured for thirty (30) day period after written notice of the material breach by the non-breaching Party to the breaching Party.

18.3 **Binding Effect**

This Agreement will be binding on and inure to the benefit of the respective successors and permitted assigns of the Parties.

18.4 **Assignment**

Neither Party may assign, subcontract, or otherwise transfer its rights or obligations under this Agreement except under such terms and conditions as are mutually acceptable to the other Party and with such Party's prior written consent, which consent shall not be unreasonably withheld; provided that either Party may assign its rights and delegate its benefits, and delegate its duties and obligations under this Agreement without the consent of the other Party to a 100 per cent owned affiliate of the assigning Party. Nothing in this section is intended to impair the right of either Party to utilize subcontractors.

18.5 **Third Party Beneficiaries**

This Agreement shall not provide any non-party with any remedy, claim, cause of action or other right.

18.6 **Force Majeure**

Neither Party shall be responsible for delays or failures in performance resulting from acts or occurrences beyond the reasonable control of such Party, regardless

³ This agreement is based upon the previously approved agreement between SWBT and Western Wireless and therefore shall terminate concurrently with the underlying Western Wireless agreement. The underlying agreement was approved by the Missouri Public Service Commission for an initial term of one (1) year which expired on October 7, 1998.

of whether such delays or failures in performance were foreseen or foreseeable as of the date of this Agreement, including, without limitation: fire, explosion, power failure, acts of God, war, revolution, civil commotion, or acts of public enemies; any law, order, regulation, ordinance or requirement of any government or legal body; or labor unrest, including, without limitation strikes, slowdowns, picketing or boycotts; or delays caused by the other Party or by other service or equipment vendors; or any other circumstances beyond the Party's reasonable control. In such event, the Party affected shall, upon giving prompt notice to the other Party, be excused from such performance on a day-to-day basis to the extent of such interference (and the other Party shall likewise be excused from performance of its obligations on a day-for-day basis to the extent such Party's obligations relate to the performance so interfered with). The affected Party shall use its reasonable commercial efforts to avoid or remove the cause of non-performance and both Parties shall proceed to perform with dispatch once the causes are removed or cease.

18.7 DISCLAIMER OF WARRANTIES

THE PARTIES MAKES NO REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY WARRANTY AS TO MERCHANTABILITY OR FITNESS FOR INTENDED OR PARTICULAR PURPOSE WITH RESPECT TO SERVICES PROVIDED HEREUNDER. ADDITIONALLY, THE PARTIES ASSUME NO RESPONSIBILITY WITH REGARD TO THE CORRECTNESS OF DATA OR INFORMATION SUPPLIED BY THE OTHER PARTY WHEN THIS DATA OR INFORMATION IS, ACCESSED AND/OR USED BY A THIRD PARTY.

18.8 Survival of Obligations

Any liabilities or obligations of a Party for acts or omissions prior to the cancellation or termination of this Agreement, any obligation of a Party under the provisions regarding indemnification, Confidential Information, limitations on liability, and any other provisions of this Agreement which, by their terms, are contemplated to survive (or to be performed after) termination of this Agreement, will survive cancellation or termination thereof

18.9 Waiver

The failure of either Party to enforce or insist that the other Party comply with the terms or conditions of this Agreement, or the waiver by either Party in a particular instance of any of the terms or conditions of this Agreement, shall not be construed as a general waiver or relinquishment of the terms and conditions, but this Agreement shall be and remain at all times in full force and effect.

18.10 Trademarks and Trade Names

Nothing in this Agreement will grant, suggest, or imply any authority for one Party to use the name, trademarks, service marks, or trade names of the other for any purpose whatsoever, absent written consent of the other Party.

18.11 Taxes

Each Party purchasing services hereunder shall pay or otherwise be responsible for all federal, state, or local sales, use, excise, gross receipts, transaction or similar taxes, fees or surcharges levied against or upon such purchasing Party (or the providing Party when such providing Party is permitted to pass along to the purchasing Party such taxes, fees or surcharges), except for any tax on either Party's corporate existence, status or income. Whenever possible, these amounts shall be billed as a separate item on the invoice. Purchasing Party may be exempted from certain taxes if purchasing Party provides proper documentation, e.g., reseller certificate, from the appropriate taxing authority.

18.12 Relationship of the Parties

This Agreement shall not establish, be interpreted as establishing, or be used by either Party to establish or to represent their relationship as any form of agency, partnership or joint venture. Neither Party shall have any authority to bind the other or to act as an agent for the other unless written authority, separate from this Agreement, is provided. Nothing in the Agreement shall be construed as providing for the sharing of profits or losses arising out of the efforts of either or both of the Parties. Nothing herein shall be construed as making either Party responsible or liable for the obligations and undertakings of the other Party.

18.13 Services

Each Party is solely responsible for the services it provides to its end users and to other Telecommunications Carriers.

18.14 Notices

In an event any notices are required to be sent under the terms of this Agreement, they shall be sent by registered mail, return receipt requested to:

To SWBT:
Director - Access Product Mgt.
One Bell Center, Rm. 7-Z- 1
St. Louis, MO 63101

To Carrier:
Director of Regulatory Affairs
3650 131st Ave. SE, Suite 200
Bellevue, Washington 98006

24 Hour Network Management Contact:

For SWBT:
1-800-662-2163

For Carrier:
Michael O'Brien

1-800-982-7447
1-800-472-1175

VoiceStream Wireless Corporation
3605 132nd Ave. SE, Suite 100
Bellevue, Washington 98006
(425) 653-4667
PCS (425) 444-0008
FAX (425) 653-4640

18.15 Expenses

Except as specifically set out in this Agreement, each Party will be solely responsible for its own expenses involved in all activities related to the subject of this Agreement.

18.16 Headings

The headings in this Agreement are inserted for convenience and identification only and will not be considered in the interpretation of this Agreement.

18.17 Governing Law

The validity of this Agreement, the construction and enforcement of its terms, and the interpretation of the rights and duties of the Parties will be governed by the laws of the State of Missouri, except insofar as federal law may control any aspect of this Agreement, in which case federal law will govern. The Parties submit to personal jurisdiction in Jackson County, Missouri and waive any and all objections to such venue.

18.18 Multiple Counterparts


This Agreement may be executed in multiple counterparts, each of which will be deemed an original but all of which will together constitute but one and the same document.


18.19 Complete Terms

This Agreement together with its appendices and exhibits constitutes the entire agreement between the Parties and supersedes all prior discussions, representations or oral understandings reached between the Parties. Appendices and exhibits referred to herein are deemed attached hereto and incorporated by reference. Neither Party shall be bound by any amendment, modification or additional terms unless it is reduced to writing signed by an authorized representative of the Party sought to be bound.

If this Agreement is acceptable to Carrier and SWBT, both Parties will sign in the space provided below. This Agreement shall not bind Carrier and SWBT until executed by both parties.⁴

THIS AGREEMENT CONTAINS A BINDING ARBITRATION AGREEMENT.

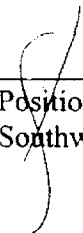

Sign: _____


Sign: _____

David Miller
Print Name: _____

Larry Cooper
Print Name: _____

Vice President of Legal Affairs
Position/Title
VoiceStream Wireless Corporation


President-Industrial Markets
Position/Title
Southwestern Bell Telephone Company

1-5-00
Date: _____

1-22-00
Date: _____

⁴ This Agreement is based on an approved contract previously entered into by Southwestern Bell Telephone Company and Western Wireless. Thus, notwithstanding language in the body of the Agreement or any attachments thereto, rates, terms, and conditions of this Agreement shall only apply after the Effective Date of this Agreement.

MISSOURI
APPENDIX PRICING

1.0 Mobile to Land Interconnection Rates Per Minute of Use

Type 2A	Type 1	Type 2B	Transiting
\$.01	\$.01	\$.004	\$.004

2.0 Land to Mobile Interconnection Rates Per Minute of Use

All Interconnection Types	Transiting
\$.01	\$.004

3.0 Carrier facilities will be provided at rates, terms, and conditions developed on an individual case basis.

4.0 Shared Facility (1)(2)

4.1 Shared Facility Factor - Carrier	.80
4.2 Shared Facility Factor - SWBT	.20

5.0 Inter MTA Traffic (2)

5.1 Inter MTA Traffic Factor

Land to Mobile: if less than 3% is reported then factor will be set at 0%. if greater than 3% then factor will be actual percentage reported

Mobile to Land: 0%

5.2 Inter MTA Rates (to be paid to SWBT by Carrier on applicable Inter MTA calls)

Land to Mobile (originating)	\$.023971
Mobile to Land (terminating)	\$.023971

(1) These factors represent the percentage of the facility rate that each Party will pay for each shared connecting facility.

(2) This is an interim factor agreed to by Carrier and SWBT. This factor is to be verified within six (6) months of the Effective Date of this Agreement.

MISSOURI**APPENDIX PRICING (Continued)****6.0 Directory Assistance****6.1 Directory Assistance Rates (1)**

Per Call	\$.2975
Transport Per Call	
0 - 1 mile	\$.0028
>1 to 25 miles	\$.0060
>25 to 50 miles	\$.0222
>50 miles	\$.0351

6.2 Directory Assistance Call Completion (1)

6.2.2 Per Completed Call **\$.20**

6.2.3 Operator Service Circuits

In addition to the Per Call Rates, Carrier must establish facilities between the Carrier's MSC and SWBT's TOPS tandem. Prices can be found in Section 7 of the applicable interstate or intrastate Access Services Tariffs.

7.0 Area Wide Calling Plan (AWCP)**7.1 AWCP Rates Per Minute of Use**

Local Switching	\$.008480
Local Transport	
>1 to 25 miles	\$.0077
>25 to 50 miles	\$.0162
>50 miles	\$.0274
Carrier Common Line	\$.01

7.2 A nonrecurring charge of \$3958.50 applies to arrange a new AWCP NXX Code or to covert an existing NXX Code to an AWCP.

8.0 Signaling System 7 ("SS7") Transport

Rate per million octets **\$2.39**

- (1) If the Carrier chooses the Single Rate Option, then a rate of \$.50 shall apply for every DA call. With the Single Rate Option, DACC may be utilized by the Carrier's end user at no additional charge to the Carrier.

MISSOURI**APPENDIX PRICING (Continued)**

9.0	Selective Class of Call Screening	Per Month	Nonrecurring Charge
	Per BAN per month	\$40.75	\$370.00

10.0 Miscellaneous Nonrecurring Charges**Maintenance of Service**

Basic Time	1st 1/2 hr. \$ 26.24	Ea. add'l. 1/2 hr. \$ 21.32
Overtime	1st 1/2 hr. \$ 31.65	Ea. add'l. 1/2 hr. \$ 26.73
Premium Time	1st 1/2 hr. \$ 31.65	Ea. add'l. 1/2 hr. \$ 26.73

Access Order Charge	Switched Services	\$ 17.00
	Special Services	\$ 14.00

Design Change \$ 32.96

Service Date Change \$ 14.77

ACNA Change \$ 22.00 per trunk group

BAN Change \$22.00 per BAN change

CKT ID Change \$ 22.00 per trunk group

Additional Engineering

Basic Time	1st 1/2 hr. \$ 34.59	Ea. add'l. 1/2 hr. \$ 24.97
Overtime	1st 1/2 hr. \$ 41.37	Ea. add'l. 1/2 hr. \$ 31.75

Additional Labor Rates**Installation**

Basic Time	1st 1/2 hr. \$ 36.35	Ea. add'l. 1/2 hr. \$ 26.73
Overtime	1st 1/2 hr. \$ 41.77	Ea. add'l. 1/2 hr. \$ 32.15

Testing & Mtce.

Basic Time	1st 1/2 hr. \$ 30.93	Ea. add'l. 1/2 hr. \$ 21.23
Overtime	1st 1/2 hr. \$ 36.35	Ea. add'l. 1/2 hr. \$ 26.73

Supersede	Switched Services	\$ 17.00
	Special Services	\$ 14.00

MISSOURI**APPENDIX PRICING (Continued)****10.0 Miscellaneous Nonrecurring Charges (Continued)**

Cancellation Charge	No. of business days from order application through the order cancellation multiplied by the average daily charge of the service ordered, plus the Access Order Charge.
Rollover Charges	A rollover is a Carrier initiated move that involves a change of a Point of Termination from an existing service within the same Carrier premises. The nonrecurring charge associated with the installation of that service applies when Carrier requests a rollover.
Conversion Charge	A nonrecurring charge of \$70.00 per end office applies when changing a Type 1 service arrangement to a Type 2A, where retranslations are required.

APPENDIX DCO

Voice Stream POIs

MTSO	CLLI	Address	Telephone

Appendix GSA

State	Licensee	License Area	Switch Locations in the State
Texas	Western PCS I License Corp.	El Paso MTA	El Paso Midland
Texas	GCC License Corporation	TX-3, TX-8, TX-12, TX-13, TX-14, TX-15 Abilene MSA San Angelo MSA	Lubbock
Texas	Odessa Cellular License Corp.	Odessa MSA	
Texas	Midland Cellular License Corp.	Midland MSA	
Texas	KETS Partnership	Lubbock MSA	
Oklahoma	Western PCS I License Corp.	Oklahoma City MSA	Oklahoma City
Missouri	GCC License Corporation	MO-9	Salina, KS
Kansas	GCC License Corporation	KS-3, KS-4, KS-8, KS-9, KS-10, KS-14	Salina

APPENDIX DCO
SWBT TANDEMS

LATA/SECTOR	VCOORD	HCOORD	CLLI	TYPE
520 - SKESTON	7099	3220	SKSTMOGR04T	DMS100/200
520 - ST. LOUIS-JEFFERSON	6807	3490	STLSMO0501T	5ESS
520 - ST. LOUIS-LADUE	6818	3517	STLSMO2101T	5ESS
522 - SPRINGFIELD	7311	3833	SPFDMOTL02T	DMS200
524 - CHILLICOTHE	6820	4104	CHLCMOMI06T	DMS100/200
524 - KANSAS CITY	7049	4210	KSCYKSJO07T	DMS100/200
524 - KANSAS CITY	7207	4202	KSCYMO5503T	DMS100/200
524 - KIRKSVILLE	6674	3993	KKVLMOMO10T	DMS100/200
524 - MOBERLY	6817	3899	MBRLMOAM06T	5ESS
524 - ST. JOSEPH	6913	4301	STJSMODN03T	DMS100/200
526 - FAYETTEVILLE	7599	3872	FYVLARHI02T	DMS200
526 - FORT SMITH	7752	3855	FTSMARSU03T	DMS200
528 - JONESBORO	7388	3297	JNBOARMA02T	DMS100/200
528 - LITTLE ROCK	7721	3448	LTRKARFR02T	DMS200
530 - PINEBLUFF	7803	3358	PNBLARJE02T	DMS200
532 - DODGE CITY	7641	4958	DDCYKS0107T	DMS100/200
532 - HUTCHINSON	7453	4644	HTSNKS0207T	DMS100/200
532 - PARSONS	7422	4159	PRSSKSWA07T	DMS100/200
532 - WICHITA	7489	4520	WCHTKSBR07T	DMS200
534 - HAYS	7374	4932	HAYSKS1107T	DMS100/200
534 - SALINA	7275	4656	SALNKSTA07T	DMS100/200
534 - TOPEKA	7110	4379	TPKAKSJA07T	DMS100/200
536 - ALTUS	8230	4611	ALTSOKMA01T	5ESS
536 - ARDMORE	8180	4204	ARMROKMA01T	5ESS
536 - CLINTON	8030	4616	CLTNOKMA02T	DMS100/200
536 - DURANT	8165	4063	DRTNOKMA02T	DMS100/200
536 - ENID	7784	4507	ENIDOKMA02T	5ESS
536 - LAWTON	8178	4454	LWTNOKTB02T	DMS100/200
536 - OKLAHOMA CITY	7946	4372	OKCYOKCE13T	DMS200
538 - BARTLESVILLE	7589	4224	BRVLOKFE01T	DMS100/200
538 - TULSA	7708	4176	TULSOKTB03T	DMS100/200
540 - EL PASO	9231	5655	ELPSTXMA15T	DMS200
542 - MIDLAND	8934	4890	MDLDTXMU15T	DMS200
544 - LUBBOCK	8598	4962	LBCKTXPS15T	DMS100/200
546 - AMARILLO	8266	5075	AMRLTX0215T	DMS100/200
548 - WICHITA FALLS	8323	4412	WCFLTXNI04T	DMS100/200
550 - ABILENE	8698	4513	ABLNTXOR15T	DMS200
552 - DALLAS-RIVERSIDE	8437	4035	DLLSTXRI01T	5ESS
552 - DALLAS-TAYLOR	8432	4033	DLLSTXTA03T	4ESS
552 - FT. WORTH	8479	4123	FTWOTXED03T	DMS200
554 - LONGVIEW	8347	3661	LGVWTXPL03T	DMS200
556 - WACO	8705	3994	WACOTX0115T	DMS200
558 - AUSTIN	9004	3997	AUSTTXGR06T	DMS100/200
560 - HOUSTON	8947	3548	HSTNTX0801T	DMS200
560 - HOUSTON-JACKSON	8943	3540	HSTNTXJA05T	DMS200
560 - HUNTSVILLE	8758	3650	HNVTXHN02T	DMS100/200
560 - NACOGDOCHES	8618	3569	NCGDTXNC02T	DMS100/200
562 - BEAUMONT	8777	3344	BUMTTXTE03T	DMS100/200

APPENDIX DCO
SWBT TANDEMS

564 - CORPUS CHRISTI	9477	3738	CRCHXTU03T	DMS200
566 - SAN ANTONIO	9225	4063	SNANTXCA03T	DMS200
568 - HARLINGEN	9819	3664	HRLNTXHG03T	DMS200

APPENDIX DCO
SWBT TEXAS EO POIs

EXCHANGE	CLLI	TYPE	LATA	VCOORD	HCOORD	ADDRESS
ABLN ORCHARD 672	ABLNTXORCG0	1SPC/1AAP	550	8698	4513	343 CEDAR, ABILENE, TX 79601
ABLN-ORCHARD	ABLNTXORDC5	DGTL/D1/2	550	8698	4513	343 CEDAR, ABILENE, TX 79601
ABLN OWEN 692	ABLNTXOWDS0	DGTL/5ES	550	8707	4519	2626 POST OAK RD, ABILENE, TX 79605
ALLEN	ALLNTXSADS0	DGTL/5ES	552	8364	4040	W FIRST ST, ALLEN, TX 75002
HSTN-ALVIN LVRPL	ALVNTXALCG0	1SPC/1AAP	560	8994	3487	209 S. HARDIE, ALVIN, TX 77511
AMRL TENTH 372	AMRLTX02CG0	1SPC/1AAP	546	8266	5075	113 W 10TH, AMARILLO, TX 79101
AMRL-TENTH	AMRLTX02DC5	DGTL/D1/2	546	8266	5075	113 W 10TH, AMARILLO, TX 79101
AMRL FLEETWOOD	AMRLTXFLDS0	DGTL/5ES	546	8274	5080	3326 WESTERN, AMARILLO, TX 79109
AUST EVERGREEN	AUSTTXEVDSD0	DGTL/D100	558	9007	3984	650 BASTROP HWY, AUSTIN, TX 78741
AUST FAIRFAX 327	AUSTTXFADSD0	DGTL/D100	558	9006	4012	5118 BEE CAVES RD, AUSTIN, TX 78756
AUST FIRESIDE345	AUSTTXFIDS0	DGTL/5ES	558	8984	4011	5501 SPICEWOODSPRINGS RD, AUSTIN, TX 78759
AUST GREENWOOD	AUSTTXGRCG0	1SPC/1AAP	558	9004	3997	120 W. NINTH, AUSTIN, TX 78701
AUST GREENWOOD	AUSTTXGRCG1	1SPC/1AAP	558	9004	3997	120 W. NINTH, AUSTIN, TX 78701
AUST-GREENWOOD	AUSTTXGRDS2	DGTL/D1/2	558	9004	3997	120 W. NINTH, AUSTIN, TX 78701
AUST-HICKORY	AUSTTXHIDS0	DGTL/5ES	558	9012	3997	201 CUMBERLAND, AUSTIN, TX 78704
AUST HOMESTEAD	AUSTTXHOCG0	1SPC/1AAP	558	8993	3999	817 N. LOOP, AUSTIN, TX 78704
AUST HOMESTEAD	AUSTTXHODSD0	DGTL/5ES	558	8993	3999	817 N. LOOP, AUSTIN, TX 78704
AUST JOLLYVL 258	AUSTTXJOCG0	1SPC/1AAP	558	8973	4026	9401 ANDERSON MILL RD, ROUNDROCK, TX 78664
AUST LEANDER 259	AUSTTXLEDS0	DGTL/5ES	558	8949	4042	U.S. HWY 183 NO., LEANDER, TX 78641
AUST MANOR 272	AUSTTXMADSD0	DGTL/5ES	558	8977	3970	#11 BURNET ST., MANOR, TX 78653
AUST MANCHACA282	AUSTTXMCDS0	DGTL/D100	558	9035	3999	101 W. FM1626, MANCHACA, TX 78652
AUST PFLUGERVILL	AUSTTXPFDS0	DGTL/5ES	558	8962	3990	103 S. FIRST, PFLUGERVILLE, TX 78660
AUST ROUND ROCK	AUSTTXRRDS0	DGTL/5ES	558	8952	4004	103 E. BAGDAD, ROUND ROCK, TX 78664
AUST TENNYSON836	AUSTTXTECG0	1SPC/1AAP	558	8978	3996	11409 N. LAMAR, AUSTIN, TX 78753
AUST TWINBROOK	AUSTTXTWDS0	DGTL/D100	558	9017	4009	5420 U.S. HWY 290 W., AUSTIN, TX 78745
AUST WALNUT 926	AUSTTXWADSD0	DGTL/5ES	558	8994	3987	5607 SPRINGDALE RD., AUSTIN, TX 78723
BELTON 939	BETNTXBEDSD0	DGTL/D100	556	8827	4010	318 MAIN, BELTON, TX 76513
BIG SPRING 263	BGSPTXBSDSD0	DGTL/5ES	542	8847	4800	801 RUNNELS, BIG SPRING, TX 79720
BRENNHAM	BRHMTXBRDS0	DGTL/D100	560	8932	3752	206 N. BAYLOR, BRENNHAM, TX 77833
BASTROP 321	BSTRTXBSDSD0	DGTL/D100	558	9007	3909	1107 WATER ST., BASTROP, TX 78602
BUMT-TERMINAL 83	BUMTTXTECG0	1SPC/1AAP	562	8777	3344	220 MAIN, BEAUMONT, TX 77701
BUMT-TERMINAL	BUMTTXTEDSD0	DGTL/5ES	562	8777	3344	220 MAIN, BEAUMONT, TX 77701
BUMT-TERMINAL	BUMTTXTEDS1	DGTL/D1/2	562	8777	3344	220 MAIN, BEAUMONT, TX 77701
BUMT-TWINBROOK 8	BUMTTXTWDS0	DGTL/D100	562	8773	3355	4310 SINGLETON, BEAUMONT, TX 77708
BWVL-LINCOLN	BWVLTXLIDS0	DGTL/5ES	568	9861	3606	701 E. WASHINGTON, BROWNSVILLE, TX 78520
CLEBURNE	CLBNTXMIDS0	DGTL/5ES	552	8563	4102	111 N ROBINSON, CLEBURNE, TX 76031
CLEVELAND 592	CLEVTXC LDS0	DGTL/5ES	560	8801	3540	209 E. CROCKETT, CLEVELAND, TX 77327

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CORPUSCALALEN241	CRCHTXCADS0	DGTL/D100	564	9481	3773	2902 MCKINZIE, CORPUS CHRISTI, TX 78410
CORPUSFLRBLUF937	CRCHTXFBDS0	DGTL/D100	564	9493	3709	1501 DEMA, CORPUS CHRISTI, TX 78418
CORPUS TERMNL 855	CRCHTXTECG0	1SPC/1AAP	564	9489	3735	4605 KOSTORYZ, CORPUS CHRISTI, TX 78415
CORPUS TULIP 882	CRCHTXTUCG0	1SPC/1AAP	564	9477	3738	406 N CARANCAHUA, CORPUS CHRISTI, TX 78401
CRCH-TULIP	CRCHTXTUDS0	DGTL/5ES	564	9477	3738	406 N CARANCAHUA, CORPUS CHRISTI, TX 78401
CORPUS WYMAN 991	CRCHTXWYDS0	DGTL/D100	564	9492	3724	1744 AIRLINE, CORPUS CHRISTI, TX 78412
CORSICANA	CRSCTXTRDS0	DGTL/D100	552	8551	3923	212 N 13TH ST, CORSICANA, TX 75110
CARTHAGE	CRTHTXOXDS0	DGTL/5ES	554	8385	3564	317 W SABINE, CARTHAGE, TX 75633
DENISON	DESNTXHODS0	DGTL/5ES	552	8225	4071	600 W CRAWFORD, DENISON, TX 75020
DLLS-ADDISON 239	DLLSTXADCG0	1SPC/1AAP	552	8406	4048	5820 ALPHA RD, ADDISON, TX 75240
DLLS-ADDISON 239	DLLSTXADDSD0	DGTL/D100	552	8406	4048	5820 ALPHA RD, ADDISON, TX 75240
DLLS-CEDAR HILL	DLLSTXCHDS0	DGTL/5ES	552	8486	4046	610 W BELTLINE RD, CEDAR HILL, TX 75014
DLLS-DAVIS 321	DLLSTXDACG0	1SPC/1AAP	552	8422	4023	1255 TAVAROS, DALLAS, TX 75218
DLLS-DIAMOND 341	DLLSTXDICG0	1SPC/1AAP	552	8411	4029	9920 AUDELIA, DALLAS, TX 75238
DLLS-DANIELDALE	DLLSTXDNDSD0	DGTL/5ES	552	8467	4027	9400 BLUE CREST, DALLAS, TX 75232
DLLS-DESOTO	DLLSTXDSDS0	DGTL/5ES	552	8482	4028	802 S HAMPTON, DESOTO, TX 75208
DLLS-DUNCANVILLE	DLLSTXDVCG0	1SPC/1AAP	552	8470	4043	200 S HASTINGS, DUNCANVILLE, TX 75116
DLLS-EMERSON	DLLSTXEMDS0	DGTL/5ES	552	8418	4040	8643 HILLCREST, DALLAS, TX 75225
DLLS-EVERGREEN	DLLSTXEVDSD0	DGTL/5ES	552	8431	4016	7611 MILITARY PKWY, DALLAS, TX 75227
DLLS-EXPRESS 391	DLLSTXEXDS0	DGTL/5ES	552	8441	4010	8120 ELAM RD, DALLAS, TX 75217
DLLS-FARMERS BRN	DLLSTXFBCG0	1SPC/1AAP	552	8414	4064	13303 DENTON, DALLAS, TX 75234
DLLS-FEDERAL 331	DLLSTXFEDSD0	DGTL/5ES	552	8453	4043	2400 S WESTMORELAND, DALLAS, TX 75211
DLLS-FLEETWOOD	DLLSTXFLDS0	DGTL/5ES	552	8425	4049	8333 LEMMON AVE, DALLAS, TX 75209
DLLS-FRANKLIN	DLLSTXFRCG0	1SPC/1AAP	552	8453	4027	2007 E ANN ARBOR, DALLAS, TX 75216
DLLS-GR PRAIRIE	DLLSTXGPCG0	1SPC/1AAP	552	8456	4064	1423 SMALL ST, GRAND PRAIRIE, TX 75050
DLLS-HAMILTON	DLLSTXHACG0	1SPC/1AAP	552	8438	4030	2621 S HARWOOD, DALLAS, TX 75215
DLLS-HUTCHINS	DLLSTXHUDSD0	DGTL/5ES	552	8457	4009	MAIN & ATHENS, HUTCHINS, TX 75141
DLLS-LAKESIDE	DLLSTXLADSD0	DGTL/5ES	552	8430	4039	4211 IRVING AVE, DALLAS, TX 75219
DLLS-LANCASTER	DLLSTXLNDS0	DGTL/5ES	552	8470	4015	601 PLEASANT RUN, LANCASTER, TX 75146
DLLS-MID CITIES	DLLSTXMCCG0	1SPC/1AAP	552	8463	4072	2513 SHERMAN, GRAND PRAIRIE, TX 75050
DLLS-MID CITIES	DLLSTXMCDSD0	DGTL/5ES	552	8463	4072	2513 SHERMAN, GRAND PRAIRIE, TX 75050
DLLS-MELROSE	DLLSTXMECG0	1SPC/1AAP	552	8435	4050	760 W MOCKINGBIRD, DALLAS, TX 75247
DLLS-MELROSE	DLLSTXMECG1	1SPC/1AAP	552	8435	4050	760 W MOCKINGBIRD, DALLAS, TX 75247
DLLS-MESQUITE	DLLSTXMSDS0	DGTL/5ES	552	8425	4000	321 W KIMBROUGH, MESQUITE, TX 75149
DLLS-NO MESQUITE	DLLSTXNMCG0	1SPC/1AAP	552	8418	4011	2943 OATES DR, MESQUITE, TX 75150
DLLS-NORTHLAKE	DLLSTXNODSD0	DGTL/5ES	552	8424	4069	625 E ROYAL LN, IRVING, TX 75062
DLLS-RENNER 248	DLLSTXRECG0	1SPC/1AAP	552	8397	4057	17451 DALLAS PKWY, DALLAS, TX 75287
DLLS-RIVERSIDE	DLLSTXRICG2	1SPC/1AAP	552	8437	4035	308 S AKARD, DALLAS, TX 75202

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DLLS-RIVERSIDE	DLLSTXRIDS0	DGTL/5ES	552	8437	4035	308 S AKARD, DALLAS, TX 75202
DLLS-RICHARDSON	DLLSTXRND0	DGTL/5ES	552	8398	4037	200 E TYLER, RICHARDSON, TX 75081
DLLS-ROSS AVENUE	DLLSTXRODS0	DGTL/5ES	552	8435	4035	2404 ROSS AVE, DALLAS, TX 75201
DLLS-RYLIE 286	DLLSTXRYDS0	DGTL/5ES	552	8443	4000	11429 RAVENVIEW, DALLAS, TX 75253
DLLS-SEAGOVILLE	DLLSTXSEDS0	DGTL/5ES	552	8445	3982	106 E ADKINS, SEAGOVILLE, TX 75159
DLLS-TAYLOR	DLLSTXTA04T	DGTL/D1/2	552	8432	4033	4211 BRYAN ST, DALLAS, TX 75204
DLLS-TAYLOR 821	DLLSTXTADS0	DGTL/5ES	552	8432	4033	4211 BRYAN ST, DALLAS, TX 75204
DLLS-WHITEHALL	DLLSTXWHCG0	1SPC/1AAP	552	8445	4036	200 W NINTH, DALLAS, TX 75208
EDINBURG 383	EDBGTXEBCG0	1SPC/1AAP	568	9831	3759	201 W. MAHL, EDINBURG, TX 78539
EAGLE PASS-PROSP	EGPSTXEPDS0	DGTL/D100	566	9505	4370	416 MONROE, EAGLE PASS, TX 78852
ELPS-EAST	ELPSTXEADS0	DGTL/D100	540	9222	5652	3103 AURORA, EL PASO, TX 79930
ELPS-HACIENDA	ELPSTXHADS0	DGTL/D100	540	9225	5630	7945 PARRAL, EL PASO, TX 79915
ELPS MAIN 532	ELPSTXMACG0	1SPC/1AAP	540	9231	5655	500 TEXAS ST RM 318, EL PASO, TX 79901
ELPS-MCCOMBS	ELPSTXMSDS0	DGTL/5ES	540	9191	5652	5845 SEAN HAGGERTY DR, EL PASO, TX 79934
ELPS NO EAST 751	ELPSTXNECG0	1SPC/1AAP	540	9204	5651	5001 HONDO PASS, EL PASO, TX 79924
ELPS-NORTH	ELPSTXNODS0	DGTL/5ES	540	9220	5676	100 SUNSET, EL PASO, TX 79922
ELPS SO EAST 779	ELPSTXSECG0	1SPC/1AAP	540	9225	5643	6045 GRIEMS CT, EL PASO, TX 79905
ELPS SANDHILLS	ELPSTXSHDS0	DGTL/5ES	540	9219	5617	2851 N ZARAGOSA, EL PASO, 79936
ELPS YSLETA 858	ELPSTXYSDS0	DGTL/5ES	540	9237	5618	520 IVEY, EL PASO, TX 79927
ENNIS	ENNSTXTRDS0	DGTL/D100	552	8515	3968	208 W CROCKETT, ENNIS, TX 75119
FREEPORT	FRPTTXFRDS0	DGTL/5ES	560	9096	3468	1021 W. BROAD, FREEPORT, TX 77541
FRISCO-ESSEX 377	FRSCTXESDS0	DGTL/5ES	552	8364	4069	206 S 5TH ST, FRISCO, TX 75034
FTWO-ARLNGTN SO	FTWOTXARCG0	1SPC/1AAP	552	8480	4080	4801 MATLOCK RD, ARLINGTON, TX 76018
FTWO-ATLAS	FTWOTXATCG0	1SPC/1AAP	552	8458	4108	3412 BOOTH CALLOWAY, FT WORTH, TX 76118
FTWO-WEDGEWOOD	FTWOTXAXCG0	1SPC/1AAP	552	8501	4127	4420 WEDGEMONT CIR, FT WORTH, TX 76133
FTWO-BENBROOK	FTWOTXBBDS0	DGTL/5ES	552	8505	4141	1020 COZBY SOUTH ST, FT WORTH, TX 76126
FTWO-BURLESON	FTWOTXBNDS0	DGTL/5ES	552	8520	4105	206 W RENFRO, BURLESON, TX 76028
FTWO-MANSFIELD	FTWOTXBRDS0	DGTL/D100	552	8503	4076	216 SMITH ST, MANSFIELD, TX 76063
FTWO-NO RICHLAND	FTWOTXBUCG0	1SPC/1AAP	552	8451	4116	6636 WATAUGA RD, WATAUGA, TX 76148
FTWO-CROWLEY	FTWOTXBYDS0	DGTL/5ES	552	8518	4118	308 W PECAN, CROWLEY, TX 76036
FTWO-SAGINAW	FTWOTXCEDS0	DGTL/D100	552	8458	4134	1611 WATAUGA RD, FT WORTH, TX 76131
FTWO-WESTLAND	FTWOTXCIDS0	DGTL/5ES	552	8494	4147	3309 ALEMEDA, FT WORTH, TX 76116
FTWO-CENTREPORT	FTWOTXCPDS0	DGTL/D100	552	8445	4082	4255 AMON CARTER, FT WORTH, TX 76155
FTWO-ARLNGTN CR	FTWOTXCRCG1	1SPC/1AAP	552	8467	4084	312 W ABRAHAM, ARLINGTON, TX 76010
FTWO-ARLNGTN CR	FTWOTXCRDS0	DGTL/D100	552	8467	4084	312 W ABRAHAM, ARLINGTON, TX 76010
FTWO-EDGECLIFF	FTWOTXECCG0	1SPC/1AAP	552	8505	4110	7220 S FREEWAY, FT WORTH, TX 76134
FTWO-EDISON	FTWOTXED03T	DGTL/D1/2	552	8479	4122	1116 HOUSTON, FT WORTH, TX 76102
FTWO-EDISON	FTWOTXEDCG0	1SPC/1AAP	552	8479	4122	1116 HOUSTON, FT WORTH, TX 76102

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FTWO-EDISON	FTWOTXEDCG1	1SPC/1AAP	552	8479	4122	1116 HOUSTON, FT WORTH, TX 76102
FTWO-EDISON	FTWOTXEDDS0	DGTL/D100	552	8479	4122	1116 HOUSTON, FT WORTH, TX 76102
FTWO-EDISON	FTWOTXEDDS3	DGTL/5ES	552	8479	4122	1116 HOUSTON, FT WORTH, TX 76102
FTWO-EULESS	FTWOTXEUCG0	1SPC/1AAP	552	8445	4088	108 ROSS AVE, EULESS, TX 76040
FTWO-GLENDALE	FTWOTXGLCG0	1SPC/1AAP	552	8475	4105	6000 CLAIG ST, FT WORTH, TX 76112
FTWO-JEFFERSON	FTWOTXJECG0	1SPC/1AAP	552	8480	4113	3228 AVENUE G, FT WORTH, TX 76105
FTWO-KENNEDALE	FTWOTXKECG0	1SPC/1AAP	552	8492	4097	500 CHITWOOD, KENNEDALE, TX 76060
FTWO-LAKE WORTH	FTWOTXLWDS0	DGTL/D100	552	8474	4146	6724 TELEPHONE RD, FT WORTH, TX 76135
FTWO-MARKET	FTWOTXMADS0	DGTL/D100	552	8474	4132	2401 CHESTNUT, FT WORTH, TX 76106
FTWO-PERSHING	FTWOTXPECG0	1SPC/1AAP	552	8487	4135	5400 PERSHING, FT WORTH, TX 76107
FTWO-TERMINAL	FTWOTXTEDS0	DGTL/D100	552	8471	4119	1128 EAGLE DR, FT WORTH, TX 76111
FTWO-WALNUT	FTWOTXWACG0	1SPC/1AAP	552	8488	4121	1414 W BOWIE, FT WORTH, TX 76110
FTWO-WH SETTLEMNT	FTWOTXWSDS0	DGTL/5ES	552	8486	4146	8228 WHITE SETTLEMENT, FTWORTH, TX 76108
GLTN-SHERWOOD	GLTNTXSHDS0	DGTL/D100	560	8992	3402	2102 59TH ST, GALVESTON, TX 77550
GLTN-SOUTHFIELD	GLTNTXSOCG0	1SPC/1AAP	560	8985	3397	822 ROSENBERG, GALVESTON, TX 77550
GREENVILLE	GNVLTXLDS0	DGTL/D100	552	8317	3949	2702 WESLEY, GREENVILLE, TX 75401
GRANBURY	GRBYTXRADS0	DGTL/5ES	552	8572	4178	319 W BLUFF, GRANBURY, TX 76048
GAINESVILLE	GSVLTXHODS0	DGTL/5ES	552	8291	4162	203 E BROADWAY, GAINESVILLE, TX 76240
HUNTSVILLE	HNVITXHNDSD0	DGTL/D1/2	560	8758	3650	1014 13TH ST, HUNTSVILLE, TX 77340
HARLINGEN 423	HRLNTXHGCG0	1SPC/1AAP	568	9819	3664	401 E VAN BUREN, HARLINGEN, TX 78550
HSTN-NATIONAL	HSTNTX0801T	DGTL/D100	560	8870	3642	3303 WESLAYAN, HOUSTON, TX 77027
HSTN-ALDINE 442	HSTNTXADCG0	1SPC/1AAP	560	8908	3542	11630 HARTLEY, HOUSTON, TX 77093
HSTN-AIRLINE 445	HSTNTXAIDS0	DGTL/D100	560	8912	3560	1214 BLUEBELL RD, HOUSTON, TX 77038
HSTN-ALIEF 495	HSTNTXALDS0	DGTL/5ES	560	8970	3570	9304 KIRKWOOD, HOUSTON, TX 77036
HSTN-APOLLO 480	HSTNTXAPCG0	1SPC/1AAP	560	8959	3480	623 EL DORADO, HOUSTON, TX 77058
HSTN-BAMMEL 440	HSTNTXBACG0	1SPC/1AAP	560	8903	3577	12835 VETERANS MEMORIAL, HOUSTON, TX 77014
HSTN-BARKER 492	HSTNTXBRCG0	1SPC/1AAP	560	8955	3595	214 RENNIE RD, KATY, TX 77450
HSTN-BUFFALO 493	HSTNTXBUDS0	DGTL/5ES	560	8958	3577	2101 DAIRY ASHFORD, HOUSTON, TX 77077
HSTN-BLUE RDGE W	HSTNTXBWCG0	1SPC/1AAP	560	8980	3542	6302 MCHARD, HOUSTON, TX 77053
HSTN-CAPITOL 220	HSTNTXCACG1	1SPC/1AAP	560	8938	3536	1121 CAPITOL, HOUSTON, TX 77002
HSTN-CAPITOL 220	HSTNTXCACG2	1SPC/1AAP	560	8938	3536	1121 CAPITOL, HOUSTON, TX 77002
HSTN-CLAY 650	HSTNTXCLOG1	1SPC/1AAP	560	8938	3537	1200 CLAY, HOUSTON, TX 77002
HSTN-CLAY 650	HSTNTXCLOG2	1SPC/1AAP	560	8938	3537	1200 CLAY, HOUSTON, TX 77002
HSTN-CLAY 650	HSTNTXC LDS0	DGTL/5ES	560	8938	3537	1200 CLAY, HOUSTON, TX 77002
HSTN-DEER PARK 4	HSTNTXDPCG0	1SPC/1AAP	560	8929	3490	418 CENTER, DEERPARK, TX 77536
HSTN-E HOUSTON 4	HSTNTXEHC G0	1SPC/1AAP	560	8904	3522	10201 JOHN RALSTON RD, HOUSTON, TX 77044
HSTN-FAIRBANKS 4	HSTNTXFACG0	1SPC/1AAP	560	8930	3572	14101 ASTON, HOUSTON, TX 77040
HSTN-FRIENDSWOOD	HSTNTXFRCG0	1SPC/1AAP	560	8969	3489	106 EDGEWOOD AVE, FRIENDSWOOD, TX 77546

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HSTN-GLENDALE 45	HSTNTXGLCG0	1SPC/1AAP	560	8922	3509	1245 DWIGHT, HOUSTON, TX 77015
HSTN-GREENSPPOINT	HSTNTXGPDS0	DGTL/5ES	560	8904	3564	939 W. GREENS ROAD, HOUSTON, TX 77067
HSTN-GREENWOOD 4	HSTNTXGRCG0	1SPC/1AAP	560	8935	3506	207 S. MUNGER, PASADENA, TX 77502
HSTN-HOMESTEAD 4	HSTNTXHOCG1	1SPC/1AAP	560	8942	3566	1015 BADE, HOUSTON, TX 77055
HSTN-HUDSON 941	HSTNTXHUDS0	DGTL/D100	560	8947	3504	510 ARKANSAS, HOUSTON, TX 77055
HSTN-IDLEWOOD 43	HSTNTXIDCG0	1SPC/1AAP	560	8971	3533	13806 ALMEDA SCHOOL RD, HOUSTON, TX 77047
HSTN-JACKSON 520	HSTNTXJACG0	1SPC/1AAP	560	8943	3540	1308 RICHMOND, HOUSTON, TX 77006
HSTN-JACKSON 520	HSTNTXJACG2	1SPC/1AAP	560	8943	3540	1308 RICHMOND, HOUSTON, TX 77006
HSTN-JACKSON 520	HSTNTXJADS1	DGTL/D100	560	8943	3540	1308 RICHMOND, HOUSTON, TX 77006
HSTN-LANGHAM CRK	HSTNTXLACG0	1SPC/1AAP	560	8936	3602	16715 FM529, HOUSTON, TX 77040
HSTN-LAPORTE 470	HSTNTXLPDS0	DGTL/D100	560	8929	3470	502 W. POLK, LA PORTE, TX 77571
HSTN-MANVEL 489	HSTNTXMADS0	DGTL/D100	560	8988	3512	7023 DEL BELLO RD, HOUSTON, TX 77578
HSTN-MED CENTER	HSTNTXMCDS0	DGTL/5ES	560	8952	3539	7380 FANNIN, HOUSTON, TX 77030
HSTN-MISSION 641	HSTNTXMICG0	1SPC/1AAP	560	8945	3519	7347 JOPLIN, HOUSTON, TX 77016
HSTN-MOHAWK 660	HSTNTXMOCG0	1SPC/1AAP	560	8952	3546	4068 BELLAIRE BLVD., HOUSTON, TX 77025
HSTN-MOHAWK 660	HSTNTXMOCG1	1SPC/1AAP	560	8952	3546	4068 BELLAIRE BLVD., HOUSTON, TX 77025
HSTN-NATIONAL 62	HSTNTXNACG0	1SPC/1AAP	560	8946	3550	2310 WEST LANE, HOUSTON, TX 77027
HSTN-NATIONAL 62	HSTNTXNACG1	1SPC/1AAP	560	8946	3550	2310 WEST LANE, HOUSTON, TX 77027
HSTN-NATIONAL 62	HSTNTXNADS0	DGTL/5ES	560	8946	3550	2310 WEST LANE, HOUSTON, TX 77027
HSTN-NEPTUNE 631	HSTNTXNECG0	1SPC/1AAP	560	8915	3533	8733 HOMESTEAD, HOUSTON, TX 77016
HSTN-ORCHARD 671	HSTNTXORCG0	1SPC/1AAP	560	8927	3526	510 CROWN, HOUSTON, TX 77020
HSTN-OVERLAND 68	HSTNTXOVCG0	1SPC/1AAP	560	8930	3560	4112 MANGUM RD., HOUSTON, TX 77092
HSTN-OXFORD 691	HSTNTXOXCG0	1SPC/1AAP	560	8921	3544	710 BERRY RD., HOUSTON, TX 77022
HSTN-PARKVIEW 72	HSTNTXPACG0	1SPC/1AAP	560	8965	3547	11342 RICECREST, HOUSTON, TX 77035
HSTN-PRESCOTT 77	HSTNTXPRCG0	1SPC/1AAP	560	8963	3558	8803 BRAE ACRES, HOUSTON, TX 77036
HSTN-PRESCOTT 77	HSTNTXPRCG1	1SPC/1AAP	560	8963	3558	8803 BRAE ACRES, HOUSTON, TX 77036
HSTN-REPUBLIC 73	HSTNTXRECG0	1SPC/1AAP	560	8954	3526	8301 JUTLAND, HOUSTON, TX 77033
HSTN-RIVERSIDE 7	HSTNTXRICS0	DGTL/D100	560	8949	3533	3247 YELLOWSTONE, HOUSTON, TX 77021
HSTN-SATSUMA 469	HSTNTXSACG0	1SPC/1AAP	560	8917	3590	11239 JONES RD, HOUSTON, TX 77070
HSTN-SUNSET 780	HSTNTXSUDS0	DGTL/5ES	560	8952	3563	2538 FONDREN RD, HOUSTON, TX 77042
HSTN-UNDERWOOD 8	HSTNTXUNCG0	1SPC/1AAP	560	8933	3545	750 HEIGHTS BLVD, HOUSTON, TX 77007
HSTN-WALNUT 921	HSTNTXWACG0	1SPC/1AAP	560	8936	3525	6745 HARRISBURG, HOUSTON, TX 77011
HSTN-WESTFIELD 4	HSTNTXWECG0	1SPC/1AAP	560	8892	3556	18407 ALDINE WESTFIELD, HOUSTON, TX 77073
HSTN-ELLINGTON W	HSTNTXWLCG0	1SPC/1AAP	560	8954	3496	12603 CONKLIN LN, HOUSTON, TX 77034
HSTN-WYDOWN 991	HSTNTXWYDS0	DGTL/D100	560	8959	3513	7402 ALMEDA GENOA, HOUSTON, TX 77034
JSPR-DUDLEY 384	JSPRTXDUDS0	DGTL/D100	562	8603	3399	231 E MILAM ST, JASPER, TX 75951
KINGSVILLE 592	KGVLTXKVDS0	DGTL/D100	564	9566	3801	330 E. KING, KINGSVILLE, TX 78363
LAREDO 722	LARDTXLADS0	DGTL/5ES	566	9680	4098	902 SAN EDUARDO, LARDEO, TX 78040

APPENDIX DCO
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LBCK-FRANKFORD	LBCKTXFRDS0	DGTL/D100	544	8619	4971	5711 98TH ST, LUBBOCK, TX 79424
LBCK-PARKVIEW	LBCKTXPADS0	DGTL/5ES	544	8611	4957	AVE P & 82ND STREET, LUBBOCK, TX 79408
LBCK-PORTER SHER	LBCKTXPSCG0	1SPC/1AAP	544	8598	4962	1420 BROADWAY FLR 1, LUBBOCK, TX 79401
LBCK-PORTER SHER	LBCKTXPSDC5	DGTL/D1/2	544	8598	4962	1420 BROADWAY FLR 1, LUBBOCK, TX 79401
LBCK-PORTER SHER	LBCKTXPSDS1	DGTL/5ES	544	8598	4962	1420 BROADWAY FLR 1, LUBBOCK, TX 79401
LBCK-SWIFT	LBCKTXSWCG0	1SPC/1AAP	544	8605	4970	4402 34TH ST, LUBBOCK, TX 79401
LGWV-GREGGTON	LGWVTXGRDS0	DGTL/5ES	554	8349	3671	105 E NIBLICK, LONGVIEW, TX 75604
LGWV-MILTON	LGWVTXMIDS0	DGTL/5ES	554	8363	3641	RT3 FM 2963, LONGVIEW, TX 75604
LGWV-PLAZA	LGWVTXPLO3T	DGTL/D1/2	554	8347	3661	214 E WHALEY, LONGVIEW, TX 75601
LGWV-PLAZA	LGWVTXPLOG0	1SPC/1AAP	554	8347	3661	214 E WHALEY, LONGVIEW, TX 75601
MCALLENMURRAY686	MCALTXMUCG0	1SPC/1AAP	568	9855	3763	721 BEECH, MC ALLEN, TX 78501
MCKN-LINDEN	MCKNTXLIDS0	DGTL/5ES	552	8340	4038	307 W KENTUCKY, MCKINNEY, TX 75069
MDLD-MUTUAL	MDLDTXMU15T	DGTL/D1/2	542	8934	4890	410 W MISSOURI, MIDLAND, TX 79701
MDLD-MUTUAL	MDLDTXMUDS0	DGTL/5ES	542	8934	4890	410 W MISSOURI, MIDLAND, TX 79701
MDLD-OXFORD	MDLDTXOXDS0	DGTL/D100	542	8940	4898	305 N MIDLAND, MIDLAND, TX 79703
MT PLEASANT 572	MNPLTXPADS0	DGTL/D100	554	8232	3756	407 N VAN BUREN, MT PLEASANT, TX 75445
MARSHALL	MRSHTXWEDS0	DGTL/5ES	554	8311	3602	216 N BOLIVAR, MARSHALL, TX 75670
MISSION 585	MSSNTXMIDS0	DGTL/D100	568	9861	3781	920 MILLER, MISSION, TX 78572
NEWBRAUNFELS 625	NBRNTXNBCG0	1SPC/1AAP	566	9145	4018	210 E SAN ANTONIO, NEWBRAUNFELS, TX 78130
NACOGDOCHES 560	NCGDTXNCDS0	DGTL/D1/2	560	8518	3569	227 MIMMS ST., NACOGDOCHES, TX 75961
NEDERLAND	NDLDTXNDSD0	DGTL/D100	562	8789	3316	844 NEDERLAND AVE., NEDERLAND, TX 77627
ODSS-EMERSON	ODSSTXEMDS0	DGTL/D100	542	8975	4932	3801 DAWN, ODESSA, TX 79762
ODSS-LINCOLN	ODSSTXLICG0	1SPC/1AAP	542	8983	4931	301 W 7TH RM 220, ODESSA, TX 79762
ORANGE 882	ORNGTXORDS0	DGTL/D100	562	8746	3281	704 ELM, ORANGE, TX 77630
PAMPA	PAMPTXPPDS0	DGTL/5ES	546	8148	4952	310 N BALLARD, PAMPA, TX 79065
PARIS SUNSET	PARSTXSUDS0	DGTL/5ES	552	8173	3897	121 2ND ST NE, PARIS, TX 75460
PHARR 787	PHRRTXPHCG0	1SPC/1AAP	568	9854	3754	224 CAGE, PHARR, TX 78577
PLAINVIEW	PLVWVTXPVDS0	DGTL/D100	544	8465	4981	916 DENVER ST, PLAINVIEW, TX 79003
HSTN-PINEHURST 2	PNHRTXPNDSD0	DGTL/5ES	560	8878	3627	35439 FM149, PINEHURST, TX 77362
PTAR-YUKON 982	PTARTXYUDS0	DGTL/D100	562	8802	3296	940 MARSHALL, PORT ARTHUR, TX 77640
ROCKPORT 729	RCPTTXRPDS0	DGTL/D100	564	9406	3693	215 N. PEARL, ROCKPORT, TX 78382
FTWO-ROANOKE	RONKTXWODS0	DGTL/D100	552	8423	4126	PINE & RUSK, ROANOKE, TX 76262
HSTN-RICH-ROSEBG	RSBGTXRRDS0	DGTL/5ES	560	9008	3596	1110 LOUISE, ROSENBERG, TX 77471
SEGUINFRANKLN379	SGINTXSGDS0	DGTL/D100	566	9161	3981	403 S. RIVER, SEGUIN, TX 78155
SA BABCOCK 696	SNANTXBACG0	1SPC/1AAP	566	9209	4088	10525 HUEBNER RD, SAN ANTONIO, TX 78240
SA CAPITOL 221	SNANTXCACG0	1SPC/1AAP	566	9225	4062	105AUDITORIUMCIRCLE,SANANTONIO,TX 78205
SA CAPITOL 221	SNANTXCACG1	1SPC/1AAP	566	9225	4062	105AUDITORIUMCIRCLE,SANANTONIO,TX 78205
SA CAPITOL 221	SNANTXCADS2	DGTL/5ES	566	9225	4062	105AUDITORIUMCIRCLE,SANANTONIO,TX 78205

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SA CULEBRA 684	SNANTXCUCG0	1SPC/1AAP	566	9223	4092	5612 GRISSOM RD., SAN ANTONIO, TX 78250
SA CULEBRA 684	SNANTXCUDS0	DGTL/D100	566	9223	4092	5612 GRISSOM RD., SAN ANTONIO, TX 78250
SA DIAMOND 342	SNANTXDICG0	1SPC/1AAP	566	9209	4076	103 ADOBE, SAN ANTONIO, TX 78213
SA EDISON 333	SNANTXEDDS0	DGTL/D100	566	9228	4044	4530 SINCLAIR RD, SAN ANTONIO, TX 78222
SA FRATT 655	SNANTXFRCG0	1SPC/1AAP	566	9198	4052	5311 SHERRI ANN, SAN ANTONIO, TX 78233
SA FRATT 655	SNANTXFRDS0	DGTL/D100	566	9198	4052	5311 SHERRI ANN, SAN ANTONIO, TX 78233
SA GENERAL 432	SNANTXGECG0	1SPC/1AAP	566	9229	4075	142 N GEN MCMULLEN, SAN ANTONIO, TX 78237
SA LACKLAND 674	SNANTXLADS0	DGTL/D100	566	9242	4090	103 PILAR, SAN ANTONIO, TX 78227
SA LEHIGH 532	SNANTXLECG0	1SPC/1AAP	566	9230	4059	103 GROVE AVE, SAN ANTONIO, TX 78210
SNAN-MARTINEZ	SNANTXMADS0	DGTL/D100	566	9215	4045	1427 ACKERMANN RD, SAN ANTONIO, TX 78219
SA MEDCENTER 962	SNANTXMCDS0	DGTL/5ES	566	9215	4086	4949 VON SCHEEL DR, SANANTONIO, TX 78229
SA PERSHING 732	SNANTXPECG0	1SPC/1AAP	566	9221	4070	110 WARNER, SAN ANTONIO, TX 78201
SA SHAVANO 492	SNANTXSLDS0	DGTL/D100	566	9198	4086	15606NWMILITARYHWY,SANANTOINIO, TX 78231
SA TAYLOR 822	SNANTXTACG0	1SPC/1AAP	566	9213	4062	5441 BROADWAY, SAN ANTONIO, TX 78209
SA UNIV CITY 658	SNANTXUCDS0	DGTL/D100	566	9187	4037	201 W LINDBERG, UNIVERSAL CITY, TX 78148
SA WALNUT 922	SNANTXWACG0	1SPC/1AAP	566	9240	4063	302 W. MAYFIELD, SAN ANTONIO, TX 78221
SNAN-WETMORE	SNANTXWEDS0	DGTL/5ES	566	9190	4073	17219 HWY. 281 N., SAN ANTONIO, TX 78232
HSTN-SPRING-NOR	SPRNTXNODS0	DGTL/5ES	560	8864	3585	114 ROBINSON RD, SPRING, TX 77373
HSTN-SPRING-SOU	SPRNTXSOCG0	1SPC/1AAP	560	8879	3576	1522 SPRING CYPRESS RD, SPRING, TX 77373
HSTN-TOM KLEIN 2	TBLLTXKLCG0	1SPC/1AAP	560	8892	3592	7638 SPRING CYPRESS RD, SPRING, TX 77379
HSTN-TOMBALL 255	TBLLTXBDS0	DGTL/5ES	560	8889	3609	212 W. COMMERCE, TOMBALL, TX 77375
TMPL DOWNTOWN 773	TMPLTXDNCG0	1SPC/1AAP	556	8812	3992	117 N. FIRST, TEMPLE, TX 76501
TERRELL 563	TRRLTXJODS0	DGTL/D100	552	8410	3943	210 N ROCKWALL, TERRELL, TX 75160
TXCY-TEXAS CITY	TXCYTXCDS0	DGTL/5ES	560	8975	3424	622 FIFTH AVE N, TEXAS CITY, TX 77590
TYLER-LYRIX	TYLRTXLYCG0	1SPC/1AAP	554	8417	3744	611 W ELM, TYLER, TX 75802
TYLER-SOUTH	TYLRTXSODS0	DGTL/D100	554	8428	3740	400 RICE RD, TYLER, TX 75707
VICTORIA 573	VCTATXVICG0	1SPC/1AAP	564	9246	3747	807 N. EAST, VICTORIA, TX 77901
WACO WASHINGTON	WACOTX01CG0	1SPC/1AAP	556	8705	3994	925 WASHINGTON, WACO, TX 76693
WACO-WASHINGTON	WACOTX01DS1	DGTL/5ES	556	8705	3994	925 WASHINGTON, WACO, TX 76693
WACO PRESCOTT	WACOTXPRDS0	DGTL/D100	556	8717	4001	620 OWEN LN., WACO, TX 76710
WACO SWIFT	WACOTXSWDS0	DGTL/D100	556	8695	3992	2525 MONTROSE, WACO, TX 76705
WCFL-CALLFIELD	WCFLTXCFG0	1SPC/1AAP	548	8335	4419	4010 CALLFIELD, WICHITA FALLS, TX 76301
WCFL-CALLFIELD	WCFLTXCFRS1	DGTL/5ES	548	8335	4419	4010 CALLFIELD, WICHITA FALLS, TX 76301
WCFL-LAMAR	WCFLTXNICG0	1SPC/1AAP	548	8323	4412	812 NINTH ST, WICHITA FALLS, TX 76301
WCFL-LAMAR	WCFLTXNIDS2	DGTL/5ES	548	8323	4412	812 NINTH ST, WICHITA FALLS, TX 76301
WEATHERFORD	WTFRTXLYDS0	DGTL/5ES	552	8508	4206	117 W COLUMBIA, WEATHERFORD, TX 76086
WAXAHACHIE 937	WXHCTXWEDS0	DGTL/D100	552	8517	4011	306 W ROGERS, WAXAHACHIE, TX 75165

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CLLI	EXCHANGE	TYPE	LATA	VCOORD	HCOORD	ADDRESS
ARKDARMADS0	ARKADELPHIA 246	DGTL/5ES	528	7903	3521	801 CLAY ST.,ARKADELPHIA,AR 71923
BNTNARMADS0	BENTON 778	DGTL/5ES	528	7781	3483	321 S. MAIN,BENTON,AR 72015
BNTVARCRDS0	BENTONVILLE 273	DGTL/5ES	526	7543	3907	207 SW 'A',BENTONVILLE,AR 72712
BTVLARNODS0	BATESVILLE NORTH	DGTL/D100	528	7473	3440	410 E. BOSWELL, BATESVILLE,AR 72501
BYVLARPODS0	BLYTHEVILLE 763	DGTL/D100	528	7309	3178	322 S. 2ND,BLYTHEVILLE,AR 72315
CNWYARMADS0	CONWAY 327	DGTL/5ES	528	7666	3508	820 LOCUST,CONWAY,AR 72032
ELDOARMADS0	EL DORADO 862	DGTL/5ES	530	8052	3375	301 W. MAIN,EL DORADO,AR 71730
FRCYARMADS0	FORREST CITY 633	DGTL/D100	528	7555	3232	505 DILLARD,FORREST CITY,AR 72335
FTSMARGLDS0	FTSM GLADSTONE 4	DGTL/D100	526	7753	3840	8200 ROGERS,FORT SMITH,AR 72923
FTSMARMIDS0	FTSM MISSION 646	DGTL/D100	526	7762	3848	3101 S. ZERO ST.,FORT SMITH,AR 72903
FTSMARSUDS0	FTSM SUNSET 782	DGTL/D1/2	526	7752	3855	101 N. 13TH,FORT SMITH,AR 72901
FYVLARHIDS0	FAYETTEVILLE 442	DGTL/D1/2	526	7599	3872	138 N. EAST,FAYETTEVILLE,AR 72701
HBSPARMADS0	HEBER SPRINGS 36	DGTL/D100	528	7557	3478	209 S. 5TH ST.,HEBER SPRINGS,AR 72543
HTSPARLADS0	HTSP LK HAMILTON	DGTL/5ES	528	7841	3556	HWY. 7 S.HOT SPRINGS,AR 71913
HTSPARNADS0	HTSP NATIONL 321	DGTL/5ES	528	7825	3556	220 PROSPECT,HOT SPRINGS,AR 71901
JNBOARMADS0	JONESBORO 932	DGTL/D1/2	528	7388	3297	723 S. CHURCH,JONESBORO,AR 72401
LTRKARCADS0	LR CAPITOL 225	DGTL/5ES	528	7729	3471	11001 W. MARKHAM,LITTLE ROCK,AR 72211
LTRKARFRDS0	LR FRANKLIN 372	DGTL/D100	528	7722	3448	120 W. 8TH-4TH FLR.,LITTLE ROCK,AR 72201
LTRKARLODS0	LR LOCUST 562	DGTL/5ES	528	7737	3455	5805 W. 65TH,LITTLE ROCK,AR 72209
LTRKARMODS0	LR MOHAWK 663/66	DGTL/5ES	528	7722	3457	517 N. ELM,LITTLE ROCK,AR 72205
LTRKARSKDS0	LR SKYLINE 753	DGTL/D100	528	7711	3451	115 W. 'F' ST.,N. LITTLE ROCK,AR 72118
LTRKARTEDS0	LR SYLVAN HILLS	DGTL/D100	528	7697	3451	208 HILLCREST RD.,SHERWOOD,AR 72116
LTRKARTUDS0	LR SPRINGLAKE 88	DGTL/D100	528	7754	3444	ARCH ST. PIKE,LITTLE ROCK,AR 72206
LTRKARULDS0	LR PALARM 851	DGTL/D100	528	7700	3478	15 SMALLING RD.,N. LITTLE ROCK,AR 72118
MGNLARMADS0	MAGNOLIA 234	DGTL/5ES	530	8084	3476	500 N. WASHINGTON,MAGNOLIA,AR 71753
PNBLARJEDS0	PNBL JEFFERSON 5	DGTL/D1/2	530	7803	3358	720 BEECH,PINE BLUFF,AR 71601
PRGLARCEDS0	PARAGOULD CEDAR	DGTL/D100	528	7329	3283	117 N. 3RD,PARAGOULD,AR 72450
RGRSARMADS0	ROGERS 636	DGTL/5ES	526	7543	3890	700 W. WALNUT,ROGERS,AR 72756
SPDLARPLDS0	SPRINGDALE 751	DGTL/5ES	526	7574	3879	701 W. EMMA,SPRINGDALE,AR 72764
SRCYARMADS0	SEARCY 268	DGTL/D100	528	7581	3407	200 N. OAK,SEARCY,AR 72143
VNBRARMADS0	VAN BUREN 474	DGTL/D100	526	7736	3849	22 N. 11TH ST.,VAN BUREN,AR 72956
WMMPARMADS0	WEST MEMPHIS 735	DGTL/D100	528	7481	3149	117 OLIVER,WEST MEMPHIS,AR 72301

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CLLI	EXCHANGE	EQ TYPE	LATA	V-COORD	H-COORD	STREET ADDRESS
CFVLKS10DS0	COFFEYVILLE	DGTL/D100	532	7507	4190	214 W 10TH ST, COFFEYVILLE, KS 67337
CHNTKSSSDS0	CHANUTE	DGTL/D100	532	7367	4218	20 S STEUBEN, CHANUTE, KS 66720
CNCRKSBRDS0	CONCORDIA	DGTL/D1/2	534	7132	4722	1004 BROADWAY, CONCORDIA, KS 66901
DDCYKS01DS0	DODGE CITY	DGTL/D1/2	532	7641	4958	208 GUNSMOKE, DODGE CITY, KS 67801
EMPRKS08DS0	EMPORIA	DGTL/D100	532	7271	4394	28 W 8TH, EMPORIA, KS 66801
FTSCKS01DS0	FORT SCOTT	DGTL/D100	532	7285	4114	23 W 1ST, FORT SCOTT, KS 66701
GRCYKS07DS0	GARDEN CITY	DGTL/D100	532	7647	5112	409 N 7 ST, GARDEN CITY, KS 67846
GRTBKSSSTD0	GREAT BEND	DGTL/D100	532	7442	4803	1300 STONE ST, GREAT BEND, KS 67530
HAYSKS11DS0	HAYS	DGTL/D1/2	534	7374	4932	126 W 11TH, HAYS, KS 67601
HITSNKS02DS0	HUTCHINSON	DGTL/D1/2	532	7453	4644	101 E 2ND ST, HUTCHINSON, KS 67501
INDPKSMADS0	INDEPENDENCE	DGTL/D100	532	7475	4219	200 E MAPLE, INDEPENDENCE, KS 67301
KSCYKS10CG0	KC DREXEL	1SPC/1AAP	524	7028	4212	901 N 10TH, KANSAS CITY, KS 66101
KSCYKSBSDS0	KC BONNER SPRING	DGTL/5ES	524	7056	4246	163 NETTLETON, BONNER SPRINGS, KS 66011
KSCYKSCBDS0	KC CORPORATEWOOD	DGTL/5ES	524	7068	4203	8686 W COLLEGE, OVERLAND PARK, KS 66210
KSCYKSJOCG0	KC HEDRICK	1SPC/1AAP	524	7049	4210	7400 JOHNSON DR, MISSION, KS 66202
KSCYKSJODS0	KC HEDRICK	DGTL/D1/2	524	7049	4210	7400 JOHNSON DR, MISSION, KS 66202
KSCYKSLEDS0	KC LENEXA	DGTL/5ES	524	7067	4215	9400 PFLUMM RD, LENEXA, KS 66215
KSCYKSNACG0	KC DUPONT	1SPC/1AAP	524	7060	4201	9444 NALL ST, KANSAS CITY, KS 66207
KSCYKSOLDS0	KC OLATHE	DGTL/5ES	524	7086	4220	114 N WATER ST, OLATHE, KS 66061
KSCYKSPADS0	KC BETHEL	DGTL/5ES	524	7032	4228	6425 PARALLEL ST, KANSAS CITY, KS 66102
KSCYKSSHDS0	KC SHAWNEE	DGTL/5ES	524	7055	4220	6120 PFLUMM, KANSAS CITY, KS 66216
KSCYKSSSTD0	KC STANLEY	DGTL/D100	524	7082	4195	14969 METCALF, STANLEY, KS 66223
LBRLKS04DS1	LIBERAL	DGTL/D100	532	7839	5053	20 E 4 ST, LIBERAL, KS 67901
LVWOKSSHDS0	LEAVENWORTH	DGTL/D100	524	7006	4273	615 SHAWNEE ST, LEAVENWORTH, KS 66048
LWRNKSVEDS0	LAWRENCE	DGTL/5ES	534	7097	4293	732 VERMONT ST, LAWRENCE, KS 66044
MNHTKSFADS0	MANHATTAN	DGTL/D100	534	7141	4522	1640 FAIRCHILD ST, MANHATTAN, KS 66502
NWTNKS05DS0	NEWTON	DGTL/D100	532	7418	4550	131 W 5TH ST, NEWTON, KS 67114
PRSSKSWADS0	PARSONS	DGTL/D1/2	532	7422	4159	1631 WASHINGTON ST, PARSONS, KS 67357
PSBGKSLODS0	PITTSBURG	DGTL/D100	532	7370	4076	611 N LOCUST, PITTSBURG, KS 66762
SALNKSTADS0	SALINA	DGTL/D1/2	534	7275	4656	137 S 7TH ST, SALINA, KS 67401
SALNKSTADS1	SALINA	DGTL/5ES	534	7275	4656	137 S 7TH ST, SALINA, KS 67401
TPKAKS37DS0	TOPEKA AMHERST	DGTL/D100	534	7120	4366	420 W 37TH, TOPEKA, KS 66611
TPKAKSFADS0	TOPEKA CRESTWOOD	DGTL/D100	534	7118	4378	1825 FAIRLAWN, TOPEKA, KS 66604
TPKAKSJACG0	TOPEKA CENTRAL	1SPC/1AAP	534	7110	4369	812 JACKSON, TOPEKA, KS 66612
TPKAKSJADS0	TOPEKA CENTRAL	DGTL/D1/2	534	7110	4369	812 JACKSON, TOPEKA, KS 66612
TPKAKSNODS0	TOPEKA NORTH	DGTL/D100	534	7095	4374	635 NW 43RD, TOPEKA, KS 66617
WCHTKS47DS0	WC JACKSON	DGTL/5ES	532	7505	4513	400 E 47TH, WICHITA, KS 67216

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WCHTKSAGDS0	WC AUGUSTA	DGTL/D100	532	7469	4462	1156 STATE, WICHITA, KS 67203
WCHTKSAHDS0	WC ROCK ROAD	DGTL/D100	532	7470	4510	8442 E 3RD ST NORTH, WICHITA, KS 67226
WCHTKSAMCG0	WC AMHERST	1SPC/1AAP	532	7489	4520	153 N TOPEKA, WICHITA, KS 67202
WCHTKSAMDS0	WC AMHERST	DGTL/D1/2	532	7489	4520	153 N TOPEKA, WICHITA, KS 67202
WCHTKSANDS0	WC ANDOVER	DGTL/D100	532	7479	4487	665 S 160TH E, WICHITA, KS 67230
WCHTKSBRDS0	WCHT TDM	DGTL/D1/2	532			154 N. BROADWAY, WICHITA KS 67202
WCHTKSCEDS0	WC PARKVIEW	DGTL/D100	532	7496	4541	10329 W CENTRAL, WICHITA, KS 67206
WCHTKSDEDS0	WC DERBY	DGTL/D100	532	7512	4499	1102 N BUCKNER, DERBY, KS 67037
WCHTKSKEDS0	WC KECHI	DGTL/D100	532	7464	4519	217 W KECHI RD, WICHITA, KS 67219
WCHTKSNWDS0	WC WHITEHALL	DGTL/D100	532	7492	4529	341 N W ST, WICHITA, KS 67203
WCHTKSOLCG0	WC MURRAY	1SPC/1AAP	532	7486	4511	118 S OLIVER, WICHITA, KS 67218

APPENDIX DCO
SWBT MISSOURI EO POIs

CLLI	EXCHANGE	EQ TYPE	LATA	V-COORD	H-COORD	STREET ADDRESS
BLSPMOCADSO	BLUE SPRINGS	DGTL/D100	524	7023	4148	300 S 15TH ST, BLUE SPRINGS, MO. 64015
CHFDMO52DSA	CHESTERFIELD	DGTL/5ES	520	6831	3545	16752 WILD HORSE CRK RD, CHFD, MO 63017
CHLCMOMIDSO	CHILLICOTHE	DGTL/D1/2	524	6820	4104	501 CHERRY, CHILLICOTHE, MO. 64601
CPGRMOEDDSA	CAPE GIRARDEAU	DGTL/5ES	520	7012	3252	800 BROADWAY, CAPE GIRARDEAU, MO 63701
CRTTHMOFLDSO	CARTHAGE	DGTL/D100	522	7390	3993	225 W 6TH, CARTHAGE, MO 64836
ELDNMOEXDSA	ELDON	DGTL/5ES	520	7036	3825	104 S OAK, ELDON, MO 65026
FLRVMOGEDSA	FLAT RIVER	DGTL/5ES	520	6982	3458	222 W MAIN, FLAT RIVER, MO 63601
FNTNMO54DSO	FENTON	DGTL/5ES	520	6847	3508	200 MAIN, FENTON, MO 63026
FSTSMOYEDSO	FESTUS	DGTL/D100	520	6901	3474	120 N SECOND ST, FESTUS, MO 63028
HNBLMOACDSA	HANNIBAL	DGTL/D1/2	520	6688	3763	820 BROADWAY, HANNIBAL, MO 63041
HVTRMO67DSA	HVSTR HARVESTER	DGTL/D100	520	6816	3557	111 TOELLE, HARVESTER, MO 63303
JPLNMOMACGO	JOPLIN	1SPC/1AAP	522	7422	4018	8TH & PEARL, JOPLIN, MO. 64801
KKVLMOMODSO	KIRKSVILLE	DGTL/D1/2	524	6674	3993	216 E. WASHINGTON, KIRKSVILLE, MO. 63501
KSCYMO01DSO	KC BENTON	DGTL/5ES	524	7024	4195	1123 CLEVELAND, KANSAS CITY, MO. 64127
KSCYMO02CGO	KC HILAND	1SPC/1AAP	524	7044	4194	6213 HOLMES, KANSAS CITY, MO. 64110
KSCYMO04CGO	KC WABASH	1SPC/1AAP	524	7034	4193	3901 MONTGALL, KANSAS CITY, MO 64130
KSCYMO05CGO	KC WESTPORT	1SPC/1AAP	524	7036	4199	107 E. 39TH ST, KANSAS CITY, MO 64111
KSCYMO20DSO	KC NASHUA	DGTL/D100	524	6998	4215	100 E. BARRY ROAD, KANSAS CITY, MO 64155
KSCYMO21DSO	KC GLADSTONE	DGTL/5ES	524	7008	4205	5112 ANTIOCH, GLADSTONE, MISSOURI 64119
KSCYMO22CGO	KC INDEPENDENCE	1SPC/1AAP	524	7018	4177	215 N. SPRING, INDEPENDENCE, MO 64050
KSCYMO23DSO	KC PARKVILLE	DGTL/5ES	524	7008	4221	6407 N.W. ROANRIDGE, KC, MO 64152
KSCYMO24CGO	KC RAYTOWN	1SPC/1AAP	524	7036	4176	5828 MAYWOOD, RAYTOWN, MO 64133
KSCYMO25DSO	KC SOUTH	DGTL/5ES	524	7058	4178	5903 REDBRIDGE, KANSAS CITY, MO 64134
KSCYMO40DSO	KC BELTON	DGTL/5ES	524	7081	4170	612 WALNUT, BELTON, MO. 64012
KSCYMO41CGO	KC LEES SUMMIT	1SPC/1AAP	524	7050	4154	202 E. 3RD ST, LEES SUMMIT, MO. 64063
KSCYMO42DSO	KC LIBERTY	DGTL/5ES	524	6987	4190	140 N. GALLATIN, LIBERTY, MO 64068
KSCYMO44DSO	KC EAST INDEPEN	DGTL/5ES	524	7007	4168	GUDGELL & BUNDSCHUA, INDEP., MO. 64050
KSCYMO45DSO	KC SOUTH WILLOW	DGTL/5ES	524	7062	4188	11021 HOLMES, KANSAS CITY, MO. 64131
KSCYMO48DSO	KC INDEP SOUTH	DGTL/5ES	524	7027	4166	16880 E. 40 HWY, INDEP. MO. 64055
KSCYMO55DSO	KC MCGEE	DGTL/D1/2	524	7027	4202	1101 MCGEE, KANSAS CITY, MO. 64106
KSCYMO55DS1	KC MCGEE	DGTL/D100	524	7027	4202	1101 MCGEE, KANSAS CITY, MO. 64106
KSCYMO55DS3	KC MCGEE TDM	DGTL/5ES	524	7027	4202	1101 MCGEE, KANSAS CITY, MO. 64106
MBRLMOAMDSO	MOBERLY	DGTL/5ES	524	6817	3899	225 W. COATES, MOBERLY, MO 65270
MNCHMO59CGO	MANCHESTER	1SPC/1AAP	520	6839	3532	200 MANCHESTER RD, MANCHESTER, MO 63011
MXVLMO60DSA	MAXVILLE	DGTL/5ES	520	6858	3494	1679 BIG BILL RD, MAXVILLE, MO 63128
PPBLMOSUDSA	POPLAR BLUFF	DGTL/5ES	520	7185	3335	601 VINE, POPLAR BLUFF, MO 63901
SKSTMGRDSA	SIKESTON	DGTL/D1/2	520	7099	3220	121 E CENTER, SIKESTON, MO 63801

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SPFDMOMCDS0	SPFD MCDANIEL	DGTL/D100	522	7311	3834	510 E. MCDANIEL, SPRINGFIELD, MO. 65806
SPFDMOMCDS1	SPFD MCDANIEL	DGTL/5ES	522	7311	3834	510 E. MCDANIEL, SPRINGFIELD, MO. 65806
SPFDMOTLDS0	SPDF TDM	DGTL/D1/2	522			600 ST LOUIS, SPRINGFIELD MO
SPFDMOTUDS0	SPFD TUXEDO	DGTL/D100	522	7321	3826	3028 S. FREMONT, SPRINGFIELD, MO. 65806
STCHMO63DSA	ST CHARLES	DGTL/D100	520	6798	3542	402 N THIRD, ST CHARLES, MO 63301
STJSMODNDS0	ST JOSEPH DWTN	DGTL/D1/2	524	6913	4301	320 N 10TH ST., ST JOSEPH, MO. 64501
STLSMO01DSA	STL CHESTNUT	DGTL/D100	520	6807	3483	1010 PINE, ST LOUIS, MO 63101
STLSMO01DSC	STL CHESTNUT	DGTL/D100	520	6807	3483	1010 PINE, ST LOUIS, MO 63101
STLSMO02CG0	STL EVERGREEN	1SPC/1AAP	520	6801	3500	3710 HAMILTON, ST LOUIS, MO 63120
STLSMO03CG0	STL FLANDERS	1SPC/1AAP	520	6823	3493	5410 JANUARY, ST LOUIS, MO 63019
STLSMO04CG0	STL FOREST	1SPC/1AAP	520	6808	3497	5189 DELMAR, ST LOUIS, MO 63130
STLSMO0501T	STL JEFFERSON	DGTL/5ES	520	6807	3490	3810 WASHINGTON, ST LOUIS, MO 63108
STLSMO05CG0	STL JEFFERSON	1SPC/1AAP	520	6807	3490	3810 WASHINGTON, ST LOUIS, MO 63108
STLSMO06CG0	STL MISSION	1SPC/1AAP	520	6819	3500	7216 LANHAM, ST LOUIS, MO 63143
STLSMO07CG0	STL PARKVIEW	1SPC/1AAP	520	6810	3502	6214 DELMAR, ST LOUIS, MO 63130
STLSMO07DSA	STL PARKVIEW	DGTL/D100	520	6810	3502	6214 DELMAR, ST LOUIS, MO 63130
STLSMO08CG0	STL PROSPECT	1SPC/1AAP	520	6814	3488	2317 S GRAND, ST LOUIS, MO 63104
STLSMO11DSA	STL MELROSE	DGTL/5ES	520	6829	3490	4325 WEBER RD, ST LOUIS, MO 63123
STLSMO20DSA	STL FERGUSON	DGTL/5ES	520	6792	3512	330 N FLORISSANT, FERGUSON, MO 63135
STLSMO2101T	STL LADUE	DGTL/5ES	520	6818	3517	135 N LINDBERGH, ST LOUIS, MO 63141
STLSMO21CG0	STL LADUE	1SPC/1AAP	520	6818	3517	135 N LINDBERGH, ST LOUIS, MO 63141
STLSMO21DS3	STL LADUE	DGTL/5ES	520	6818	3517	135 N LINDBERGH, ST LOUIS, MO 63141
STLSMO22CG0	STL MEHLVILLE	1SPC/1AAP	520	6842	3492	4321 LEMAY FERRY, MEHLVILLE, MO 63129
STLSMO23CG0	STL OVERLAND	1SPC/1AAP	520	6802	3517	3501 WOODSON RD, OVERLAND, MO 63114
STLSMO24CG0	STL RIVERVIEW	1SPC/1AAP	520	6787	3503	10024 DUKE DR, ST LOUIS, MO 63136
STLSMO25DSA	STL SAPPINGTON	DGTL/5ES	520	6839	3502	11640 GRAVOIS RD, SAPPINGTON, MO 63126
STLSMO26DSA	STL WEBSTER GR	DGTL/D100	520	6826	3505	5 W LOCKWOOD, WEBSTER GROVES, MO 63119
STLSMO27CG0	STL CREVE COEUR	1SPC/1AAP	520	6818	3532	12930 OLIVE ST RD, ST LOUIS, MO 63141
STLSMO40CG0	STL FLORISSANT	1SPC/1AAP	520	6784	3518	707 ST JOSEPH, FLORISSANT, MO 63031
STLSMO41CG0	STL KIRKWOOD	1SPC/1AAP	520	6831	3511	115 WEST ADAMS, KIRKWOOD, MO 63122
STLSMO42CG0	STL BRDGTN WEST	1SPC/1AAP	520	6800	3530	12397 ST CHAS ROCK RD, BDGTN, MO 63044
STLSMO43CG0	STL BRDGTN HZLWD	1SPC/1AAP	520	6793	3524	505 MCDONNELL BLVD, BRIDGETON, MO 63042
STLSMO45DSA	STL SPANISH LAKE	DGTL/5ES	520	6777	3504	1971 PARKER RD, SPANISH LK, MO 63033
VYPKMO64DS0	VALLEY PARK	DGTL/5ES	520	6844	3521	324 FOREST, VALLEY PARK, MO 63088

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EXCHANGE	CLLI	TYPE	LATA	VCOORD	HCOORD	ADDRESS
ADA	ADA-OKMADS0	DGTL/5ES	536	8029	4176	110 W. 14TH, ADA, OK 74820
ALTUS	ALTSOKMADS0	DGTL/5ES	536	8230	4611	220 N. HUDSON, ALTUS, OK 73521
ARDMORE	ARMROKMADS0	DGTL/5ES	536	8180	4204	126 C ST. NW, ARDMORE, OK 73401
BRVL FEDERAL	BRVLOKFEDS0	DGTL/D1/2	538	7589	4224	119 E. 6TH ST., BARTLESVILLE, OK 74003
CHICKASHA	CHCKOKMADS0	DGTL/5ES	536	8058	4409	528 KANSAS, CHICKASHA, OK 73018
CLINTON	CLTNOKMADS2	DGTL/D1/2	536	8030	4616	820 AVANT, CLINTON, OK 73601
DUNCAN	DNCNOKMADS0	DGTL/5ES	536	8171	4369	201 S. 8TH, DUNCAN, OK 73533
DURANT	DRNTOKMADS2	DGTL/D1/2	536	8165	4063	205 N. 6TH, DURANT, OK 74701
OC EDMOND	EDMDOKMACG0	1SPC/1AAP	536	7907	4381	14 E. FIRST, EDMOND, OK 73034
ENID	ENIDOKMADS0	DGTL/5ES	536	7784	4507	102 N. ADAMS, ENID, OK 73701
LAWTON	LWTNOKTBDS0	DGTL/D1/2	536	8178	4454	7 S. 17TH, LAWTON, OK 73501
MCALESTER	MCLSOKMADS0	DGTL/D100	538	7936	4039	332 E C ALBERT PKWY, MCALESTER, OK 74501
MUSKOGEE	MSKGOKMACG0	1SPC/1AAP	538	7747	4041	221 N. 5TH, MUSKOGEE, OK 74401
OC NORMAN	NRMNOKMACG0	1SPC/1AAP	536	7992	4340	101 S. WEBSTER, NORMAN, OK 73069
OC CENTRAL	OKCYOKCECG0	1SPC/1AAP	536	7946	4372	121 DEAN MCGEE, OKLAHOMA CITY, OK 73102
OC CENTRAL	OKCYOKCEDS0	DGTL/D1/2	536	7946	4372	121 DEAN MCGEE, OKLAHOMA CITY, OK 73102
OC GARFIELD	OKCYOKGADS0	DGTL/5ES	536	7939	4368	2220 N MISSOURI, OKLAHOMA CITY, OK 73111
OC MELROSE	OKCYOKMECG0	1SPC/1AAP	536	7954	4371	636 SW 31ST, OKLAHOMA CITY, OK 73109
OC MUTUAL	OKCYOKMUCG0	1SPC/1AAP	536	7959	4376	2845 SW 43RD, OKLAHOMA CITY, OK 73119
OC ORANGE	OKCYOKORDS0	DGTL/D100	536	7949	4360	3101 SE 29TH, OKLAHOMA CITY, OK 73119
OC PARKVIEW	OKCYOKPACG0	1SPC/1AAP	536	7934	4401	9615 N ROCKWELL, OKLAHOMA CITY, OK 73132
OC MIDWEST CITY	OKCYOKPECG0	1SPC/1AAP	536	7944	4351	702 E RICKENBACKER, MIDWEST CY, OK 73110
OC MOORE WEST	OKCYOKPND0	DGTL/D100	536	7973	4367	PENN. AV & SW 119, MOORE, OK 73170
OC SKYLINE	OKCYOKSKDS1	DGTL/D100	536	7923	4387	1600 NW 122ND, OKLAHOMA CITY, OK 73114
OC SUNSET	OKCYOKSUDS0	DGTL/5ES	536	7950	4394	2205 N. ROCKWELL, BETHANY, OK 73008
OC MOORE SWIFT	OKCYOKSWDS0	DGTL/D100	536	7970	4357	300 SO BROADWAY, MOORE, OK 73160
OC UNIVERSITY	OKCYOKUNCG0	1SPC/1AAP	536	7942	4376	2301 N. OLIE, OKLAHOMA CITY, OK 73106
OC VICTOR	OKCYOKVICG0	1SPC/1AAP	536	7931	4381	7000 N. WESTERN, OKLAHOMA CITY, OK 73116
OC WINDSOR	OKCYOKWICG0	1SPC/1AAP	536	7946	4385	3701 NW 23RD, OKLAHOMA CITY, OK 73108
OKMULGEE	OKMLOKMADS0	DGTL/D100	538	7813	4130	212 W. 7TH, OKMULGEE, OK 74447
PONCA CITY	PNCYOKMADS0	DGTL/D100	536	7669	4400	115 E. CHESTNUT, PONCA CITY, OK 74601
SHAWNEE	SHWNOKMADS0	DGTL/5ES	536	7935	4263	521 N. BROADWAY, SHAWNEE, OK 74801
SALLISAW	SLSWOKMADS0	DGTL/D100	538	7764	3922	116 E. CHOCTAW, SALLISAW, OK 74955
STILLWATER	STWROKMADS0	DGTL/D100	536	7786	4348	514 S. MAIN, STILLWATER, OK 74074
THLQ GLENDALE	THLQOKMADS0	DGTL/D100	538	7685	3991	210 N. MUSKOGEE, TALEQUAH, OK 74464
TU NATIONAL	TULSOKNADS0	DGTL/D100	538	7711	4156	8321 E. 41 ST., TULSA, OK 74145
TU RIVERSIDE	TULSOKRIDS0	DGTL/D100	538	7716	4168	3601 S. LEWIS, TULSA, OK 74105

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TU ELGIN	TULSOKTBDS0	DGTL/D100	538	7707	4173	509 S. DETROIT, TULSA, OK 74120
TU ELGIN	TULSOKTBDS1	DGTL/D100	538	7707	4173	509 S. DETROIT, TULSA, OK 74120
TU ELGIN	TULSOKTBDS1	DGTL/D100	538	7707	4173	509 S. DETROIT, TULSA, OK 74120
TU WOODCREST	TULSOKWODS0	DGTL/5ES	538	7721	4157	5303 E. 71ST, TULSA, OK 74136
OC YUKON NORTH	YUKNOKMADS0	DGTL/5ES	536	7954	4414	15 SOUTH 5TH ST., YUKON, OK 73099

Appendix GSA

State	Licensee	License Area	Switch Locations in the State
Texas	Western PCS I License Corp.	El Paso MTA	El Paso
Texas	VoiceStream PCS BTA I License Corporation	Lubbock BTA	None
Texas	Cook Inlet/VoiceStream PCS L.L.C.	Dallas-Fort Worth BTA	None
Oklahoma	VoiceStream PCS I License L.L.C.	Oklahoma City MTA	Oklahoma City
Oklahoma	VoiceStream PCS BTA I License Corporation	Oklahoma City BTA Stillwater BTA Enid BTA Ponca BTA	Oklahoma City
Oklahoma	Cook Inlet Western Wireless PV/SS PCS, L.P.	Bartlesville BTA Muskogee BTA Tulsa BTA	Tulsa
Kansas	Cook Inlet Western Wireless PV/SS PCS, L.P.	Pittsburg-Parsons BTA Coffeyville BTA	None
Missouri	VoiceStream PCS BTA I License Corporation	Jefferson City BTA Poplar Bluff BTA Quincy, IL – Hannibal, MO BTA Rolla BTA West Plains BTA Cape Girardeau-Sikeston BTA	None

		Columbia BTA Kirksville BTA St. Louis BTA	
Missouri	Cook Inlet/VoiceStream PCS L.L.C.	Cape Girardeau-Sikeston BTA Rolla BTA Poplar Bluff BTA	None

APPENDIX DCO

Voice Stream POIs

MTSO	CLLI	Address	Telephone
Austin, TX	AUSWTXGX1M	4401 Freidrich Lane, Suite 311 Austin, TX 68744	(512) 437-6599
San Antonio, TX	SANARTX01W00 SNARTX011MD	14078 Nacogdoches Rd. San Antonio, TX 7827	(210) 657-5135
El Paso, TX	ELPSTXXR1MD	25 Butterfield Trail El Paso, TX 79906	(915) 783-4000
Oklahoma City, OK	OKCYOKSXW11	4533 Enterprise Dr. Oklahoma City, OK 73128	(405) 270-5710
Tulsa, OK	TULSOKKIW01	7043 East 15 th St. Tulsa, OK	(918) 660-2600
Wichita, KS	WCHTKSAQW11	1930 East Industrial Wichita, KS 67216	(316) 990-9623
Missouri	None	None	None

**AMENDMENT TO
INTERCONNECTION AGREEMENT
BY AND BETWEEN
SOUTHWESTERN BELL TELEPHONE, L.P. d/b/a SBC MISSOURI
AND
VOICESTREAM WIRELESS CORPORATION**

Southwestern Bell Telephone, L.P.¹ d/b/a SBC Missouri, as the Incumbent Local Exchange Carrier in Missouri, (hereafter, "ILEC") and VoiceStream Wireless Corporation, as a Commercial Mobile Radio Service ("CMRS") provider in Missouri, (referred to as "CARRIER"), in order to amend, modify and supersede any affected provisions of their Interconnection Agreement with ILEC in Missouri ("Interconnection Agreement"), hereby execute this Reciprocal Compensation Amendment for ISP-Bound Traffic and Federal Telecommunications Act Section 251(b)(5) Traffic (Adopting FCC's Interim ISP Terminating Compensation Plan) ("Amendment"). A CMRS provider is not a "LEC."

1.0 Scope of Amendment

- 1.1 ILEC made an offer to all telecommunications carriers in the state of Missouri (the "Offer") to exchange traffic on and after June 1, 2004 under Section 251(b)(5) of the Act pursuant to the terms and conditions of the FCC's interim ISP terminating compensation plan of the FCC's Order on Remand and Report and Order, In the Matter of Implementation of the Local Competition Provisions in the Telecommunications Act of 1996, Intercarrier Compensation for ISP-Bound Traffic, FCC 01-131, CC Docket Nos. 96-98, 99-68 (rel. April 27, 2001) ("FCC ISP Compensation Order") which was remanded but not vacated in *WorldCom, Inc. v. FCC*, No. 01-1218 (D.C. Cir. 2002).
- 1.2 The purpose of this Amendment is to include in CARRIER's Interconnection Agreement the rates, terms and conditions of the FCC's interim ISP terminating compensation plan for the exchange of ISP-Bound traffic lawfully compensable under the FCC ISP Compensation Order ("ISP-Bound Traffic") and traffic lawfully compensable under Section 251(b)(5) ("Section 251(b)(5) Traffic").
- 1.3 This Amendment is intended to supercede any and all contract sections, appendices, attachments, rate schedules, or other portions of the underlying Interconnection Agreement that set forth rates, terms and conditions for the terminating compensation for all ISP-Bound Traffic and all Section 251(b)(5) Traffic exchanged between ILEC and CARRIER. Any inconsistencies between the provisions of this Amendment and provisions of the underlying Interconnection Agreement shall be governed by the provisions of this Amendment.

2.0 Rates, Terms and Conditions of FCC's Interim Terminating Compensation Plan for ISP-Bound Traffic and Section 251(b)(5) Traffic.

- 2.1 ILEC and CARRIER hereby agree that the following rates, terms and conditions shall apply to ISP-Bound Traffic and Section 251(b)(5) Traffic exchanged between the Parties on and after the date this Amendment becomes effective pursuant to Section 4.1 of this Amendment.
- 2.2 Reciprocal Compensation Rate Schedule for ISP-Bound Traffic and Section 251(b)(5) Traffic:
 - 2.2.1 The rates, terms, conditions in this section apply only to the termination of ISP-Bound Traffic and Section 251(b)(5) Traffic, and ISP-Bound Traffic is subject to the growth caps in Section 2.3, the new market restrictions in Section 2.4 and rebuttable presumption in Section 2.6. Notwithstanding anything contrary in this Amendment, the growth caps in Section 2.3, the new market restrictions in Section 2.4 and the rebuttable presumption in Section 2.6 only apply to LECs and ILEC.

¹ On December 30, 2001, Southwestern Bell Telephone Company (a Missouri corporation) was merged with and into Southwestern Bell Texas, Inc. (a Texas corporation) and, pursuant to Texas law, was converted to Southwestern Bell Telephone, L.P., a Texas limited partnership. Southwestern Bell Telephone, L.P. is now doing business in Missouri as SBC Missouri.

2.2.2 The Parties agree to compensate each other for the transport and termination of ISP-Bound Traffic and Section 251(b)(5) Traffic on a minute of use basis, at \$.0007 per minute of use.

2.3 ISP-Bound Traffic Minutes Growth Cap

2.3.1 On a calendar year basis, as set forth below, LEC and ILEC agree to cap overall compensable Missouri ISP-Bound Traffic minutes of use in the future based upon the 1st Quarter 2001 ISP-Bound Traffic minutes for which LEC was entitled to compensation under its Missouri Interconnection Agreement(s) in existence for the 1st Quarter of 2001, on the following schedule.

Calendar Year 2001	1st Quarter 2001 compensable ISP-Bound minutes, times 4, times 1.10
Calendar Year 2002	Year 2001 compensable ISP-Bound minutes, times 1.10
Calendar Year 2003	Year 2002 compensable ISP-Bound minutes
Calendar Year 2004 and on	Year 2002 compensable ISP-Bound minutes

Notwithstanding anything contrary herein, in Calendar Year 2004, LEC and ILEC agree that ISP-Bound Traffic exchanged between LEC and ILEC during the entire period from January 1, 2004 until December 31, 2004 shall be counted towards determining whether LEC has exceeded the growth caps for Calendar Year 2004.

2.3.2 ISP-Bound Traffic minutes that exceed the applied growth cap will be Bill and Keep. "Bill and Keep" refers to an arrangement in which neither of two interconnecting Parties charges the other for terminating traffic that originates on the other network.

2.4 Bill and Keep for ISP-Bound Traffic in New Markets

2.4.1 In the event LEC and ILEC have not previously exchanged ISP-bound Traffic in any one or more Missouri LATAs prior to April 18, 2001, Bill and Keep will be the reciprocal compensation arrangement for all ISP-bound Traffic between LEC and ILEC for the remaining term of this Agreement in any such Missouri LATAs.

2.4.2 Wherever Bill and Keep is the traffic termination arrangement between LEC and ILEC, both Parties shall segregate the Bill and Keep traffic from other compensable local traffic either (a) by excluding the Bill and Keep minutes of use from other compensable minutes of use in the monthly billing invoices, or (b) by any other means mutually agreed upon by the Parties

2.5 The Growth Cap and New Market Bill and Keep arrangement applies only to ISP-Bound Traffic, and does not include Optional Calling Area traffic, IntraLATA Interexchange traffic, or InterLATA Interexchange traffic.

2.6 ISP-Bound Traffic Rebuttable Presumption

In accordance with Paragraph 79 of the FCC's ISP Compensation Order, LEC and ILEC agree that there is a rebuttable presumption that any of the combined Section 251(b)(5) Traffic and ISP-Bound Traffic exchanged between LEC and ILEC exceeding a 3:1 terminating to originating ratio is presumed to be ISP-Bound Traffic subject to the compensation and growth cap terms in this Section 2.0. Either party has the right to rebut the 3:1 ISP presumption by identifying the actual ISP-Bound Traffic by any means mutually agreed by the Parties, or by any method approved by the Commission. If a Party seeking to rebut the presumption takes appropriate action at the Commission pursuant to section 252 of the Act and the Commission agrees that such Party has rebutted the presumption, the methodology and/or means approved by the Commission for use in determining the ratio shall be utilized by the Parties as of the date of the Commission approval and, in addition, shall be utilized to determine the appropriate true-up as described below. During the pendency of any such proceedings to rebut the presumption, LEC and ILEC will remain obligated to pay the presumptive rates (reciprocal compensation rates for traffic below a 3:1 ratio, the rates set forth in Section 2.2.2 for traffic above the ratio) subject to a true-up upon the conclusion of such proceedings. Such true-up shall be retroactive back to the date a Party first sought appropriate relief from the Commission.

3.0 Reservation of Rights

3.1 The Parties reserve the right to raise the appropriate treatment of Voice Over Internet Protocol ("VoIP") and traffic utilizing in whole or part Internet Protocol technology under the Dispute Resolution provisions of this Agreement, including but not limited, to any rights they may have as a result of the FCC's Order *In the Matter of Petition for Declaratory Ruling that AT&T's Phone-to-Phone IP Telephony Services are Exempt from Access Charges*, WC Docket No. 02-361 (Rel. April 21, 2004). The Parties acknowledge that there is an on-going disagreement between LECs and ILEC over whether or not, under the law, VoIP traffic or traffic utilizing in whole or part IP technology is subject to reciprocal compensation or switched access charges. The Parties therefore agree that neither one will argue or take the position before any regulatory commission or court that this Amendment constitutes an agreement as to whether or not reciprocal compensation or switched access charges apply to that traffic or a waiver by either party of their position or their rights as to that issue. The Parties further agree that they each have reserved the right to advocate their respective positions relating to the treatment and compensation for VoIP traffic and traffic utilizing in whole or part Internet Protocol technology before any state commission or the Federal Communications Commission ("FCC") whether in bilateral complaint dockets, arbitrations under Section 252 of the Act, state commission or FCC established rulemaking dockets, or before any judicial or legislative body.

4.0 Miscellaneous

- 4.1 If this Amendment is executed by CARRIER and such executed Amendment is received by ILEC on or before June 28, 2004, this Amendment will be effective as of June 1, 2004, subject to any necessary state commission approval; provided, however, the rates will not be implemented in ILEC's billing system until after any necessary state commission approval, at which time the rates billed by the Parties beginning on June 1, 2004 will be subject to a true-up. If this Amendment is executed by CARRIER but such executed Amendment is not received by ILEC until after June 28, 2004, this Amendment will become effective ten (10) days following the date such Amendment is approved or is deemed to have been approved by the applicable state commission.
- 4.2 This Amendment is coterminous with the underlying Interconnection Agreement and does not extend the term or change the termination provisions of the underlying Interconnection Agreement.
- 4.3 EXCEPT AS MODIFIED HEREIN, ALL OTHER TERMS AND CONDITIONS OF THE UNDERLYING INTERCONNECTION AGREEMENT SHALL REMAIN UNCHANGED AND IN FULL FORCE AND EFFECT.
- 4.4 Every rate, term and condition of this Amendment is legitimately related to the other rates, terms and conditions in this Amendment. Without limiting the general applicability of the foregoing, the change of law provisions of the underlying Interconnection Agreement, including but not limited to the "Intervening Law" or "Change of Law" or "Regulatory Change" section of the General Terms and Conditions of the Interconnection Agreement and as modified in this Amendment, are specifically agreed by the Parties to be legitimately related to, and inextricably intertwined with this the other rates, terms and conditions of this Amendment.
- 4.5 In entering into this Amendment and carrying out the provisions herein, neither Party waives, but instead expressly reserves, all of its rights, remedies and arguments with respect to any orders, decisions, legislation or proceedings and any remands thereof and any other federal or state regulatory, legislative or judicial action(s), including, without limitation, its intervening law rights (including intervening law rights asserted by either Party via written notice predating this Amendment) relating to the following actions, which the Parties have not yet fully incorporated into this Agreement or which may be the subject of further government review: *Verizon v. FCC*, et. al, 535 U.S. 467 (2002); *USTA v. FCC*, 290 F.3d 415 (D.C. Cir. 2002) and following remand and appeal, *USTA v. FCC*, 359 F.3d 554 (D.C. Cir. 2004); the FCC's Triennial Review Order, CC Docket Nos. 01-338, 96-98, and 98-147 (FCC 03-36), and the FCC's Biennial Review Proceeding; the FCC's Supplemental Order Clarification (FCC 00-183) (rel. June 2, 2000), in CC Docket 96-98; and the FCC's Order on Remand and Report and Order in CC Dockets No. 96-98 and 99-68, 16 FCC Rcd 9151 (2001), (rel. April 27, 2001) ("ISP Compensation Order"), which was remanded in *WorldCom, Inc. v. FCC*, 288 F.3d 429 (D.C. Cir. 2002), and as to the FCC's Notice of Proposed Rulemaking as to Intercarrier Compensation, CC Docket 01-92 (Order No. 01-132) (rel. April 27, 2001) (collectively "Government Actions"). Notwithstanding anything to the contrary in this Agreement (including this and any other amendments to the Agreement), **SBC-13STATE** shall have no obligation to provide UNEs,

combinations of UNEs, combinations of UNE(s) and CLEC's own elements or UNEs in commingled arrangements beyond those required by the Act, including the lawful and effective FCC rules and associated FCC and judicial orders. Further, neither Party will argue or take the position before any state or federal regulatory commission or court that any provisions set forth in this Agreement and this Amendment constitute an agreement or waiver relating to the appropriate routing, treatment and compensation for Voice Over Internet Protocol traffic and/or traffic utilizing in whole or part Internet Protocol technology; rather, each Party expressly reserves any rights, remedies, and arguments they may have as to such issues including but not limited, to any rights each may have as a result of the FCC's Order *In the Matter of Petition for Declaratory Ruling that AT&T's Phone-to-Phone IP Telephony Services are Exempt from Access Charges*, WC Docket No. 02-361 (rel. April 21, 2004). Notwithstanding anything to the contrary in the Agreement and this Amendment and except to the extent that SBC-13STATE has adopted the FCC ISP terminating compensation plan ("FCC Plan") in an SBC-13STATE state in which this Agreement is effective, and the Parties have incorporated rates, terms and conditions associated with the FCC Plan into this Agreement, these rights also include but are not limited to SBC-13STATE's right to exercise its option at any time to adopt on a date specified by SBC-13STATE the FCC Plan, after which date ISP-bound traffic will be subject to the FCC Plan's prescribed terminating compensation rates, and other terms and conditions, and seek conforming modifications to this Agreement. If any action by any state or federal regulatory or legislative body or court of competent jurisdiction invalidates, modifies, or stays the enforcement of laws or regulations that were the basis or rationale for any rate(s), term(s) and/or condition(s) ("Provisions") of the Agreement and this Amendment and/or otherwise affects the rights or obligations of either Party that are addressed by the Agreement and this Amendment, specifically including but not limited to those arising with respect to the Government Actions, the affected Provision(s) shall be immediately invalidated, modified or stayed consistent with the action of the regulatory or legislative body or court of competent jurisdiction upon the written request of either Party ("Written Notice"). With respect to any Written Notices hereunder, the Parties shall have sixty (60) days from the Written Notice to attempt to negotiate and arrive at an agreement on the appropriate conforming modifications to the Agreement. If the Parties are unable to agree upon the conforming modifications required within sixty (60) days from the Written Notice, any disputes between the Parties concerning the interpretation of the actions required or the provisions affected by such order shall be resolved pursuant to the dispute resolution process provided for in this Agreement.

IN WITNESS WHEREOF, this Reciprocal Compensation Amendment for ISP-Bound Traffic and Federal Telecommunications Act Section 251(b)(5) Traffic (Adopting FCC Interim Terminating Compensation Plan) to the Interconnection Agreement was exchanged in triplicate on this _____ day of _____, 2004, by SBC Missouri, signing by and through its duly authorized representative, and CARRIER, signing by and through its duly authorized representative.

VoiceStream Wireless Corporation

**Southwestern Bell Telephone, L.P. d/b/a SBC Missouri
by SBC Telecommunications, Inc., its authorized agent**

Signature: _____

Signature: _____

Name: _____
(Print or Type)

Name: _____
(Print or Type)

Title: _____
(Print or Type)

Title: *For/* Senior Vice President -
Industry Markets & Diversified Businesses

Date: _____

Date: _____

FACILITIES-BASED OCN # _____

ACNA _____

**AMENDMENT TO
INTERCONNECTION AGREEMENT UNDER SECTIONS 251 AND 252 OF THE
TELECOMMUNICATIONS ACT OF 1996
BETWEEN
SOUTHWESTERN BELL TELEPHONE COMPANY D/B/A AT&T MISSOURI
AND
VOICESTREAM WIRELESS CORPORATION**

The Agreement for Interconnection and Reciprocal Compensation by and between Southwestern Bell Telephone Company¹ d/b/a AT&T Missouri ("AT&T Missouri") and VoiceStream Wireless Corporation now known as T-Mobile USA, Inc. ("T-Mobile"), is hereby amended as follows:

WHEREAS, AT&T Missouri and VoiceStream Wireless Corporation ("VoiceStream") are the parties to that certain "Agreement for Interconnection and Reciprocal Compensation" effective as of April 17, 2001 (the "Agreement"); and

WHEREAS, VoiceStream has changed its name to "T-Mobile USA, Inc.", and wishes to reflect that name change as set forth herein.

NOW, THEREFORE, in consideration of the mutual promises contained herein, AT&T Missouri and T-Mobile hereby agree as follows:

1. The Agreement is hereby amended to reflect the name change from "VoiceStream Wireless Corporation" to "T-Mobile USA, Inc."
2. AT&T Missouri shall reflect that name change from "VoiceStream Wireless Corporation" to "T-Mobile USA, Inc." only for the main billing account (header card) for each of the accounts previously billed to VoiceStream. AT&T Missouri shall not be obligated, whether under this Amendment or otherwise, to make any other changes to AT&T Missouri's records with respect to those accounts, including to the services and items provided and/or billed thereunder or under the Agreement. Without limiting the foregoing, T-Mobile affirms, represents, and warrants that the OCN for those accounts shall not change from that previously used by VoiceStream with AT&T Missouri for those accounts and the services and items provided and/or billed thereunder or under the Agreement.
3. Once this Amendment is effective, T-Mobile shall operate with AT&T Missouri under the "T-Mobile USA, Inc." name for those accounts. Such operation shall include, by way of example only, submitting orders under T-Mobile, and labeling (including re-labeling) equipment and facilities with T-Mobile.
4. Section 18.2 Term and Termination of the General Terms and Conditions is amended by adding the following section:

18.2.1.1 Notwithstanding anything to the contrary in this Section 18.2, the original expiration date of this Agreement, as modified by this Amendment, will be extended for a period of three (3) years commencing January 7, 2008 until January 7, 2011 (the "Extended Expiration Date"). The Agreement shall expire on the Extended Expiration Date; provided, however, that during the period from the effective date of this Amendment until the Extended Expiration Date, the Agreement may be terminated earlier either by written notice from T-Mobile, by AT&T Missouri pursuant to the Agreement's early termination provisions, by mutual agreement of the parties, or upon the effective date of a written and signed superseding agreement between the parties.
5. The Parties acknowledge and agree that AT&T Missouri shall permit the extension of this Agreement, subject to amendment to reflect future changes of law as and when they may arise.

¹ On December 30, 2001, Southwestern Bell Telephone Company (a Missouri corporation) was merged with and into Southwestern Bell Texas, Inc. (a Texas corporation) and, pursuant to Texas law, was converted to Southwestern Bell Telephone, L.P., a Texas limited partnership. On June 29, 2007, Southwestern Bell Telephone, L.P., a Texas limited partnership, was merged with and into SWBT Inc., a Missouri corporation, with SWBT Inc. as the survivor entity. Simultaneous with the merger, SWBT Inc. changed its name to Southwestern Bell Telephone Company. Southwestern Bell Telephone Company is doing business in Missouri as "AT&T Missouri".

6. EXCEPT AS MODIFIED HEREIN, ALL OTHER TERMS AND CONDITIONS OF THE UNDERLYING AGREEMENT SHALL REMAIN UNCHANGED AND IN FULL FORCE AND EFFECT.
7. In entering into this Amendment, neither Party waives, and each Party expressly reserves, any rights, remedies or arguments it may have at law or under the intervening law or regulatory change provisions in the underlying Agreement (including intervening law rights asserted by either Party via written notice predating this Amendment) with respect to any orders, decisions, legislation or proceedings and any remands thereof, which the Parties have not yet fully incorporated into this Agreement or which may be the subject of further review.
8. This Amendment shall be filed with and is subject to approval by the Missouri Public Service Commission and shall become effective ten (10) days following approval by such Commission.

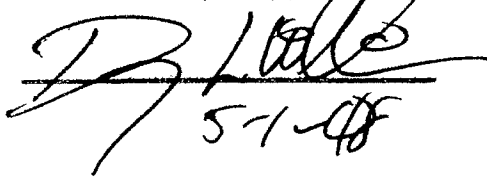
T-Mobile USA, Inc.

By: Name: **Dave Mayo**
Vice President, Engineering
Finance, Strategy & DevelopmentTitle: _____
(Print or Type)Date: 5/12/08Southwestern Bell Telephone Company d/b/a AT&T
Missouri by AT&T Operations, Inc., its authorized
agentBy: Name: **Eddie A. Reed, Jr.**
(Print or Type)

Title: Director – Interconnection Agreements

Date: 5-23-08

T-Mobile Legal Approval By:


5-1-08

AT&T Wholesale Amendment

**AMENDMENT TO THE AGREEMENT
BETWEEN
HALO WIRELESS, INC.
AND
SOUTHWESTERN BELL TELEPHONE COMPANY D/B/A AT&T MISSOURI**

This Amendment (the "Amendment") amends the Interconnection Agreement by and between Southwestern Bell Telephone d/b/a AT&T Missouri ("AT&T") and Halo Wireless, Inc. ("Carrier"). AT&T and Carrier are hereinafter referred to collectively as the "Parties" and individually as a "Party".

WHEREAS, AT&T and Carrier are Parties to an Interconnection Agreement under Sections 251 and 252 of the Communications Act of 1934, as amended (the "Act"), dated _____, ____; and

NOW, THEREFORE, in consideration of the promises and mutual agreements set forth herein, the Parties agree to amend the Agreement as follows:

1. The Parties agree to add the following language after the last "Whereas" clause:

Whereas, the Parties have agreed that this Agreement will apply only to (1) traffic that originates on AT&T's network or is transited through AT&T's network and is routed to Carrier's wireless network for wireless termination by Carrier; and (2) traffic that originates through wireless transmitting and receiving facilities before Carrier delivers traffic to AT&T for termination by AT&T or for transit to another network.

2. EXCEPT AS MODIFIED HEREIN, ALL OTHER TERMS AND CONDITIONS OF THE UNDERLYING AGREEMENT SHALL REMAIN UNCHANGED AND IN FULL FORCE AND EFFECT.
3. This Amendment shall not modify or extend the Effective Date or Term of the underlying Agreement, but rather, shall be coterminous with such Agreement.
4. In entering into this Amendment, neither Party waives, and each Party expressly reserves, any rights, remedies or arguments it may have at law or under the intervening law or regulatory change provisions in the underlying Agreement (including intervening law rights asserted by either Party via written notice predating this Amendment) with respect to any orders, decisions, legislation or proceedings and any remands thereof, which the Parties have not yet fully incorporated into this Agreement or which may be the subject of further review.
5. This Amendment shall be filed with and is subject to approval by the respective State Commissions and shall become effective ten (10) days following approval by such Commissions.

Halo Wireless, Inc.

Southwestern Bell Telephone Company d/b/a
AT&T Missouri by AT&T Operations, Inc., its
authorized agent

By: 

Name: Jody W. Craft

Title: President

Date: 17 Jun, 2010

By: 

Name: Eddie A. Reed, Jr.

Title: Director-Interconnection Agreements

Date: 6.21.10

AT&T Wholesale Amendment

AMENDMENT TO THE AGREEMENT
BETWEEN
HALO WIRELESS, INC.
AND
SOUTHWESTERN BELL TELEPHONE COMPANY D/B/A AT&T MISSOURI

This Amendment (the "Amendment") amends the Interconnection Agreement by and between Southwestern Bell Telephone d/b/a AT&T Missouri ("AT&T") and Halo Wireless, Inc. ("Carrier"). AT&T and Carrier are hereinafter referred to collectively as the "Parties" and individually as a "Party".

WHEREAS, AT&T and Carrier are Parties to an Interconnection Agreement under Sections 251 and 252 of the Communications Act of 1934, as amended (the "Act"), dated _____, ____; and

NOW, THEREFORE, in consideration of the promises and mutual agreements set forth herein, the Parties agree to amend the Agreement as follows:

1. The Parties agree to add the following language after the last "Whereas" clause:

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2. EXCEPT AS MODIFIED HEREIN, ALL OTHER TERMS AND CONDITIONS OF THE UNDERLYING AGREEMENT SHALL REMAIN UNCHANGED AND IN FULL FORCE AND EFFECT.
3. This Amendment shall not modify or extend the Effective Date or Term of the underlying Agreement, but rather, shall be coterminous with such Agreement.
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5. This Amendment shall be filed with and is subject to approval by the respective State Commissions and shall become effective ten (10) days following approval by such Commissions.

Halo Wireless, Inc.

Southwestern Bell Telephone Company d/b/a
AT&T Missouri by AT&T Operations, Inc., its
authorized agent

By: 

Name: Jody W. Craft

Title: President

Date: 12/16/2010

By: 

Name: Eddie A. Reed, Jr.

Title: Director-Interconnection Agreements

Date: 6.21.10



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West Lake Hills, Texas 78746
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wsmc@dotlaw.biz

August 12, 2011

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 Twelfth Street, SW
Room TWB-204
Washington, DC 20554

Ex Parte Notice

RE: *Connect America Fund*, WC Docket No. 10-90; *A National Broadband Plan for Our Future*, GN Docket No. 09-51; *Establishing Just and Reasonable Rates for Local Exchange Carriers*, WC Docket No. 07-135; *High-Cost Universal Service Support*, WC Docket No. 05-337; *Developing an Unified Intercarrier Compensation Regime*, CC Docket No. 01-92; *Federal-State Board on Universal Service*, CC Docket No. 96-45

Dear Ms. Dortch:

Halo Wireless, Inc. hereby gives notice that it met with the Commission persons identified below on August 10, 2011. The Halo representatives were Russ Wiseman, Halo's President and Chief Operating Officer, counsel Steven Thomas of McGuire, Craddock & Strother, P.C and counsel W. Scott McCollough of McCollough|Henry, P.C. The Commission participants were:

Wireline Competition Bureau: Randy Clarke, Travis Litman, John Hunter, Al Lewis, Richard Hovey, Rebekah Goodheart and Marcus Maher

Wireless Telecommunications Bureau: Joseph Levin

Enforcement Bureau: Margaret Dailey

The purpose of the meeting was to introduce Halo to the Commission, describe Halo's operations and to respond to certain assertions made by various RLECs in recent filings and meetings with the Commission in the context of the above-cited proceedings. Halo distributed the attached document that served as the basis for discussion during the meeting.

Sincerely,


W. Scott McCollough
Counsel for Halo Wireless, Inc.



FCC Meeting
Wireline Competition Bureau and Wireless
Telecommunications Bureau
Halo Wireless, Inc.

Connect America Fund, WC Docket No. 10-90

A National Broadband Plan for Our Future, GN Docket No. 09-51

Establishing Just and Reasonable Rates for Local Exchange Carriers, WC Docket No. 07-135

High-Cost Universal Service Support, WC Docket No. 05-337

Developing an Unified Intercarrier Compensation Regime, CC Docket No. 01-92

Federal-State Board on Universal Service, CC Docket No. 96-45

August 10, 2011



FCC Meeting August 10, 2011

Agenda

- Introduce Halo representatives
- Provide FCC staff an overview of Halo Wireless, Inc.
- Address questions and allegations raised by ILECs in state complaints
- Q&A



FCC Meeting August 10, 2011

Halo Wireless has built an all IP network, presently in 28 markets across the U.S., using 3.65 Ghz spectrum and 802.16(e) Wi-Max wireless access technology

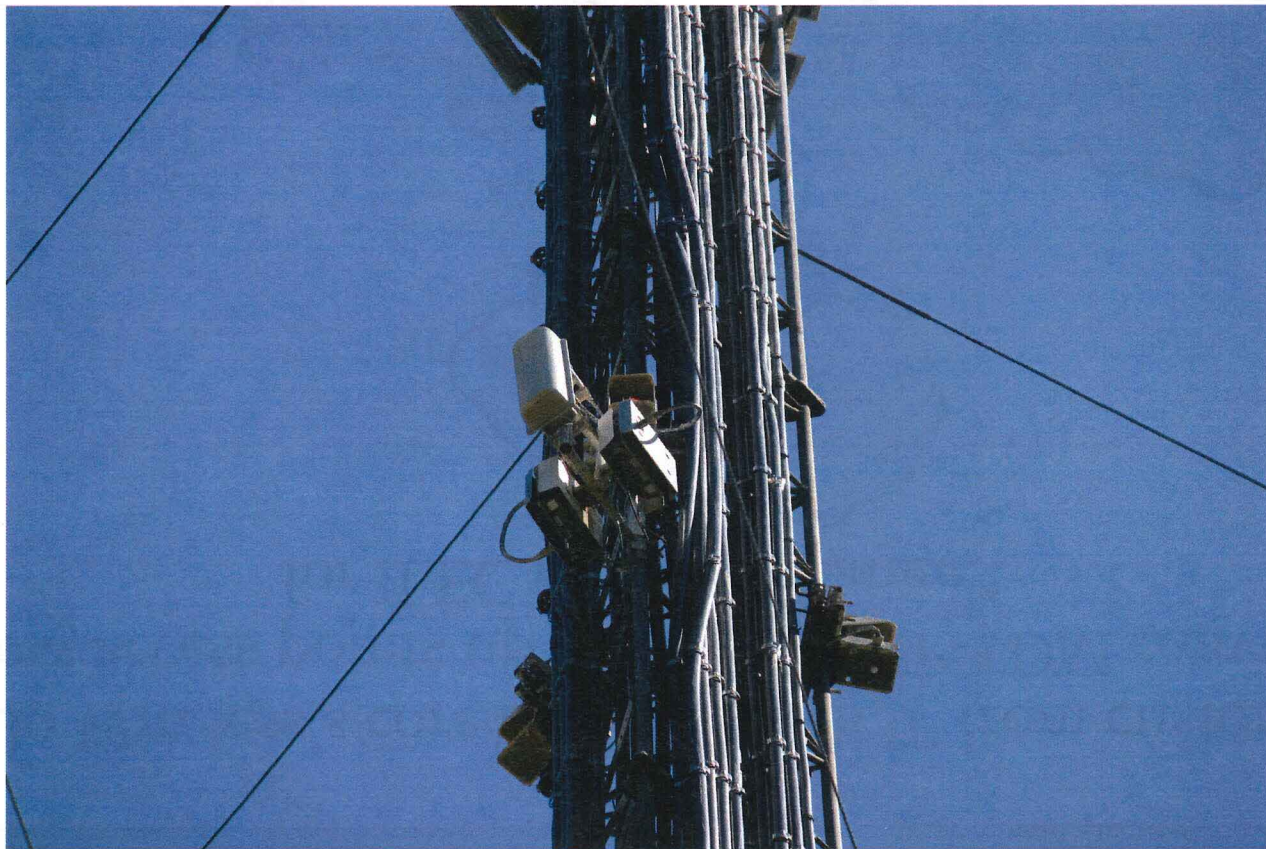
MTA	Tower Locations
LA	Amargosa Valley, NM
San Francisco	Tulare, CA
Chicago	Danville, IL
Detroit	Britton, MI
Charlotte	Orangeburg, SC
Dallas-Fort Worth	Tyler, TX
Atlanta	Cartersville, GA
Tampa-Orlando	Palm Coast, FL
Houston	Brenham, TX
Southeast FL	Bonita Springs, FL
New Orleans	Hammond, LA
Cleveland	Huntsburg, OH
Cincinnati-Dayton	Wilmington, OH
St Louis	Wentzville, MO

MTA	Tower Locations
Milwaukee	New Glarus, WI
Louisville	Paducah, KY
Memphis-Jackson	Greenville, MS
Birmingham	Graysville, AL
Indianapolis	Portland, IN
San Antonio	Pleasanton, TX
Kansas City	Junction City, KS
Jacksonville	Green Cove Springs, FL
Columbus	Carroll, OH
Little Rock	Van Buren, AR
OKC	Henryetta, OK
Nashville	Gainesboro, TN
Knoxville	Amherst, TN
Tulsa	Enid, OK



FCC Meeting August 10, 2011

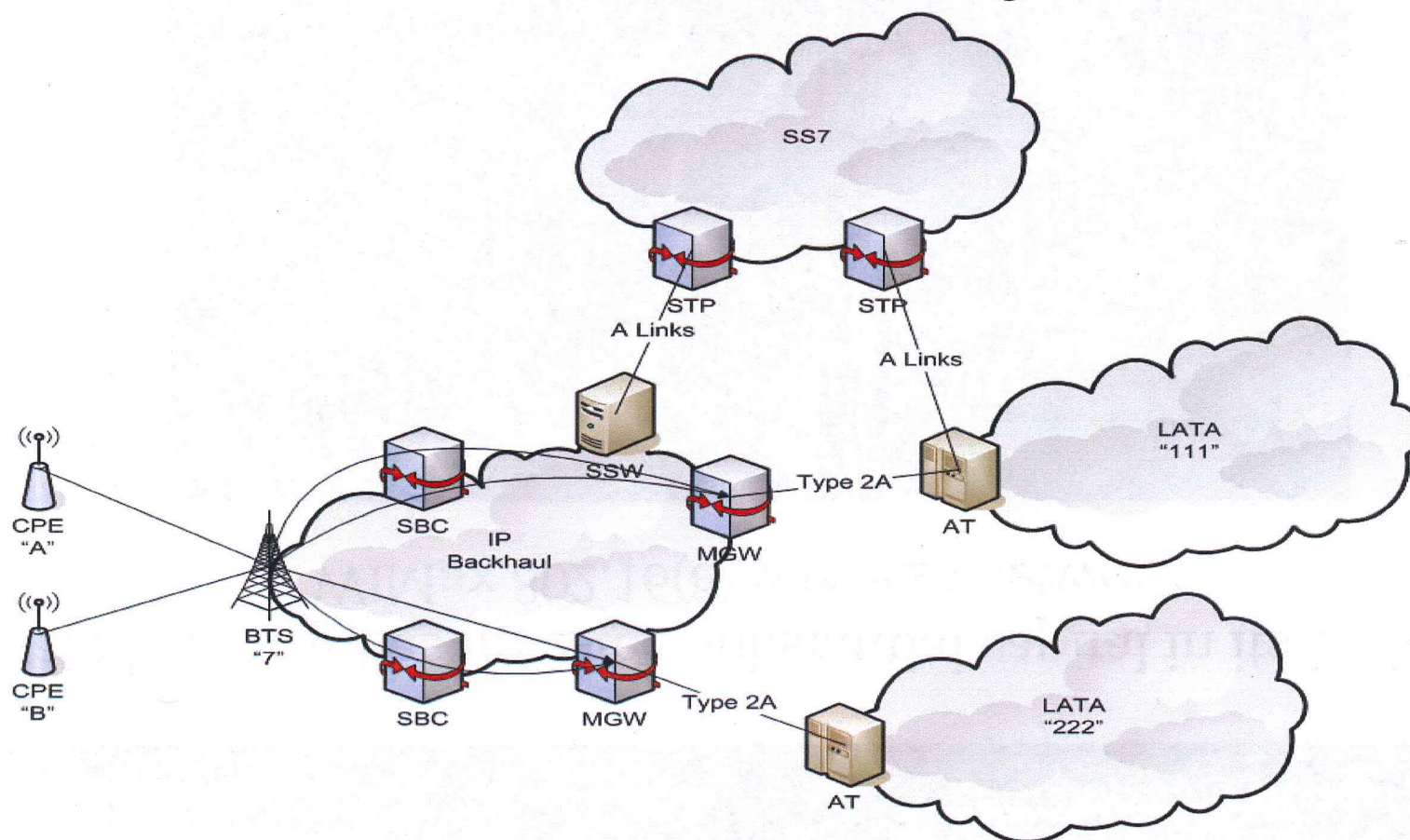
Halo Wireless has invested substantial capital in its 3.65 Ghz
WiMax 802.16(e) wireless network.





FCC Meeting August 10, 2011

Halo Wireless's core network is all IP from customer wireless access points up through the IP-TDM conversion for ILEC traffic exchange.*





FCC Meeting August 10, 2011

Halo is a legitimate, independent business with a novel, legal business strategy.

Leverage the availability of 3.65Ghz spectrum and WiMax mobile access technology to offer two sets of services in rural areas:

- ① Broadband wireless mobile voice and data services to retail consumers and small businesses in under served rural communities throughout the U.S.
 - Voice service currently requires soft client running on laptop.
 - Awaiting FCC certification on Airpsan USB device.
 - Testing integrated 3.65/WiFi access points for enhanced mobility.
 - Evaluating iPhone/Android smart phone clients.
 - Hundreds of thousands of marketing dollars spent to date; small base of retail customers acquired, with continued efforts to expand base underway.



FCC Meeting August 10, 2011

Halo is a legitimate, independent business with a novel, legal business strategy.

Leverage the availability of 3.65Ghz spectrum and WiMax mobile access technology to offer two sets of services in rural areas:

- ② Common Carrier wireless exchange services to ESP and enterprise customers.
 - One primary customer; other arrangements under development
 - Customer connects wirelessly to Halo base stations in each MTA. All traffic traversing interconnection arrangements originates from customer with wireless link to base station in same MTA.
 - Halo transmits intelligence of the customer's choosing.
- Operating Rules and Requirements:
 - o Must obtain interconnection agreements with ILECs to enable traffic exchange across wide footprint, starting with principal ILEC that operates primary tandems.
 - o Only traffic destined to telephone exchange in the same MTA in which the tower resides is accepted for termination over this link; all other traffic is routed to an IXC for handling, and exchange access charges are paid.



FCC Meeting August 10, 2011

Halo's detractors are railing at the rules, but blaming Halo.

Are Halo's services CMRS?

- Halo's small volume customers can make and receive calls using soft clients on laptop computers or tablets connected to mobile/nomadic CPE. While not as elegant as a mobile phone, these services are functionally equivalent to that where traditional handset is used.
- Halo's high volume service offering is also CMRS, as the customer connects to Halo's base station using wireless equipment which is capable of operation while in motion.
- The customer is originating calls to Halo by virtue of its exercise of the right to attach to the network and use telecommunications. *See, In Re Atlantic Richfield Co., 3 FCC Rd. 3089 (1988), aff'd PUC of Texas v. FCC, 886 F.2d 1325 (D.C. Cir. 1989).*



FCC Meeting August 10, 2011

Halo's detractors are railing at the rules, but blaming Halo.

Is Halo's traffic local IntraMTA?

- The origination point for Halo traffic is the base station to which Halo's customers connect wirelessly.
- Halo is transmitting, between or among points specified by the user, information of the user's choosing.
- The customer is originating calls to Halo by virtue of its exercise of the right to attach to the network and use telecommunications. *See, In Re Atlantic Richfield Co.*, 3 FCC Rd. 3089 (1988), *aff'd* PUC of Texas v. FCC, 886 F.2d 1325 (D.C. Cir. 1989).
- Halo's voice service is entirely within the MTA, and is therefore telephone exchange service, not telephone toll.
- Halo does not provide roaming.



FCC Meeting August 10, 2011

Halo's detractors are railing at the rules, but blaming Halo

Halo's signaling practices follow industry standards and comply with the FCC's proposed "Phantom Traffic" rules

- Halo connects to the customer using WiMax, an IP-based technology fully capable of supporting native SIP communications.
- Halo locates the SIP header information corresponding to the Calling Party Number and populates the address in the SS7 ISUP IAM CPN parameter address signal location. Halo does not change or manipulate this information in any way; it is protocol converted and populated without change.
- Since Halo's customer is the responsible party, Halo also populates the SS7 Charge Number parameter with a Halo number corresponding to the customer's BTN for that MTA.
- The FCC's proposed phantom traffic rules would require precisely the practices Halo has adopted.



FCC Meeting August 10, 2011

Halo's detractors are railing at the rules, but blaming Halo. RLEC Interconnection Activities

- Halo has accepted proper requests for interconnection from almost 50 RLECs, and the parties are currently in § 252 negotiations. Halo is paying interim compensation to those carriers.
- The RLECs where we have disputes:
 - Do not like the “no compensation if no contract or request for interconnection” result prescribed in *T-Mobile*, and criticize Halo for relying on that result.
 - Refuse to follow rule 20.11(e) requiring them to both “request interconnection” and “invoke the negotiation and arbitration procedures contained in section 252 of the Act.” We believe they are motivated by desire to receive very high non-TELRIC prices for termination and are concerned that if they “request interconnection” they may have to interconnect via IP.
 - Are misusing the “§ 252 process” to challenge and limit Halo’s activities pursuant to federal permissions.
- Their desired result is to deem Halo’s traffic as subject to access charges, not § 251(b)(5), and classify Halo as an IXC rather than a CMRS provider.
 - Statutory service definitions and FCC precedent do not support these outcomes.



FCC Meeting August 10, 2011

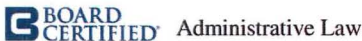
The issues raised by the RLECs fall exclusively within the FCC's jurisdiction, and are not suitable for state commissions

- Neither Congress nor the Commission have delegated enforcement of § 332 and rule 20.11 to the states.
 - The states have delegated power to conduct arbitrations, but only for topics covered by § 251 (unless the parties voluntarily consent to negotiate without regard to standards in the Act).
- Halo continues to be prepared to negotiate, and if necessary arbitrate, for interconnection agreements implementing the mandatory topics.
 - The debate is not about how to implement the RLECs' § 251(a), (b) and/or (c) duties. Rather, the RLECs are challenging CMRS' right to enter the market with a new business model and compete directly with the incumbents for telephone exchange and exchange access service.
- Only the FCC can decide whether an activity is or is not "wireless" or "CMRS"; and the FCC has already decided when a CMRS service constitutes "telephone exchange service" vs. "telephone toll."
 - The scope and nature of "permitted activities" under a nationwide FCC license is not a proper topic for state-level arbitration.
 - One nationwide license cannot have 50 variations, and cannot be subjected to 50 state-level cases and 50 state-level re-hearings of FCC decisions.



FCC Meeting August 10, 2011

Thank you for your time.



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 Fax: 512.692.2522
wsmc@dotlaw.biz

October 17, 2011

Written Ex Parte; Via Electronic Filing

Marlene H. Dortch
 Secretary
 Federal Communications Commission
 445 12th Street, S.W.
 Washington D.C. 20554

RE: *Connect America Fund*, WC Docket No. 10-90; *A National Broadband Plan for Our Future*, GN Docket No. 09-51; *Establishing Just and Reasonable Rates for Local Exchange Carriers*, WC Docket No. 07-135; *High-Cost Universal Service Support*, WC Docket No. 05-337; *Developing an Unified Intercarrier Compensation Regime*, CC Docket No. 01-92; *Federal-State Board on Universal Service*, CC Docket No. 96-45

Dear Ms. Dortch:

Pursuant to 47 C.F.R. § 1.1206 of the Commission's rules, Halo Wireless, Inc. ("Halo") respectfully submits this written *ex parte* communication into the above-captioned proceedings. This letter responds to the submission of the Eastern Rural Telecom Association ("ERTA") dated October 14, 2011.¹

ERTA's submission makes a number of false representations of material fact, and mischaracterizes Halo and its traffic. The allegations that Halo is engaging in some kind of fraud, is refusing in any way to compensate ILECs for termination, and is sending "phantom traffic" or "laundering traffic" are all completely baseless. ERTA members are entitled to their own opinions, but they are not entitled to their own facts. Apparently, they believe that repeated prevarication somehow makes it all true. The Commission, however, cannot engage in this kind of magical thinking.

Halo is a CMRS provider. As such, it can and does provide "telephone exchange service."² Halo has authority from this Commission to provide CMRS-based telephone exchange service to any "end user" business customer that has its own wireless CPE and connects to Halo in an MTA, thereby obtaining the ability to originate and receive calls within that MTA. The service arrangement at issue uses new technology, but it is functionally the same as what an ILEC provides to a business customer with a PBX. This is merely a new and promising wireless telephone exchange service to end users. The other thing ERTA refuses to acknowledge is that Halo also has consumer customers that are presently enjoying 4G wireless broadband in *rural* areas. We thought the Commission *wanted* CMRS to compete with the ILECs and to deploy

¹ Available at <http://fjallfoss.fcc.gov/ecfs/document/view?id=7021714450>.

² See *Local Competition Order* ¶¶ 1004, 1006, 1008.

wireless broadband to consumers. Were all of the statements to this effect in countless reports and orders not the true sentiment and goal?

Halo's "high volume" customer is an end user, not an IXC. Two different courts – in four separate opinions – have so held. Those courts held that Halo's "high volume" customer is fully entitled to purchase telecommunications service as an end user, and cannot be compelled to subscribe to the ILECs' exchange access tariffs. *See* Transcom Enhanced Services, LLC Written *Ex Parte* (October 11, 2011).³ Halo is providing "end user" telephone exchange service to Transcom. Every Halo-related call that the ILECs are terminating is originated by Transcom using wireless CPE in the same MTA. This traffic is *not* exchange access traffic. It is, as a matter of law, subject to § 251(b)(5), since it is intraMTA and "non-access."

Further, this traffic is not "phantom traffic." The RLECs receive sufficient signaling information to identify and bill the appropriate provider."⁴ All Halo traffic contains address signal content in both the CPN and CN parameters. Neither Halo nor Transcom manipulate or change CPN address signal content. Halo does populate the CN with a Halo number, but that is perfectly in accord with industry standards. This is exactly what any ILEC would do when serving a business user that has an ISDN PRI PBX and originates a call from a station with an identifier other than the Billing Telephone Number ("BTN") associated with the PBX system. The RLECs can obviously identify both the end user customer originating the call (Transcom) and the "responsible carrier" (Halo). They know the entity from whom they may seek *reciprocal compensation*: Halo.

Since Halo and the ERTA members do not at present have an interconnection agreement, and since all of the traffic involved is "non-access,"⁵ the applicable compensation regime is "no compensation." This is exactly the express result imposed by the Commission in *T-Mobile*.⁶ *T-Mobile* also provides a remedy. If the ERTA members wish to be paid reciprocal compensation then all they need to do is notice Halo that they "request interconnection" and desire to "invoke the negotiation and arbitration procedures contained in section 252 of the Act." From and after receipt of that notice the ERTA members will be entitled to reciprocal compensation, under the Commission's "interim" rules. *See* 47 C.F.R. § 20.11(e).

Halo is already paying reciprocal compensation to over 50 ILECs. More than 50% of Halo's monthly operating expense is related to these payments. ERTA's assertion that Halo

³ Available at <http://fjallfoss.fcc.gov/ecfs/document/view?id=7021713675>.

⁴ *See* NPRM and FNPRM, *Connect America Fund et al.*, WC Docket Nos. 10-90 *et al.*, FCC 11-13, ¶ 37 and note 719, 26 FCC Rcd 4554 (Feb. 9, 2011) ("2011 ICC NPRM") (defining "phantom traffic" as "unidentifiable and unbillable" because the terminating provider cannot "identify and bill the appropriate provider.")

⁵ *See* 47 C.F.R. § 20.11(d).

⁶ Declaratory Ruling and Report and Order, *In the Matter of Developing a Unified Inter-carrier Compensation Regime, T-Mobile et al. Petition for Declaratory Ruling Regarding Incumbent LEC Wireless Termination Tariffs*, CC Docket 01-92, FCC 05-42, 20 FCC Rcd 4855 (2005) ("*T-Mobile*"). Note 57 expressly provides that "Under the amended rules, however, in the absence of a request for an interconnection agreement, no compensation is owed for termination."

refuses to pay anything is flatly incorrect. They simply will not follow the rules or use the remedy given to them. When they use the *T-Mobile* remedy they will be paid reciprocal compensation from and after the date of a 20.11(e)-compliant notice.

The ERTA members, however, are not satisfied with the prospect of payment that “merely” recovers “a reasonable approximation of the additional costs of terminating” these calls. *See* § 252(d)(2)(A)(ii). Instead, they desire payment in the form of exchange access, and for every minute regardless of whether they have invoked § 20.11(e). In order to accomplish this result they have engaged in a campaign of repeated defamation of both Halo and its “high volume” end user customer before state commissions and the FCC. They falsely and incorrectly claim that Halo is not “really” CMRS”; the calls are not “really wireless” and Halo’s customer is “really” just an IXC. They also constantly repeat scurrilous and unsupported claims that Halo and/or its “high volume” customer are engaging in signaling improprieties.

The bottom line is that they are simply not telling the truth, and they refuse to accept what the Act and rules require. The Commission cannot and should not accept their characterizations or reward them for their misdeeds by trying to impose exchange access on what is clearly telephone exchange service traffic. When ERTA truly wants to be paid for terminating calls, all they have to do is use the 47 C.F.R. § 20.11(e) remedy the Commission gave them. They should be sending “requests for interconnection” to Halo instead of engaging in *ex parte* communications that would violate 47 C.F.R. § 1.17 if proffered in an adjudicatory proceeding as part of their illicit attempts to recover amounts they are not due.

Respectfully Submitted


W. Scott McCollough
Counsel for Halo Wireless, Inc.

Transcript of Proceedings - February 28, 2012
Volume 2 - Technical Session

Public Service Commission of Wisconsin
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BEFORE THE

PUBLIC SERVICE COMMISSION OF WISCONSIN

INVESTIGATION INTO PRACTICES OF)
HALO WIRELESS, INC., and TRANSCOM) Docket No.
ENHANCED SERVICES, INC.) 9594-TI-100

EXAMINER MICHAEL E. NEWMARK, PRESIDING

TRANSCRIPT OF PROCEEDINGS

FEBRUARY 28, 2012

VOLUME 2

TECHNICAL SESSION

Reported By:
JENNIFER M. STEIDTMANN, RPR, CRR
Gramann Reporting, Ltd.
(414) 272-7878

HEARING HELD:

February 28, 2012

Madison, Wisconsin

9:30 a.m.

TRANSCRIPT PAGES:

1 - 141,
151 - 307, Incl.

EXHIBITS:

Prefiled; J.S. McPhee
5; T. McCabe 17; L.
Robinson 13

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Volume 2 - Technical Session

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1 only reason was to disguise.

2 A In my experience --

3 MR. FRIEDMAN: There's no question.

4 BY MR. McCOLLOUGH:

5 Q Okay. You say in here the only reason was to
6 disguise, to deceive. Isn't it at least possible
7 that Halo was telling the world, responsible party's
8 Transcom, here's your billing telephone number?
9 Isn't that possible?

10 A It seems far-fetched, but I suppose in some world it
11 might be.

12 Q Generally when people are out there trying to
13 deceive, they're hiding something, aren't they?

14 A I believe that's true.

15 Q How is signaling additional information specifically
16 identifiable to a particular customer hiding
17 something?

18 A When it's not the original customer, it's some sort
19 of deception.

20 Q That's Halo's customer?

21 A It may or may not be Halo's customer, but it has
22 nothing to do with the originator of the call.

23 Q Granted, granted. Now, you understand Halo took the
24 position all along, even before the FCC order, based
25 on our reading of all the rules, we thought Transcom

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1 was the originating party. You understand we took
2 that position, right?

3 A I've read that.

4 Q Okay. And the FCC disagreed on November 18th?

5 A I've read that, too.

6 Q So just in terms of intent, isn't it at least
7 possible that what Halo was saying is I've got an end
8 user customer and I'm going to act much like AT&T
9 does when it has an ISDN PBX customer with PRI and,
10 you know, if the charge numbers -- I mean, if the CPN
11 doesn't signify, quote, the people we think to be the
12 responsible party, we're going to signal it and
13 charge them?

14 MR. FRIEDMAN: I'm going to object on two
15 grounds. One is it was asked, albeit in a slightly
16 different form, and already answered. Second is
17 it's cumulative and argumentative. The testimony
18 says what it says. Counsel has made his point. I'm
19 not sure how much use it would be to the Commission
20 to have further debate on this.

21 EXAMINER NEWMARK: Sustained.

22 BY MR. McCOLLOUGH:

23 Q Page 8 of your direct --

24 MR. McCOLLOUGH: And by the way, Your
25 Honor, if we get to a stopping point that's

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1 adjust down the number. You know, that's what the
2 witness said. My point, Your Honor, is, you know, I
3 had to sit here and cross-examine this guy, and he'd
4 say, okay, well, I can fix that by changing the
5 number and add to that an amount that supposedly
6 wireline originated would go down and down and down.
7 At some point that would get mighty small.

8 He's acknowledged that even the TDS
9 numbers that showed up might well have been
10 originated on a wireless unit using an ESP, Skype,
11 going to another ESP, we say Transcom and to Halo.
12 And our contention is that's originating with Halo,
13 and I don't think no matter how many times you read
14 those two paragraphs, the FCC said it is not. What
15 they were talking about is traffic that does
16 originate on other carriers' networks.

17 Now, is it true that Halo has said, sure,
18 some of these calls may have started somewhere else,
19 but if you read the rebuttal, what Mr. Wiseman said
20 was we built our business plan reading these FCC
21 rules and, oh, by the way, not just the FCC, the
22 Court of Appeals decisions out of the D.C. Circuit
23 that said ESPs are end users and originate calls.

24 I just want to make sure that the
25 Commission understands that you can't always put



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November 7, 2011

Via Electronic Delivery and U.S. Mail – Certified

(Please note that Mr. Wiseman and Mr. Menard will receive Certified Letters only)

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Re: Missouri 251/252 Interconnection Agreement between Halo Wireless, Inc. and Southwestern bell Telephone Company d/b/a AT&T Missouri, executed by Halo on May 4, 2010 (“interconnection agreement” or “ICA”); AT&T Missouri’s Demand That Halo Wireless, Inc. Immediately Cease and Desist from its Material Breaches of the Terms and Conditions of the Missouri 251/252 Interconnection Agreement Between AT&T Missouri and Halo Wireless, Inc., and AT&T Missouri’s Notice That It Is Invoking Dispute Resolution Pursuant to the Interconnection Agreement.

Dear Messrs. Keiffer, McCollough, Wallace, Wiseman and Menard:

Introduction.

Southwestern Bell Telephone Company d/b/a AT&T Missouri, as the incumbent local exchange carrier that is a party to the interconnection agreement referenced above, hereby demands that Halo Wireless, Inc. (“Halo” or “Halo Wireless”) immediately cease and desist from material breaches of the terms and conditions of the parties’ ICA. Such material breaches include (but are not limited to): (1) sending non-wireless-originated traffic to AT&T Missouri, in breach of the ICA’s requirement that Halo’s traffic consist of wireless-originated traffic; and (2) manipulating originating Signaling System 7 (“SS7”) data with regard to the charge number on the calls sent by Halo to AT&T Missouri, in an apparent attempt to hide or disguise the origin and type of traffic from AT&T Missouri.

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1. Halo Wireless Must Cease and Desist from Sending Wireline-Originated Traffic to AT&T Missouri and Its Scheme to Avoid (or Conspiring to Avoid) the Payment of Access Charges for Traffic That is Subject to Access Charges.

Halo is engaged in a scheme to avoid paying access charges to AT&T Missouri for traffic that is lawfully subject to access charges. Specifically, the scheme consists of Halo's aggregation of interexchange wireline-to-wireline traffic and other third-party traffic that Halo then routes to AT&T Missouri as if it were Halo-originated wireless traffic. The scheme also includes the alteration of charging number data. Such scheme is a material breach of the parties' ICA, and AT&T Missouri hereby demands that Halo cease and desist from such scheme.

a. Halo Wireless Must Cease and Desist from Sending to AT&T Missouri Wireline-Originated Traffic.

Halo Wireless is sending AT&T Missouri non-wireless-originated traffic, *i.e.*, wireline-to-wireline traffic, in material breach of the parties' ICA. The following Whereas Clause, which the parties added through an amendment to the ICA when Halo adopted the ICA, makes this clear:

Whereas, the Parties have agreed that this Agreement will apply only to (1) traffic that originates on AT&T's network or is transited through AT&T's network and is routed to Carrier's wireless network for wireless termination by Carrier; and (2) traffic that originates through wireless transmitting and receiving facilities before Carrier delivers traffic to AT&T for termination by AT&T or for transit to another network. (Emphasis added).

The traffic that Halo is sending AT&T Missouri does not fall into either of these categories. The traffic sent by Halo is not AT&T Missouri-originated traffic and is not traffic transited through AT&T Missouri's network and routed to Halo for wireless termination. Therefore, it does not fall within the first category specified in the Whereas Clause cited above. Nor is the traffic in question *originating* wireless traffic before Halo delivers it to AT&T Missouri for termination or for transit to another carrier, and therefore does not fall within the second category specified in the Whereas Clause cited above.

The wireline-originated traffic that Halo is sending to AT&T Missouri is not permitted by the ICA. Accordingly, Halo Wireless is in violation of the parties' ICA. Halo Wireless must cease and desist from this violation.

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b. Halo Wireless Must Cease and Desist from Sending AT&T Missouri Traffic That Does Not Originate with Halo Wireless' End-Users.

In further material breach of the ICA, Halo Wireless is sending AT&T Missouri wireless traffic that does not originate with Halo Wireless' own end-users. With regard to traffic that Halo Wireless sends to AT&T Missouri, the ICA is designed solely for traffic originated by Halo Wireless customers on wireless facilities. *See* Whereas Clause quoted above, ICA §§ 3.1.1, 3.2.1, 3.2.3.3. By sending traffic to AT&T Missouri that does not originate with Halo Wireless' end-users, Halo Wireless is in violation of the ICA. Accordingly, AT&T Missouri hereby demands that Halo Wireless immediately cease and desist from sending AT&T Missouri traffic that does not originate on Halo Wireless' network.

c. Halo Wireless Must Cease and Desist from Altering and/or Deleting the Charge Party Number on the Calls that it Sends to AT&T Missouri.

The failure of Halo Wireless to deliver the true Charge Party ("CP") number is another material breach of the parties' ICA and is in violation of state and federal laws. Charge Party numbers are associated with the originating end user, *e.g.*, a PBX with a listed directory number and multiple station numbers working behind it. Halo is inserting a different CP into the signaling data stream, in violation of industry practices. Halo's practices breach Section 3.2.4 of the parties' ICA, which states that the origination point for calls from Halo will be the cell site/base station which serves the calling party at the time the call begins. By failing to provide call data that accurately identifies the actual calling party at the beginning of the call, and thus from identifying the actual origination point of the call, Halo is preventing AT&T Missouri from being able to accurately measure and bill calls delivered by Halo as being Local or CMRS calls or something else. By doing so, Halo is in violation of the ICA.

In addition, Halo's failure to provide accurate CP is in violation of the federal Truth in Caller Identification Act, which provides:

In General - It shall be unlawful for any person within the United States, in connection with any telecommunications service or IP-enabled voice service, to cause any caller identification service to knowingly transmit misleading or inaccurate caller identification information with the intent to defraud, cause harm, or wrongfully obtain anything of value, unless such transmission is exempted pursuant to paragraph (3)(B).

47 U.S.C. § 227(e)(1).

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Further, FCC rules prohibit Halo's practices. *See, e.g.*, 47 CFR 64.1601, and Rules and Regulations Implementing the Truth in Caller ID Act of 2009 (WC Docket No. 11-39; FCC 11-41; rel. March 9, 2011); Rules and Regulations Implementing the Truth in Caller ID Act of 2009 (WC Docket No. 11-39; rel. June 22, 2011). Accordingly, Halo Wireless must immediately cease and desist from altering and/or deleting CP, provided via the SS7 network, and, going forward, Halo must transmit accurate CP for all calls that it delivers to AT&T Missouri.

Conclusion.

In conclusion, AT&T Missouri hereby demands that Halo Wireless immediately cease and desist from the breaches of the parties' ICA described herein.¹

Very truly yours,



Diana C. Durham

¹ Although as result of Halo's bankruptcy petition AT&T Missouri is not at this time seeking monetary payment regarding the issues addressed in this demand letter, AT&T Missouri does reserve all rights to pursue the amounts Halo owes it with regard to these issues at the proper time and in the proper forum to the full extent allowed by law.



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March 19, 2012

Halo Wireless, Inc.
c/o Mr. E. P. Keiffer
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Re: Notice of Intent to Begin Blocking of Halo Wireless, Inc. Traffic Terminating to AT&T Missouri Pursuant to the Missouri Public Service Commission Enhanced Record Exchange Rules.

Dear Mr. Keiffer:

Please be advised that Southwestern Bell Telephone Company d/b/a AT&T Missouri intends to and will begin blocking Halo Wireless, Inc. ("Halo") traffic terminating to AT&T Missouri pursuant Missouri Public Service Commission Rule 4 CSR 240-29.120 (the "Rule") and subject to the operation of applicable law, including the United States Bankruptcy Code and any orders issued in connection with Case No. 11-42464, *In re Halo Wireless, Inc., Debtor*, pending in the United States Bankruptcy Court for the Eastern District Texas. In accordance with the requirements of the Rule, this letter sets out the reasons for the traffic blocking, the date the traffic blocking will begin, and the actions Halo can take to avoid the traffic blocking.

Reasons for Blocking

Halo is sending AT&T Missouri large volumes of access traffic on which it is not paying access charges. Halo has been aggregating large amounts of interexchange landline-to-landline traffic and other third-party traffic that Halo then routes to AT&T Missouri as if it were wireless-originated traffic. As a result, Halo has failed to fully compensate AT&T Missouri for transporting and terminating Halo traffic.

In material breach of the parties' Interconnection Agreement ("ICA"), Halo Wireless continues to send AT&T Missouri non-wireless-originated traffic, *i.e.*, landline-originated traffic, despite AT&T Missouri's demands that Halo cease doing so. The following Whereas Clause, which the parties added through an amendment to the ICA when Halo adopted the ICA, makes clear that Halo's sending this type of traffic constitutes a violation of the ICA:

Mr E. P. Keiffer
 March 19, 2012
 Page 2

Whereas, the Parties have agreed that this Agreement will apply only to (1) traffic that originates on AT&T's network or is transited through AT&T's network and is routed to Carrier's wireless network for wireless termination by Carrier; and (2) *traffic that originates through wireless transmitting and receiving facilities before Carrier delivers traffic to AT&T for termination by AT&T or for transit to another network.* (Emphasis added).

The ICA is designed solely for traffic originated on wireless facilities. *See* Whereas Clause quoted above, and ICA §§ 3.1.1, 3.2.1, 3.2.3.3. Halo, however, has continued to send AT&T Missouri substantial volumes of traffic that is landline-originated. Halo's transmitting interLATA wireline traffic over the LEC-to-LEC network in Missouri also violates Section 4 CSR 240-29.010(1) of the Commission's Rules.

Landline-originated interexchange traffic is compensable at lawful switched access rates. Halo has failed to pay AT&T Missouri appropriate access rates for terminating Halo's landline-originated interexchange traffic. The FCC has rejected Halo's claim that landline toll traffic can be converted to intraMTA wireless traffic by inserting a wireless connection at its "base stations," concluding "re-origination of a call over a wireless link in the middle of the call path does not convert a wireline-originated call into a CMRS-originated call for purposes of reciprocal compensation and we disagree with Halo's contrary position."¹

Date Traffic Is To Be Blocked

April 24, 2012

Actions Halo Can Take To Prevent Blocking

Pursuant to 4 CSR 240-29.120, Halo may take any of the following actions to prevent the implementation of blocking:

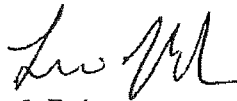
- a. Agreeing with AT&T Missouri and obtaining any applicable Bankruptcy Court approval of arrangements for the payment of appropriate switched access charges on all Halo post-bankruptcy petition landline-originated interexchange traffic terminated to AT&T Missouri.
- b. File a formal complaint with the Missouri Public Service Commission providing all relevant evidence refuting any stated reasons for blocking;
- c. Any other means of prevention set forth in Chapter 29 of the Missouri Public Service Commission Rules, 4 CSR 240-29.010, et seq.

¹ *Connect America Fund et al.*, WC Docket No. 10-90 et al., *Report and Order and Further Notice of Proposed Rulemaking*, FCC 11-161, paras. 1005-1006 (rel. Nov. 18, 2011), *Pets. for review pending*, *Direct Commc'ns Cedar Valley, LLC vs. FCC*, No. 11-9581 (10th Cir. filed Dec. 18, 2011) (and consolidated cases).

Mr E. P. Keiffer
March 19, 2012
Page 3

Please notify me and Mr. John Van Eschen of the Missouri Public Service Commission Staff no later than April 10, 2012 if Halo wishes to take any of these steps to avoid the effectuation of traffic blocking.

Very truly yours,



Leo J. Bub

cc: Via Certified Mail and Via E-Mail
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