performance of other services on the SCP. SWBT will notify every entity upon whom SWBT invokes network management controls that such controls have been implemented.

17.3 Appendix 800, attached hereto and incorporated by reference, sets forth the terms and conditions under which SWBT provides access to its Toll Free Calling Database.

18.0 REFERRAL ANNOUNCEMENTS AND COORDINATED SERVICE CALLS

18.1 Referral Announcement

The Party formerly providing service to an end user shall provide a Basic Referral announcement, reciprocally and free of charge on the abandoned telephone number. The announcement states that the called number has been disconnected or changed and provides the end user’s new telephone number to the extent that it is listed.

Basic Intercept Referral Announcements are to be provided on residential numbers for a minimum of 30 days where facilities exist and the threat of telephone number exhaustion is not imminent.

Basic Intercept Referral Announcements for single line business end users and the primary listed telephone number for Direct Inward Dial (DID) and “Centrex-type” end users, shall be available for a minimum of 30 days or the life of the White Pages directory, whichever is greater. If the threat of telephone number exhaustion becomes imminent for a particular Central Office, the service provider may reissue a disconnected number prior to the expiration of the directory, but no earlier than 30 days after the disconnection of the business telephone number.

18.2 Coordinated Repair Calls

The Parties will employ the following procedures for handling misdirected repair calls:

(a) The Parties will inform their respective end users of the correct telephone numbers to call to access their respective repair bureaus.

(b) To the extent the correct provider can be determined, misdirected repair calls will be referred to the proper provider of local exchange service in a courteous manner, at no charge, and the end user will be provided the correct contact telephone number.

In responding to repair calls, neither Party shall make disparaging remarks about the other, nor shall either Party use these repair calls as the basis for internal referrals or to solicit customers or to market services, nor shall either Party initiate extraneous communications beyond the direct referral to the correct repair telephone number.

(c) The Parties will provide their respective repair contact numbers to one
another on a reciprocal basis.

19.0 OTHER SERVICES

19.1 White Pages

In accordance with Section 271(c)(2)(B) of the Act, SWBT will make nondiscriminatory access to White Pages service available under the terms and conditions of Appendix WP, attached hereto and incorporated by reference.

19.2 Clearinghouse

SWBT will provide clearinghouse services on behalf of GST under the terms and conditions of Appendix CH, attached hereto and incorporated by reference. At its option, GST may terminate such services on ninety (90) days written notice to SWBT.

19.3 Calling Name Information

The Parties shall provide, on mutually agreeable and reciprocal terms, each other with access to Calling Name information of their respective end users whenever one Party initiates a query from a Signaling System Point for such information associated with a call terminating to an end user who subscribes to a calling name service. SWBT will provide Calling Name Information in accordance with and under the terms and conditions of Appendix CNAM, attached hereto and incorporated by reference.

19.4 Billing/Collecting/Remitting

The Parties will jointly agree to terms and conditions for Billing, Collecting, and Remitting for alternated billed local message as described in Appendix BCR, attached hereto and incorporated by reference.

19.5 Hosting

At GST’s request, SWBT shall perform hosting responsibilities for the provision of billable message data and/or access usage data received from GST for distribution to the appropriate billing and/or processing location or for delivery to an LSP of such data via SWBT’s internal network or the nationwide CMDS network pursuant to Appendix HOST, attached hereto and incorporated by reference.

19.6 Signaling System 7 Interconnection

At GST’s request, SWBT shall perform SS7 interconnection services for GST pursuant to Appendix SS7, attached hereto and incorporated by reference.

19.7 LIDB-Validation & LIDB-Administration and Storage

At GST’s request, SWBT shall perform LIDB-Validation and LDIB-Administration and Storage
services for GST pursuant to Appendix LIDB-V and Appendix LIDB-AS, attached hereto and incorporated by reference.

19.8 Operator Services.

Pursuant to Section 271(c)(2)(B)(vii)(III) of the Act, SWBT shall provide nondiscriminatory access to Operator Services under the terms and conditions identified in Appendix OS, attached hereto and incorporated by reference.

20.0 GENERAL RESPONSIBILITIES OF THE PARTIES

20.1

SWBT and GST shall each use their best efforts to meet the Interconnection Activation Dates.

20.2

Each Party shall, unless otherwise agreed, adhere to the requirements for the recording, record exchange, and billing of traffic using the guidelines as set forth in the Technical Exhibit Settlement Procedures (TESP), provided by SWBT to GST.

20.3

Neither Party shall use any service related to or use any of the services provided in this Agreement in any manner that interferes with other persons in the use of their service, prevents other persons from using their service, or otherwise impairs the quality of service to other carriers or to either Party's end users, causes electrical hazards to either Party's personnel, damage to either Party's equipment or malfunction of either Party's billing equipment. Either Party may immediately interrupt existing service or refuse similar new service, but only as needed to correct any problem as described above. Upon interrupting existing service or refusing similar new services, either Party shall provide the other Party notice, if practicable, at the earliest practicable time.

20.4

The Parties shall work cooperatively to minimize fraud associated with third-number billed calls, calling card calls, and any other services related to this Agreement.

20.5

At all times during the term of this Agreement, each Party shall keep and maintain in force at each Party's expense all insurance required by law (e.g. workers' compensation insurance) as well as general liability insurance for personal injury or death to any one person, property damage resulting from any one incident, automobile liability with coverage for bodily injury for property damage. Upon request from the other Party, each Party shall provide to the other Party evidence of such insurance (which may be provided through a program of self insurance).
20.6

In addition to its indemnity obligations under Section 25.0, each Party shall provide, in its tariffs and contracts with its end users that relate to any Telecommunications Service provided or contemplated under this Agreement, that in no case shall such Party or any of its agents, contractors or others retained by such parties be liable to any end user or third party for (i) any Loss relating to or arising out of this Agreement, whether in contract or tort, that exceeds the amount such Party would have charged the applicable end user for the service(s) or function(s) that gave rise to such Loss, and (ii) any Consequential Damages (as defined in Section 26.3 below).

20.7

Unless otherwise stated, each Party will render a monthly bill to the other for service(s) provided hereunder. Remittance in full will be due within thirty (30) days of the billing date. Interest shall apply on overdue amounts (other than Disputed Amounts which are subject to Section 29.12) at the rate specified in Section 29.12, unless otherwise specified in an applicable tariff. Each Party reserves the right to net delinquent amounts against amounts otherwise due the other.

20.8

SWBT is participating with the industry to develop standardized methods through the OBF and shall implement ordering and billing formats/processes consistent with industry guidelines as capabilities are deployed. Where such guidelines are not available or SWBT decides not to fully utilize industry guidelines, SWBT will provide GST with information on its ordering and billing formats/process and requirements.

21.0 EFFECTIVE DATE, TERM, AND TERMINATION

21.1

This Agreement shall be effective upon approval by the Texas PUC ("Effective Date"). The initial term of this Agreement shall be for a period of one year from the date of Commission approval, so long as this agreement is approved prior to July 17, 1999 (the "Term") Absent the receipt by one Party of written notice from the other Party at least sixty (60) days prior to the expiration of the Term to the effect that such Party does not intend to extend the Term of this Agreement, this Agreement shall automatically renew for additional one year terms and remain in full force and effect on and after the expiration of the Term until terminated by either Party pursuant to Section 21.3 or 21.4.

21.2

Either Party may terminate this Agreement in the event that the other Party fails to perform a material obligation that disrupts the operation of either Party's network and/or end user service and fails to cure such material nonperformance within forty-five (45) days after written notice thereof.

21.3
If pursuant to Section 21.2, this Agreement continues in full force and effect after the expiration of the Term, either Party may terminate this Agreement 120 days after delivering written notice to the other Party of its intention to terminate this Agreement, subject to Section 21.5. Neither Party shall have any liability to the other Party for termination of this Agreement pursuant to this Section 21.4 other than its obligations under Section 21.4.

21.4

Upon termination or expiration of this Agreement in accordance with this Section 21.0:

(a) each Party shall comply immediately with its obligations set forth in Section 29.6.2; and
(b) each Party shall promptly pay all amounts (including any late payment charges) owed under this Agreement.

If upon expiration or termination, the Parties are negotiating a successor agreement, each Party shall continue to perform its obligations and provide the services described herein that are to be included in the successor agreement until such time as the latter agreement becomes effective.

21.5

Except as set forth in Section 27.5, no remedy set forth in this Agreement is intended to be exclusive and each and every remedy shall be cumulative and in addition to any other rights or remedies now or hereafter existing under applicable law or otherwise.

22.0 DISCLAIMER OF REPRESENTATIONS AND WARRANTIES

EXCEPT AS EXPRESSLY PROVIDED UNDER THIS AGREEMENT, NO PARTY MAKES OR RECEIVES ANY WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO THE SERVICES, FUNCTIONS AND PRODUCTS IT PROVIDES UNDER OR CONTEMPLATED BY THIS AGREEMENT AND THE PARTIES DISCLAIM THE IMPLIED WARRANTIES OF MERCHANTABILITY OR OF FITNESS FOR A PARTICULAR PURPOSE. ADDITIONALLY, NEITHER SWBT NOR GST ASSUMES RESPONSIBILITY WITH REGARD TO THE CORRECTNESS OF DATA OR INFORMATION SUPPLIED BY THE OTHER WHEN THIS DATA OR INFORMATION IS ACCESSED AND USED BY A THIRD PARTY.

23.0 SLAMMING

Each Party will abide by the Interconnection Rule of the Texas PUC in obtaining end user authorization to change an end user's local service provider to itself and in assuming responsibility for any applicable charges. Only an end user can initiate a challenge to a change in its local exchange telephone service.
24.0 INTERVENING LAW AND SEVERABILITY

This agreement is entered into as a result of private negotiations between the Parties and incorporates provisions based on the November 7, 1996 Arbitration Award issued by the Public Utility Commission of Texas (PUC), acting pursuant to FTA96, PURA95, and the PUC's Substantive Rules. If the actions of Texas 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 required by the Arbitration Award approved by the PUC, the affected provision shall 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 shall be resolved pursuant to the dispute resolution process provided for in this agreement. The invalidation, stay, or modification of the pricing provisions of the FCC's First Report and Order and in CC Docket No. 96-98 (August 8, 1996) and the FCC's Order on Reconsideration (September 27, 1996) shall not be considered an invalidation, stay, or modification requiring changes to provisions of the agreement required by the PUC Arbitration Award, in that the FCC's pricing provisions are not the basis for the costing and pricing provisions of the PUC's Arbitration Award.

25.0 INDEMNIFICATION

25.1 Obligation to Indemnify

Each Party shall and hereby agrees to defend at the other's request, indemnify, and hold harmless the other Party and each of its officers, directors, employees, and agents (each, an "Indemnitee") against and in respect of any loss, debt, liability, damage, obligation, claim, demand, judgment, or settlement of any nature or kind, known or unknown, liquidated or unliquidated, including without limitation all reasonable costs and expenses incurred (legal, account or otherwise) (collective, "Damages") arising out of, resulting from, or based upon any pending or threatened claim, action, proceeding or suit by any third party (a "Claim") (i) alleging any breach of any representation, warranty, or covenant made by such indemnifying Party (the "Indemnifying Party") in this Agreement, or (ii) based upon injuries or damage to any person or property or the environment arising out of or in connection with this Agreement that are the result of the indemnifying Party's actions, breach of Applicable Law, or the actions or status of its employees, agents, and subcontractors.

25.2 No Obligation to Indemnify

Notwithstanding any provision contained elsewhere in this Agreement, or its Schedules, Exhibits, Appendices, neither Party shall have any indemnification obligation in the event of gross negligence and willful or intentional conduct by the other Party.

25.3 Obligation to Defend; Notice; Cooperation

Whenever a Claim shall arise for indemnification under this section, the relevant Indemnitee, as appropriate, shall promptly notify the Indemnifying Party and request the Indemnifying Party to defend...
the same. Failure to so notify the Indemnifying Party shall not relieve the Indemnifying Party of any liability that the Indemnifying Party might have, except to the extent that such failure prejudices the Indemnifying Party’s ability to defend such Claim. The Indemnifying Party shall have the right to defend against such liability or assertion in which event the Indemnifying Party shall give written notice to the Indemnitee of acceptance of the defense of such claim and the identity of counsel selected by the Indemnifying Party. Except as set forth below, such notice to the relevant Indemnitee shall give the Indemnifying Party full authority to defend, adjust, compromise, or settle such Claim with respect to which such notice shall have been given, except to the extent that any compromise or settlement might prejudice the Intellectual Property Rights of the relevant Indemnities. The Indemnifying Party, shall consult with the relevant Indemnitee prior to any compromise or settlement that would affect the Intellectual Property Rights or other rights of any Indemnitee, and the relevant Indemnitee shall have the right to refuse such compromise or settlement and, at the refusing Party’s or refusing Parties’ cost, to take over such defense, provided that in such event, the Indemnifying Party shall not be responsible for, nor shall it be obligated to indemnify the relevant Indemnitee against any cost or liability in excess of such refused compromise or settlement. With respect to any defense accepted by the Indemnifying Party, the relevant Indemnitee shall be entitled to participate with the Indemnifying Party in such defense if the Claim requests equitable relief or other relief that could affect the rights of the Indemnitee and also shall be entitled to employ separate counsel for such defense at such Indemnitee’s expense. In the event the Indemnifying Party does not accept the defense of any indemnified Claim as provided above, the relevant Indemnitee shall have the right to employ counsel for such defense at the expense of the Indemnifying Party. Each Party agrees to cooperate and to cause its employees and agents to cooperate with the other Party in the defense of any such Claim.

25.4 Intellectual Property

GST understands that it is responsible for obtaining any license or right-to-use agreement associated with a Network Element purchased from SWBT, and further agrees to provide SWBT, prior to using any such Network Element, with either: (1) a copy of the applicable license or right-to-use agreement (or letter from the licenser attesting as such); or (2) an affidavit signed by GST attesting to the acquisition of any known and necessary licensing and right-to-use agreements. SWBT agrees to provide a list of all known and necessary licenses or right-to-use agreements applicable to the subject Network Element(s) within seven days of a request for such a list by GST. SWBT agrees to use its best efforts to facilitate the obtaining of any necessary license or right-to-use agreement. In the event such an agreement is not forthcoming for a Network Element ordered by GST, the Parties commit to negotiate in good faith for the provision of alternative elements or services which shall be equivalent to or superior to the element for which GST is unable to obtain such license or agreement.

Each Party shall and hereby agrees to defend at the other’s request, indemnify, and hold harmless the other Party and each of its officers, directors, employees, and agents (each, and “Indemnitee”) against and in respect of any loss, debt, liability, damage, obligation, claim demand, judgment, or settlement of any nature or kind, known or unknown, liquidated or unliquidated, including without limitation all reasonable costs and expenses incurred (legal, account or otherwise) arising out of, resulting from, or based upon any pending or threatened claim, action, proceeding or suit by any third party for actual infringement of any patent, copyright, trademark, service mark, trade name, trade dress, trade secret or any other intellectual property right now known or later developed to the extent that such claim or action arises from the actions of the respective Parties, or failure to act, as required pursuant to

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this Agreement.

26.0 LIMITATION OF LIABILITY

26.1

In the case of any Loss alleged or made by a third party arising from the negligence or willful misconduct of both Parties, each Party shall bear, and its obligations under this Section 26.0 shall be limited to, that portion of the resulting expense caused by its (including that of its agents, servants, contractors or others acting in aid or concert with it) negligence or willful misconduct.

26.2

Except for the provisions of Section 25 (Indemnification) and Section 27 (Performance Standards for Specified Activities), each Party's liability to the other Party for any loss relating to or arising out of any negligent act or omission in its performance of this Agreement, whether in contract or in tort, shall not exceed in total the amount SWBT or GST has or would have charged the other Party for the affected services or functions for the time period during which the services or functions were not performed or were otherwise improperly performed.

26.3

NEITHER GST NOR SWBT 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 OF ANY KIND 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 SHALL LIMIT THE PARTIES' LIABILITY TO THE OTHER FOR (I) WILLFUL OR INTENTIONAL MISCONDUCT (INCLUDING GROSS NEGLIGENCE); (ii) BODILY INJURY, DEATH, OR DAMAGE TO TANGIBLE REAL OR TANGIBLE PERSONAL PROPERTY PROXIMATELY CAUSED BY SWBT OR GST'S NEGLIGENT ACT OR OMISSION OR THAT OF THEIR RESPECTIVE AGENTS, SUBCONTRACTORS OR EMPLOYEES, NOR SHALL ANYTHING CONTAINED IN THIS SECTION LIMIT THE PARTIES' INDEMNIFICATION OBLIGATIONS AS SPECIFIED ABOVE.

27.0 PERFORMANCE STANDARDS FOR SPECIFIED ACTIVITIES

27.1 Certain Definitions
27.0 When used in this Section 27.0, the following terms shall have the meanings indicated:

27.1.1 "Specified Performance Breach" means the failure by SWBT to meet the Performance Criteria for any Specified Activity for a period of three (3) consecutive calendar months.

27.1.2 "Specified Activity" means any of the following activities:

   (i) the installation by SWBT of unbundled Loops for GST, including the installation of unbundled Loops under applicable tariff(s) ("Unbundled Loop Installation");

   (ii) SWBT's provision of Interim Number Portability; or

   (iii) the repair of out of service problems for GST ("Out of Service Repairs").

27.1.3 "Performance Criteria" means, with respect to each calendar month during the term of this Agreement, the performance by SWBT during such month of each Specified Activity shown below within the time interval shown in at least eighty percent (80%) of the covered instances:

<table>
<thead>
<tr>
<th>SPECIFIED ACTIVITY</th>
<th>PERFORMANCE INTERVAL DATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>(i) Unbundled Loop Installation</td>
<td>5 days from Receipt of valid Service Order</td>
</tr>
<tr>
<td>1-10 Loops per Service Order</td>
<td>5 days from Receipt of valid Service Order</td>
</tr>
<tr>
<td>11-20 Loops per Service Order</td>
<td>10 days from Receipt of valid Service Order</td>
</tr>
<tr>
<td>21+ Loops per Service Order</td>
<td>To be Negotiated</td>
</tr>
<tr>
<td>(ii) Interim Number Portability</td>
<td>5 days from Receipt of valid Service Order</td>
</tr>
<tr>
<td>1-10 Numbers per Service Order</td>
<td>5 days from Receipt of valid Service Order</td>
</tr>
<tr>
<td>11-20 Numbers per Service Order</td>
<td>10 days from Receipt of valid Service Order</td>
</tr>
<tr>
<td>21+ Numbers per Service Order</td>
<td>To be Negotiated</td>
</tr>
<tr>
<td>(iii) Out-of-Service Repairs</td>
<td>Less than 24 hours from Receipt of Notification of Out-of-Service Condition</td>
</tr>
</tbody>
</table>

27.2 Specified Performance Standards
SWBT warrants that it will meet the above Performance Criteria, except in those instances where its failure to do so is a result of (a) a failure by GST to perform any of its obligations set forth in this Agreement (including, without limitation, the Schedule 3.0 activities), (b) any delay, act or failure to act by an end user, agent, or subcontractor of GST, (c) any Force Majeure Event, or (d) for INP, where memory limitations in the switch in the serving office cannot accommodate the request.

27.3 Liquidated Damages

The damages payable by SWBT as a result of a Specified Performance Breach shall be $75,000 for each Specified Performance Breach (collectively, the “Liquidated Damages”). GST and SWBT agree and acknowledge that (a) the Liquidated Damages are not a penalty and have been determined based upon the facts and circumstances of GST and SWBT at the time of the negotiation and entering into of this Agreement, with due regard given to the performance expectations of each Party; (b) the Liquidated Damages constitute a reasonable approximation of the damages GST would sustain if its damages were readily ascertainable; and (c) GST shall be required to provide any proof of the Liquidated Damages. Notwithstanding the Parties’ indemnity obligations hereunder, neither Party shall be obligated to indemnify or hold harmless the other for liquidated damages payable under this Section 27.

27.4 Limitations

In no event shall either Party be liable to pay the Liquidated Damages if that Party’s failure to meet or exceed any of the Performance Criteria is caused, directly or indirectly, by a Delaying Event. A "Delaying Event" means (a) a failure by GST to perform any of its obligations set forth in this Agreement (including, without limitation, the Implementation Schedule), (b) any delay, act or failure to act by an end user, agent or subcontractor of GST, (c) any Force Majeure Event, (d) for Out of Service Repairs for unbundled Loops, where either Party lacks automatic testing capability, or (e) for INP, where memory limitations in the switch in either Party’s serving office cannot accommodate the request. If a Delaying Event (i) prevents SWBT from performing a Specified Activity, then such Specified Activity shall be excluded from the calculation of SWBT’s compliance with the Performance Criteria, or (ii) only suspends SWBT’s ability to timely perform the Specified Activity, the applicable time frame in which SWBT’s compliance with the Performance Criteria is measured shall be extended on an hour-for-hour or day-for-day basis, as applicable, equal to the duration of the Delaying Event.

27.5 Sole Remedy

The Liquidated Damages shall be the sole and exclusive remedy of GST for SWBT’s breach of the Performance Criteria or a Specified Performance Breach as described in this Section 27.0 and shall be in lieu of any other damages or credit GST might otherwise seek for such breach of the Performance Criteria or a Specified Performance Breach through any claim or suit brought under any contract or tariff, EXCEPT THAT IN THE EVENT OF A PATTERN OR PRACTICE OF PERFORMANCE STANDARD BREACHES, GST MAY ASSERT CLAIMS FOR MATERIAL BREACH OF THIS AGREEMENT, FOR ANTITRUST OR UNFAIR COMPETITION, OR MAY PETITION THE APPROPRIATE REGULATORY AUTHORITY.
27.6 Records

SWBT shall maintain complete and accurate records, on a monthly basis, of its performance under this Agreement of each Specified Activity and its compliance with the Performance Criteria and shall provide to GST such records in a self-reporting format on a monthly basis. Notwithstanding Section 29.6.1, the Parties agree that such records shall be deemed "Proprietary Information" under Section 29.6.

28.0 REGULATORY APPROVAL

The Parties understand and agree that this Agreement will be filed with the Commission and may thereafter be filed with the FCC. The Parties believe in good faith and agree that the services to be provided under this Agreement satisfy the specifically-mentioned sections of the Act and are in the public interest. Each Party covenants and agrees to fully support approval of this Agreement by the Commission or the FCC under Section 252 of the Act without modification. Each Party agrees that this Agreement shall be construed in light of and consistent with the provisions of the Act.

29.0 MISCELLANEOUS

29.1 Authorization

29.1.1 SWBT is a corporation duly organized, validly existing and in good standing under the laws of the State of Missouri and has full power and authority to execute and deliver this Agreement and to perform the obligations hereunder.

29.1.2 GST Telecom Inc. is a corporation duly organized, validly existing and in good standing under the laws of the state of Delaware and has full power and authority to execute and deliver this Agreement and to perform its obligations hereunder.

29.2 Compliance and Certification

29.2.1 Each Party shall comply with all applicable federal, state, and local laws, rules, and regulations applicable to its performance under this Agreement.

29.2.2 Each Party warrants that it has obtained all necessary state certification required in those states in which it has ordered services from the other Party pursuant to this Agreement. Upon request by any state governmental entity, a Party shall provide proof of certification.

29.2.3 Each Party represents and warrants that any equipment, facilities or services provided to the other Party under this Agreement comply with the Communications Law Enforcement Act ("CALEA"). Each Party shall indemnify and hold the other Party harmless from any and all penalties imposed upon the other Party for noncompliance with CALEA and shall at the non-compliant Party's sole cost and expense, modify or replace any equipment, facilities or services provided to the other Party under this Agreement to ensure that such equipment, facilities and services fully comply with
29.3 Law Enforcement

29.3.1 SWBT and GST shall handle law enforcement requests as follows:

29.3.1.1 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 an end user of the other Party, it shall refer such request to the Party that serves such end user, 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.

29.3.1.2 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.

29.3.1.3 Emergencies: If a Party receives a request from a law enforcement agency for 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 a 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, except to the extent any such damages are solely a result of the gross negligence or willful and intentional conduct of such Party.

29.4 Independent Contractor

Each Party and each Party's contractor shall be solely responsible for the withholding or payment of all applicable federal, state and local income taxes, social security taxes and other payroll taxes with respect to its employees, as well as any taxes, contributions or other obligations imposed by applicable state unemployment or workers' compensation acts. Each Party has sole authority and responsibility to hire, fire and otherwise control its employees.

29.5 Force Majeure

Neither Party shall be liable for any delay or failure in performance of any part of this Agreement from any cause beyond its control and without its fault or negligence including, without limitation, acts of nature, acts of civil or military authority, government regulations, embargoes, epidemics, terrorist acts, riots, insurrections, fires, explosions, earthquakes, nuclear accidents, floods, work stoppages, equipment failure, cable cuts, power blackouts, volcanic action, other major environmental disturbances, unusually severe weather conditions, inability to secure products or services of other persons or transportation facilities or acts or omissions of transportation carriers. 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 related to the performance so interfered with). The affected Party shall use its best efforts to avoid or remove the cause of nonperformance and both Parties shall proceed to perform with dispatch once the causes are removed or cease.

29.6 Confidentiality

29.6.1 All information, including but not limited to specifications, microfilm, photocopies, magnetic disks, magnetic tapes, drawings, sketches, models, samples, tools, technical information, data, employee records, maps, financial reports, and market data, (i) furnished by one Party (the "Disclosing Party") to the other Party (the "Receiving Party") dealing with customer-specific, facility-specific, or usage-specific information, other than customer information communicated for the purpose of publication or directory database inclusion, 911, call processing, billing or settlement or otherwise mutually agreed upon, or (ii) in written, graphic, electromagnetic, or other tangible form and marked at the time of delivery as "Confidential" or "Proprietary," or (iii) communicated orally and declared to the Receiving Party at the time of delivery, or by written notice given to the Receiving Party within ten (10) days after declaration to be "Confidential" or "Proprietary" (collectively referred to as "Proprietary Information"), shall remain the property of the Disclosing Party.

29.6.2 Upon request by the Disclosing Party, the Receiving Party shall return all tangible copies of Proprietary Information, whether written, graphic, or otherwise. In the event of the expiration or termination of this Agreement for any reason whatsoever, each Party shall return to the other Party or destroy all Proprietary Information and other documents, work papers and other material (including all copies thereof) obtained from the other Party in connection with this Agreement.

29.6.3 Each Party shall keep all the other Party's Proprietary Information confidential and shall use the other Party's Proprietary Information only for performing the covenants contained in the Agreement and shall disclose such Proprietary Information only to those employees, contractors, agents or Affiliates who have a need to know. Neither Party shall use the other Party's Proprietary Information for any other purpose except upon such terms and conditions as may be agreed upon between the Parties in writing.

29.6.4 Unless otherwise agreed, the obligations of confidentiality and nonuse set forth in the Agreement do not apply to such Proprietary Information as:

(i) was at the time of receipt already known to the receiving Party free of any obligation to keep it confidential evidenced by written records prepared prior to delivery by the disclosing Party; or

(ii) is or becomes publicly known through no wrongful act of the receiving Party; or

(iii) is rightfully received from a third person having no direct or indirect secrecy or confidentiality obligation to the disclosing Party with respect to such information; or

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(iv) is independently developed by an employee, agent, or contractor of the receiving Party which individual is not involved in any manner with the provision of services pursuant to the Agreement and does not have any direct or indirect access to the Proprietary Information; or

(v) is disclosed to a third person by the disclosing Party without similar restrictions on such third person's rights; or

(vi) is approved for release by written authorization of the disclosing Party; or

(vii) is required to be made public by the Receiving Party pursuant to applicable law or regulation provided that the receiving party shall provide the Disclosing Party with written notice of such requirement as soon as possible and prior to such disclosure. The Disclosing Party may then either seek appropriate protective relief from all or part of such requirement or, if it fails to successfully do so, it shall be deemed to have waived the Receiving Party's compliance with Section 28.6 with respect to all or part of such requirement. The Receiving Party shall use all commercially reasonable efforts to cooperate with the Disclosing Party in attempting to obtain any protective relief which such Disclosing Party chooses to obtain.

29.6.5 Notwithstanding any other provision of this Agreement, the Proprietary Information provisions of this Agreement shall apply to all information furnished by either Party to the other in furtherance of the purpose of this Agreement, even if furnished before the date of this Agreement.

29.6.6 Pursuant to Section 222(b) of the Act, both parties agree to limit their use of Proprietary Information received from the other to the permitted purposes identified in the Act.

29.7 Governing Law

This Agreement is subject to the Act, and the effective rules and regulations promulgated pursuant to the Act, and any other applicable federal law, as well as the rules of the Commission. In all other respects, this Agreement shall be governed by the domestic laws of the state of Texas without reference to conflict of law provisions.

29.8 Taxes

29.8.1 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 (hereinafter "Tax") levied against or upon such purchasing Party (or the providing Party
when such providing Party is permitted by applicable law 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. To the extent a sale is claimed to be for resale tax exemption, the purchasing party shall furnish the providing party a proper resale tax exemption certificate as authorized or required by statute or regulation by the jurisdiction providing said resale tax exemption. Failure to timely provide said resale tax exemption certificate will result in no exemption being available to the purchasing Party until such time as the purchasing Party presents a valid certificate.

29.8.2 With respect to any purchase of services, facilities or other arrangements, if any Tax is required or permitted by applicable law to be collected from the purchasing Party by the providing Party, then (i) the providing Party shall bill the purchasing Party for such Tax, (ii) the purchasing Party shall remit such Tax to the providing Party and (iii) the providing Party shall remit such collected Tax to the applicable taxing authority.

29.8.3 With respect to any purchase hereunder of services, facilities or arrangements that are resold to a third party, if any Tax is imposed by applicable law on the end user in connection with any such purchase, then (i) the purchasing Party shall be required to impose and/or collect such Tax from the end user and (ii) the purchasing Party shall remit such Tax to the applicable taxing authority. The purchasing Party agrees to indemnify and hold harmless the providing Party on an after-tax basis for any costs incurred by the providing Party as a result of actions taken by the applicable taxing authority to collect the Tax from the providing Party due to the failure of the purchasing Party to pay or collect and remit such tax to such authority.

29.8.4 If the providing Party fails to collect any Tax as required herein, then, as between the providing Party and the purchasing Party, (i) the purchasing Party shall remain liable for such uncollected Tax and (ii) the providing Party shall be liable for any penalty and interest assessed with respect to such uncollected Tax by such authority. However, if the purchasing Party fails to pay any taxes properly billed, then, as between the providing Party and the purchasing Party, the purchasing Party will be solely responsible for payment of the taxes, penalty and interest.

If the purchasing Party fails to impose and/or collect any Tax from end users as required herein, then, as between the providing Party and the purchasing Party, the purchasing Party shall remain liable for such uncollected Tax and any interest and penalty assessed thereon with respect to the uncollected Tax by the applicable taxing authority. With respect to any Tax that the purchasing Party has agreed to pay or impose on and/or collect from end users, the purchasing Party agrees to indemnify and hold harmless the providing Party on an after-tax basis for any costs incurred by the providing Party as a result of actions taken by the applicable taxing authority to collect the Tax from the providing Party due to the failure of the purchasing Party to pay or collect and remit such Tax to such authority.

29.9 Non-Assignment

Each Party covenants that, if it sells or otherwise transfers to a third party its Telephone Exchange and Exchange Access network facilities in the territory within which SWBT is an Incumbent Local Exchange Carrier as of the date of this Agreement (the “SWBT Territory”), or any portion thereof,
to a third party, it will require as a condition of such transfer that the transferee agree to be bound by this Agreement with respect to services provided over the transferred facilities. Except as provided in this paragraph, neither Party may assign or transfer (whether by operation of law or otherwise) this Agreement (or any rights or obligations hereunder) to a third party without the prior written consent of the other Party, which consent shall not be unreasonably withheld, delayed or conditioned; *provided* that each Party may assign this Agreement to a corporate Affiliate or an entity under its common control or an entity acquiring all or substantially all of its assets or equity by providing prior written notice to the other Party of such assignment or transfer. Any attempted assignment or transfer that is not permitted is void *ab initio*. Without limiting the generality of the foregoing, this Agreement shall be binding upon and shall inure to the benefit of the Parties' respective successors and assigns.

29.10 Non-Waiver

Failure of either Party to insist on performance of any term or condition of this Agreement or to exercise any right or privilege hereunder shall not be construed as a continuing or future waiver of such term, condition, right or privilege.

29.11 Audits

Each Party to this Agreement will be responsible for the accuracy and quality of its data as submitted to the respective Parties involved. Where SS7 is deployed, each Party shall pass Calling Party Number (CPN) information on each call carried over the Traffic Exchange trunks; *provided* that so long as the percentage of calls passed with CPN is greater than ninety percent (90%), all calls exchanged without CPN information shall be billed as either Local Traffic or IntraLATA Toll Traffic in direct proportion to the minutes of use of calls exchanged with CPN information. If the percentage of calls passed with CPN is less than 90%, all calls passed without CPN shall be billed as IntraLATA Toll Traffic.

Upon reasonable written notice and at its own expense, 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 an audit of the other Party to give assurances of compliance with the provisions of this Agreement. This includes on-site audits at the other Party’s or the Party’s vendor locations. Each Party, whether or not in connection with an audit, shall maintain reasonable records for a minimum of 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. Each Party’s right to access information for audit purposes is limited to data not in excess of 24 months in age.

29.12 Disputed Amounts

29.12.1 No claims, under this Agreement or its Appendices, shall be brought for disputed amounts more than twenty-four (24) months from the date of occurrence which gives rise to the dispute. Under this Section 29.12, if any portion of an amount due to a Party (the "Billing Party") under this Agreement is subject to a bona fide dispute between the Parties, the Party billed (the "Non-Paying Party") shall within sixty (60) days of its receipt of the invoice containing such disputed amount give notice to the Billing Party of the amounts it disputes ("Disputed Amounts") and include in such notice
the specific details and reasons for disputing each item. The Non-Paying Party shall pay when due (i) all undisputed amounts to the Billing Party and (ii) all Disputed Amounts into an interest bearing escrow account with a third party escrow agent mutually agreed upon by the Parties.

29.12.2 If the Parties are unable to resolve the issues related to the Disputed Amounts in the normal course of business within sixty (60) days after delivery to the Billing Party of notice of the Disputed Amounts, each of the Parties shall appoint a designated representative who has authority to settle the dispute and who is at a higher level of management than the persons with direct responsibility for administration of this Agreement. The designated representatives shall meet as often as they reasonably deem necessary in order to discuss the dispute and negotiate in good faith in an effort to resolve such dispute.

29.12.3 If the Parties are unable to resolve issues related to the Disputed Amounts within forty-five (45) days after the Parties' appointment of designated representatives pursuant to Section 29.12.2, then either Party may file a complaint with the Commission to resolve such issues or proceed with any other remedy pursuant to law or equity. The Commission may direct release of any or all funds (including any accrued interest) in the escrow account, plus applicable late fees, to be paid to either Party.

29.12.4 The Parties agree that all negotiations pursuant to this Section 29.12 shall remain confidential and shall be treated as compromise and settlement negotiations for purposes of the Federal Rules of Evidence and state rules of evidence.

29.12.5 Any undisputed amounts not paid when due shall accrue interest from the date such amounts were due at the lesser of (i) one and one-half percent (1-1/2%) per month or (ii) the highest rate of interest that may be charged under applicable law.

29.13 Dispute Resolution

29.13.1 No claims shall be brought for disputes arising under this Agreement or its Appendices more than twenty-four (24) months from the date the occurrence, which gives rise to the dispute, was discovered or with reasonable diligence could have been discovered.

29.13.2 For disputes other than disputed amounts under this Agreement or its Appendices, each Party shall appoint a designated representative as set forth in Section 29.12.2 and if unable to resolve the dispute, proceed as set forth in Section 29.12.3.

29.14 Notices

Any notice to a Party required or permitted under this Agreement shall be in writing and shall be deemed to have been received on the date of service if served personally, on the date receipt is acknowledged in writing by the recipient if delivered by regular mail, or on the date stated on the receipt if delivered by certified or registered mail or by a courier service that obtains a written receipt. Notice may also be provided by facsimile, which shall be effective on the next Business Day following the date of transmission if transmitted after 5 p.m. If transmitted before 5 p.m., it shall be deemed received on the date delivered. “Business Day” shall mean Monday through Friday, SWBT/GST holidays excepted.
Any notice shall be delivered using one of the alternatives mentioned in this section and shall be directed to the applicable address indicated below or such address as the Party to be notified has designated by giving notice in compliance with this section, except that notices to a Party's 24-hour contact number shall be by telephone and/or facsimile and shall be deemed to have been received on the date transmitted.

To GST: GST Telecom, Inc
John Slocum
4317 N.E. Thurston Way
Vancouver, WA 98662

To SWBT: Account Manager-Competitive Provider Account Team
Southwestern Bell Telephone Company
Four Bell Plaza, Room 760
Dallas, Texas 75202
Facsimile Number: (214) 464-1486

24-Hour Network Management Contact

For GST:
Network Management Center

For SWBT:
Area Manager-NSMC Control
1-800-792-2662

29.15 Publicity and Use of Trademarks or Service Marks

29.15.1 The Parties agree not to use in any advertising or sales promotion, press releases, or other publicity matters any endorsements, direct or indirect quotes, or pictures 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, 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; the Party to whom a request is directed shall respond promptly. Nothing herein, however, shall be construed as preventing either Party from publicly stating the fact that it has executed this Agreement with the other Party.

29.15.2 Nothing in this Agreement shall grant, suggest, or imply any authority for one Party to use the name, trademarks, service marks, or trade names of the other for commercial purposes without prior written approval.

29.16 Section 252(i) Obligations

Either Party shall make available to the other Party without unreasonable delay any interconnection, service or network element provided under an agreement approved under Section 252 to
which it is a party (the "Other Agreement") upon the same terms and conditions as those provided in the Other Agreement. At its sole option, the other Party may avail itself of either (i) the Other Agreement in its entirety or (ii) the prices, terms and conditions of the Other Agreement that directly relate to any of the following duties as a whole:

<table>
<thead>
<tr>
<th>No.</th>
<th>Service Description</th>
<th>Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Interconnection - Section 251(c)(2) of the Act (Sections 4.0, and 5.0 of this Agreement); or</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Exchange Access - Section 251(c)(2) of the Act (Section 6.0 of this Agreement); or</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Information Services Traffic (Section 7.1 of this Agreement); or</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>LSV/BLI Traffic (Section 7.2 of this Agreement); or</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Cellular Traffic (Section 7.3 of this Agreement); or</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>Unbundled Elements - Section 251(c)(3) of the Act (Section 9.0 of this Agreement); or</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>NXX Migration (Section 10.8 of this Agreement); or</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>Resale - Section 251(c)(4) of the Act (Section 11.0 of this Agreement); or</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>Collocation Section 251(c)(6) of the Act (Section 13.0 of this Agreement); or</td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Number Portability Section 251(b)(2) of the Act (Section 14.0 of this Agreement); or</td>
<td></td>
</tr>
<tr>
<td>11</td>
<td>Database Access Section 271(c)(2)(B)(x) of the Act (Section 17.0 of this Agreement); or</td>
<td></td>
</tr>
<tr>
<td>12</td>
<td>Access to Rights of Way Section 251(b)(4) of the Act (Section 16.0 of this Agreement).</td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>White Pages Section 271(c)(2)(B)(viii) of the Act (Appendix White Pages); or</td>
<td></td>
</tr>
<tr>
<td>14</td>
<td>Clearinghouse, (Appendix Clearinghouse); or</td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>Directory Assistance (Appendices DA and DAL); or</td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>911 Service (Appendix 911)</td>
<td></td>
</tr>
</tbody>
</table>

To the extent a Party makes available to another Telecommunications Carrier prices, terms and
conditions that relate to “duties as a whole” under another Interconnection Agreement, the Party will make said prices, terms and conditions relating to said “duties as a whole” available hereunder.

29.17 Joint Work Product

This Agreement is the joint work product of the Parties and has been negotiated by the Parties and their respective counsel and shall be fairly interpreted in accordance with its terms and, in the event of any ambiguities, no inferences shall be drawn against either Party.

29.18 No Third Party Beneficiaries; Disclaimer of Agency

This Agreement is for the sole benefit of the Parties and their permitted assigns, and nothing herein express or implied shall create or be construed to create any third-party beneficiary rights hereunder. Except for provisions herein expressly authorizing a Party to act for another, nothing in this Agreement shall constitute a Party as a legal representative or agent of the other Party, nor shall a Party have the right or authority to assume, create or incur any liability or any obligation of any kind, express or implied, against or in the name or on behalf of the other Party unless otherwise expressly permitted by such other Party. Except as otherwise expressly provided in this Agreement, no Party undertakes to perform any obligation of the other Party, whether regulatory or contractual, or to assume any responsibility for the management of the other Party’s business.

29.19 No License

No license under patents, copyrights or any other intellectual property right (other than the limited license to use consistent with the terms, conditions and restrictions of this Agreement) is granted by either Party or shall be implied or arise by estoppel with respect to any transactions contemplated under this Agreement.

29.20 Technology Upgrades

Nothing in this Agreement shall limit either Party’s ability to upgrade its network through the incorporation of new equipment, new software or otherwise. Each Party shall provide the other Party written notice at least ninety (90) days prior to the incorporation of any such upgrades in its network which will materially impact the other Party’s service. The Party upgrading its network shall be solely responsible for the cost and effort of accommodating such changes in its own network.

29.21 Survival

The Parties' obligations under this Agreement which by their nature are intended to continue beyond the termination or expiration of this Agreement shall survive the termination or expiration of this Agreement, including without limitation, Sections 21.5, 22.0, 25.0, 26.0, 19.0, 29.6, 29.12, 29.13, 29.15 and 29.19.

29.22 Scope of Agreement

This Agreement is intended to describe and enable specific Interconnection and compensation
arrangements between the Parties. This Agreement does not obligate either Party to provide arrangements not specifically provided herein.

29.23 Entire Agreement

The terms contained in this Agreement and any Schedules, Exhibits, Appendices, tariffs and other documents or instruments referred to herein, which are incorporated into this Agreement by this reference, constitute the entire agreement between the Parties with respect to the subject matter hereof, superseding all prior understandings, proposals and other communications, oral or written. Neither Party shall be bound by any preprinted terms additional to or different from those in this Agreement that may appear subsequently in the other Party's form documents, purchase orders, quotations, acknowledgments, invoices or other communications. This Agreement may only be amended by a writing signed by an authorized representative of each Party, provided, however, that changes, supplements or additions to the Schedules and Exhibits hereto shall not be considered to constitute an amendment to this Agreement.
IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed as of this 11th day of December, 1997.

GST TELECOM INC.

By: [Signature]
Printed: Joseph A. Bank, Jr.
Title: President & CEO

SOUTHWESTERN BELL TELEPHONE COMPANY

By: [Signature]
Printed: Larry B. Cooper
Title: Executive Director-Competitive Provider Account Team
SCHEDULE 1.0

CERTAIN TERMS AS DEFINED IN THE ACT

"Affiliate" means a person that (directly or indirectly) owns or controls, is owned or controlled by, or is under common ownership or control with, another person. For purposes of this paragraph, the term "own" means to own an equity interest (or the equivalent thereof) of more than ten percent (10%).

"Dialing Parity" means that a person that is not an Affiliate of a LEC is able to provide Telecommunications Services in such a manner that Customers have the ability to route automatically, without the use of any access code, their Telecommunications to the Telecommunications Services provider of the Customer's designation from among two (2) or more Telecommunications Services providers (including such LEC).

"Exchange Access" means the offering of access to Telephone Exchange Services or facilities for the purpose of the origination or termination of Telephone Toll Services.

"InterLATA" means Telecommunications between a point located in a local access and transport area and a point located outside such area.

"Local Access and Transport Area" or "LATA" means a contiguous geographic area: (a) established before the date of enactment of the Act by a Bell operating company such that no Exchange Area includes points within more than one (1) metropolitan statistical area, consolidated metropolitan statistical area, or State, except as expressly permitted under the AT&T Consent Decree; or (b) established or modified by a Bell operating company after such date of enactment and approved by the FCC.

"Local Exchange Carrier" means any person that is engaged in the provision of Telephone Exchange Service or Exchange Access. Such term does not include a person insofar as such person is engaged in the provision of a commercial mobile service under Section 332(c) of the Act, except to the extent that the FCC finds that such service should be included in the definition of such term.

"Network Element" means a facility or equipment used in the provision of a Telecommunications Service. Such term also includes features, functions, and capabilities that are provided by means of such facility or equipment, including subscriber numbers, databases, signaling systems, and information sufficient for billing and collection or used in the transmission, routing, or other provision of a Telecommunications Service.

"Number Portability" means the ability of end users of telecommunications services to retain, at the same location, existing telecommunications numbers without impairment of quality, reliability, or convenience when switching from one telecommunications carrier to another.
"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.

"Telecommunications Carrier" means any provider of Telecommunications Services, except that such term does not include aggregators of Telecommunications Services (as defined in Section 226 of the Communications Act).

"Telecommunications Service" means the offering of Telecommunications for a fee directly to the public, or to such classes of users as to be effectively available directly to the public, regardless of the facilities used.

“Telephone Exchange Service” means (a) service within a telephone exchange or within a connected system of telephone exchanges within the same exchange area operated to furnish subscribers intercommunicating service of the character ordinarily furnished by a single exchange, and which is covered by the exchange service charge, or (b) comparable service provided through a system of switches, transmission equipment, or other facilities (or combination thereof) by which a subscriber can originate and terminate a telecommunications service.

“Telephone Toll Service” means 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.
SCHEDULE 3.0

INTERCONNECTION SCHEDULE

<table>
<thead>
<tr>
<th>Metropolitan Exchange Area</th>
<th>SIWC</th>
<th>KIWC</th>
<th>Interconnection Activation Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Houston Metropolitan</td>
<td>TBD*</td>
<td>TBD*</td>
<td>TBD*</td>
</tr>
</tbody>
</table>

* To be determined
SCHEDULE 5.1
OPTIONAL CALLING AREAS

The 1.83¢ per MOU Optional Calling Area rate applies to calls to and from the following exchanges:

HOUSTON, TEXAS

SWBT OPTIONAL CALLING AREAS
- ALVIN
- CYPRESS
- LIVERPOOL
- PINEHURST
- RICHMOND-ROSENBERG
- SMITHERS LAKE
- SPLENDORA
- SPRING
- TOMBALL
- VALLEY LODGE
- WALLER

ILEC MANDATORY EXCHANGES
- LEAGUE CITY
- KATY
- HIGHLANDS
- BAYTOWN
- KEMAH
- PORTER
- ARCOLA
- STAFFORD
- SUGAR LAND
- ATASCOCITA
- HUMBLE-SOUTH HUMBLE
- KINGWOOD
FORT WORTH (METRO), TEXAS

SWBT OPTIONAL CALLING AREAS
• ALVARADO
• CEDAR HILL
• CLEBURNE
• GRANBURY
• GRAND PRAIRIE
• WEATHERFORD

ILEC MANDATORY EXCHANGES
• GRAPVINE
• KELLER
• AZLE
### SCHEDULE 5.2
MEET-POINT BILLING REVENUE ASSIGNMENT

#### I. INTERSTATE ACCESS REVENUE ASSIGNMENT

<table>
<thead>
<tr>
<th>Rate Element</th>
<th>IXCs Connected to SWBT Tandem; Calls Terminating To or Originating From GST End Users</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carrier Common Line</td>
<td>GST</td>
</tr>
<tr>
<td>Local Switching</td>
<td>GST</td>
</tr>
<tr>
<td>Interconnection Charge</td>
<td>GST</td>
</tr>
<tr>
<td>D/A Surcharge</td>
<td>GST</td>
</tr>
<tr>
<td>Local Transport Termination</td>
<td>50% of SWBT Rate and Apply one GST Termination Rate ***</td>
</tr>
<tr>
<td>Local Transport Facility</td>
<td>Based on Negotiated Billing Percentage (BIP) **</td>
</tr>
<tr>
<td>Tandem Switching</td>
<td>SWBT</td>
</tr>
<tr>
<td>Entrance Facility</td>
<td>SWBT</td>
</tr>
</tbody>
</table>

#### II. INTRASTATE ACCESS REVENUE ASSIGNMENT

<table>
<thead>
<tr>
<th>Rate Element</th>
<th>IXCs Connected to SWBT Tandem; Calls Terminating To or Originating From GST End Users</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carrier Common Line</td>
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<tr>
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</tr>
<tr>
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<td>Local Transport Termination</td>
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<td>SWBT</td>
</tr>
<tr>
<td>Entrance Facility</td>
<td>SWBT</td>
</tr>
</tbody>
</table>
* If the rate element is applicable on an Intrastate basis.

** The billing percentage (BIP) for the local transport facility will be calculated using NECA4 Guidelines and MECAB Guidelines.

*** When GST provides the transport facilities from the GST end office to the SWBT Tandem, either through a collocation arrangement or lease of facilities, then GST is entitled to an application of its Transport Termination charges.

**** Apply three GST Termination Rate elements where the end user customer is served by a Host-Remote arrangement.
EXHIBIT A

NETWORK ELEMENT BONA FIDE REQUEST

1. Each Party shall promptly consider and analyze access to a new unbundled Network Element with the submission of a Bona Fide Request hereunder. The Bona Fide Request process set forth herein does not apply to those services requested pursuant to Report & Order and Notice of Proposed Rulemaking 91-141 (rel. Oct. 19, 1992) ¶ 259 and n. 603 and subsequent rulings.

2. A Bona Fide Request shall be submitted in writing and shall include a technical description of each requested Network Element, the date when the element is requested and a demand forecast.

3. The requesting Party may cancel a Bona Fide Request at any time, but shall pay the other Party's reasonable and demonstrable costs of processing and/or implementing the Bona Fide Request up to the date of cancellation.

4. Within ten (10) business days of its receipt, the receiving Party shall acknowledge receipt of the Bona Fide Request.

5. Except under extraordinary circumstances, within thirty (30) days of its receipt of a Bona Fide Request, the receiving Party shall provide to the requesting Party a preliminary analysis of such Bona Fide Request. The preliminary analysis shall confirm that the receiving Party will offer access to the Network Element or will provide a detailed explanation either that access is not technically feasible and/or that the request does not qualify as a Network Element that is required to be provided under the Act.

6. If the receiving Party determines that the Bona Fide Request is technically feasible and otherwise qualifies under the Act, it shall promptly proceed with developing the Bona Fide Request upon receipt of written authorization from the requesting Party. When it receives such authorization, the receiving Party shall promptly develop the requested services, determine their availability, calculate the applicable prices and establish installation intervals.

7. Unless the Parties otherwise agree, the Bona Fide Request must be priced in accordance with Section 252(d)(1) of the Act.

8. As soon as feasible, but not more than ninety (90) days after its receipt of authorization to proceed with developing the Bona Fide Request, the receiving Party shall provide to the requesting Party a Bona Fide Request quote which will include, at a minimum, a description of each Network Element, the availability, the applicable rates and the installation intervals.
9. Within thirty (30) days of its receipt of the Bona Fide Request quote, the requesting Party must either (i) confirm its order for the Bona Fide Request pursuant to the Bona Fide Request quote or (ii) cancel its order in accordance with Section 3 above.

10. If a Party to a Bona Fide Request believes that the other Party is not requesting, negotiating or processing the Bona Fide Request in good faith, or disputes a determination, or price or cost quote, such Party may seek mediation or arbitration by the Commission pursuant to Section 252 of the Act.
INTERIM

TEXAS PHYSICAL COLLOCATION AGREEMENT

PENDING TARIFF PURSUANT TO ARBITRATION DECISION

BETWEEN

SOUTHWESTERN BELL TELEPHONE COMPANY

AND

GST TELECOM INC.
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INTERIM TEXAS
PHYSICAL COLLOCATION AGREEMENT

THIS INTERIM TEXAS PHYSICAL COLLOCATION AGREEMENT ("Agreement") is made by and between SOUTHWESTERN BELL TELEPHONE COMPANY, a Missouri corporation ("SWBT"), on the one hand, and GST TELECOM INC., a Delaware corporation ("Collocator" or "GST"), on the other.

WITNESSETH

WHEREAS, SWBT is an incumbent local exchange carrier having a statutory duty to provide for "physical collocation" of "equipment necessary for interconnection or access to unbundled network elements" at its premises, 47 U.S.C. 251(c)(6); and

WHEREAS, the Collocator wishes to physically locate certain of its equipment within certain Premises (as defined herein) and connect with SWBT;

WHEREAS, "Premises" is the space designated for the Collocator's physical collocation arrangement, which will be in a (i) SWBT central office or serving wire center, or (ii) a building or similar structure owned or leased by SWBT that houses its network facilities, or (iii) a structure that houses SWBT facilities on public rights-of-way, including, where not impractical for technical reasons and not prohibited or restricted by legal obligation, CEVs, huts, and cabinets (A) that serve as remote terminal sites and house SWBT interoffice network facilities, such as loop concentrators or multiplexers, and (B) house interoffice network facilities (singularly, an "Eligible Structure");

WHEREAS, the issue of physical collocation has been arbitrated before the Texas Public Utility
Commission ("Commission") and this Agreement is intended to reflect the results of that arbitration to the extent possible and will be submitted to the Commission for approval.

NOW THEREFORE, in consideration of the mutual agreements and covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, SWBT and the Collocator (the "parties") agree as follows:

ARTICLE I - PREMISES

1.1 Right to Use; Multiple Premises. Subject to this Agreement, SWBT grants to Collocator the right to use the Premises where SWBT provides the Collocator a physical collocation arrangement. The parties anticipate that this Agreement may govern physical collocation arrangements in multiple locations. Notwithstanding the fact that this Agreement may be written as if covering a single Premises, this Agreement is understood and acknowledged by the parties to apply to each Premises and each Eligible Structure in which the Premises is located, separately and independently, as if an individual agreement was executed for each distinct Premises. The parties shall comply with any reporting or notice requirements imposed by the Commission with respect to providing physical collocation in any Premises.

1.2 Space Availability. SWBT will provide physical collocation arrangements in Eligible Structures on a "first come, first served" basis unless SWBT demonstrates to the Commission that physical collocation is not practical for technical reasons or because of space limitations. Each party shall pay 50% of the costs of the engineer’s services. If space is not available for physical collocation, SWBT must provide virtual collocation if space is available and if technically feasible. Virtual collocation will be provided pursuant to Texas intrastate tariffs.
1.3 Relocation. Notwithstanding Section 1.1, in the event that SWBT ceases to use the Eligible Structure in which the Premises is located as currently used or as another type of Eligible Structure, or ceases to own or occupy either the Eligible Structure or the floor space on which the Premises is located, the Collocator shall move its facilities to the new location if the Collocator wishes to continue under this Agreement. The Collocator shall be responsible for the preparation of the new premises at the new location if such relocation arises from circumstances beyond the reasonable control of SWBT, including condemnation or government order or regulation that makes the continued occupancy or use of the Premises or the Eligible Structure in which the Premises is located for the purpose then used uneconomical in SWBT's reasonable discretion. Otherwise SWBT shall be responsible for any such preparation and shall bear all SWBT costs associated with the relocation.

If the Collocator requests that the Premises be moved within the Eligible Structure in which the Premises is located or to another Eligible Structure, SWBT shall permit the Collocator to relocate the Premises, subject to availability of space and technical feasibility. The Collocator shall be responsible for all applicable charges associated with the move, including the reinstallation of its equipment and facilities and the preparation of the new Premises and the new Eligible Structure as applicable.

In either such event, the new premises shall be deemed the “Premises” hereunder and the new Eligible Structure (where applicable) the “Eligible Structure in which the Premises is located.”

1.4 The Premises. In physically collocating the Collocator’s equipment in the Premises, SWBT shall provide the Collocator a quotation of the cost of construction and date of completion for such physical collocation within 35 days from receipt of the Collocator’s request for physical collocation, which quotation period may be lengthened due to incomplete requests or Collocator-initiated changes only to the extent necessary to complete the request or respond to the change, which in no event shall be
more than 35 additional days. The Collocator shall have 35 days from receipt of SWBT's estimate within which to accept or reject such estimate. If the Collocator accepts SWBT's quotation, and unless otherwise agreed to by the parties in writing, the parties agree the provision of such physical collocation shall be completed in no more than three (3) months from the date of the Collocator's acceptance of SWBT's cost estimate for such physical collocation. If a completion date outside the 3-month period is not agreed to by the parties, the parties agree that the issue may be presented to the Commission for determination.

SWBT agrees, at the charges set forth herein, to prepare the Premises in accordance with working drawings and specifications set forth in an application finally submitted by the Collocator and agreed to by SWBT, which application is incorporated herein by this reference. The preparation shall be arranged by SWBT in compliance with all applicable codes, ordinances, resolutions, regulations and laws.

ARTICLE II - EFFECTIVENESS AND REGULATORY APPROVAL

2.1 Submission to State Commission. The Agreement is prepared as a component of the "Interconnection Agreement under Sections 251 and 252 of the Telecommunications Act of 1996" between SWBT and GST ("Interconnection Agreement") that is being submitted for Commission approval pursuant to 47 U.S.C. §252. The parties shall submit this Agreement as part of the Interconnection Agreement to the Commission for approval, and shall defend the Agreement and support any reasonable effort to have this Agreement so approved, including the supplying of witnesses and testimony if a hearing is held.

2.2 Failure to Receive Approval. If this Agreement does not receive such unqualified approval, the parties agree to modify this Agreement to receive such approval. Neither this Agreement nor any
modification hereof shall waive the right of either party to pursue any appeal of the ruling made by the Commission.

ARTICLE III - TERM

3.1 Term. This Agreement shall be a term agreement, beginning on the date the Interconnection Agreement becomes effective and ending on the date that the Commission has authorized SWBT to provide physical collocation pursuant to a SWBT Texas intrastate tariff, including any interim tariff or order made or issued subsequent to the date the Interconnection Agreement becomes effective. At the end of the term, such SWBT Texas intrastate tariff shall automatically apply. For charges hereunder that have counterparts in SWBT’s eventual Texas intrastate tariff, the parties shall perform a true-up, without any calculation of any interest amounts, based upon the tariffed charges approved by the Commission. Such a true-up and any associated payments from either party to the other shall occur within a reasonable amount of time after such tariffed charges become effective, and shall not affect the right of either party to appeal any Commission order with respect to such tariff proceeding.

3.2 Occupancy. Unless there are unusual circumstances, SWBT will notify the Collocator that the Premises is ready for occupancy within five (5) days after SWBT completes preparing the Premises. The Collocator must place operational telecommunications equipment in the Premises and connect with SWBT’s network within 180 days after receipt of such notice; provided, however, that SWBT may extend beyond 180 days upon a demonstration by the Collocator of a best efforts to meet that deadline and circumstances beyond its reasonable control that prevented the Collocator from meeting that deadline. If the Collocator fails to do so, collocation in the prepared Premises is terminated on the tenth (10th) day after SWBT provides the Collocator with written notice of such failure and the Collocator
does not place operational telecommunications equipment in the Premises and connect with SWBT’s network by such tenth day. In any such event, the Collocator shall be liable in an amount equal to the unpaid balance of applicable charges. For purposes of this Section, the Collocator’s telecommunications equipment is considered to be operational and interconnected when connected to SWBT’s network for the purpose of providing service.

3.3 Use by Other Local Service Providers. If the Collocator causes SWBT to prepare a Premises and then the Collocator does not use the Premises (or all the Premises), the Collocator will pay SWBT the monthly recurring and other applicable charges as if the Collocator were using the Premises through the end of the period by which the Collocator must occupy the Premises under Section 3.2 subject to the conditions contained in Section 3.2. Notwithstanding Article XI hereof, SWBT will permit the Collocator the opportunity to allow another local service provider to use the Premises (or part of the Premises) if the Collocator does not use all or part of the Premises; provided, however, that the Collocator shall remain fully bound by the Agreement, SWBT shall continue to bill only the Collocator, and the Collocator shall charge any such local service provider no more than the pro-rated share (based upon square footage used exclusively or in common) of SWBT’s charges to the Collocator. Further, notwithstanding any provision in this Agreement to the contrary, Section 3.2 shall continue to apply according to its terms.

ARTICLE IV - CHARGES

4.1 Monthly Charges. Beginning on first day after the Collocator has been notified that the preparation of the Premises is complete, SWBT shall begin charging the applicable recurring charges set forth on Attachment B for use of the Premises.
4.2 **Billing.** Billing shall occur on or about the 25th day of each month, with payment due thirty (30) days from the bill date. SWBT may change its billing date practices upon thirty (30) days notice to the Collocator.

4.3 **Preparation Charge.** (a) The one-time charge for preparing the Premises for use by the Collocator will be as set forth on Attachment B consistent with the Commission's Arbitration Award.

(b) SWBT will contract for and perform the construction and other activities underlying the preparation of the Premises, and any Custom Work charges (as defined in Section 4.4), using same or consistent practices that are used by SWBT for other construction and preparation work performed in the Eligible Structure in which the Premises is located. SWBT will provide physical collocation in 100 square foot increments where environmental systems, conduit and floor space exist.

(c) The Collocator will be permitted to have a contractor selected by the Collocator perform the Premises preparation activities represented by the Standard Arrangement charge that do not extend outside of the Premises; provided, however, that any such contractor shall be subject to the approval of SWBT, such Premises preparation activities shall be coordinated with SWBT, and the Collocator shall be solely responsible for all charges of any such contractor. In such event, SWBT and the Collocator will negotiate a pro-rated Standard Arrangement charge for the Premise preparation activities that any such contractor is not permitted to perform hereunder. Further, use of any such contractor shall nullify the three-month interval set forth in Section 1.4.

(d) A point-of-termination ("POT") frame is required with physical collocation arrangements in buildings or similar structures, and SWBT will provide any necessary POT frames in accordance with Attachment B. In lieu thereof, if the Collocator has so elected on its initial application, the Collocator shall provide to SWBT a POT frame identical in manufacturer and part number(s) to one that SWBT
would have provided if such election had not been made, and SWBT shall not include any charge for a POT frame (but may include installation and other charges where appropriate).

4.4 Payment of Certain Nonrecurring Charges. Prior to any obligation on SWBT to start any preparation of the Premises, the Collocator shall pay SWBT fifty percent (50%) of the non-recurring charges specified for Infrastructure Area, Standard Arrangement, Cable Placement/Removal, DC Power, and any other non-recurring charges associated with the initial preparation of the Premises that are provided for in Attachment B (collectively, the "Preparation Charge") and eighty-five percent (85%) of any custom work charge required to create or vacate any entrance facility for the Collocator ("Custom Work"), which payments shall be due no later than ten (10) business days after the Collocator’s acceptance of SWBT’s quotation under Section 1.4. Any remaining portion of any Custom Work charge is due upon completion and prior to occupancy by the Collocator. The remaining portion of the Preparation Charge shall be paid by the Collocator either (i) when the Premises are complete and prior to occupancy, or (ii) in six (6) equal monthly installments, with a “carrying charge” based on the average prime commercial paper rate then in effect and applicable to under/overcharges as set forth in P.U.C. SUBST. R. 23.45(g); and in the event of discontinuance of the physical collocation arrangement at the Premises, all outstanding non-recurring charges will accelerate and become immediately due and payable by the Collocator.

4.5 Charges. (a) The charges for physical collocation arrangements are as set forth in Attachment B. The first entity to which SWBT provides physical collocation in the Eligible Structure in which the Premises is located shall pay the Infrastructure Area charge set forth in Attachment B. Thereafter the portion of the Infrastructure Area charge for building modifications that are shared by future collocators will be prorated and the prorated share refunded to the previous physical collocator(s)
as additional entities use physical collocation in the Eligible Structure in which the Premises is located within twelve (12) months of the first billing date of the initial monthly charge for the first physical collocator in the Eligible Structure in which the Premises is located, using the following schedule:

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<thead>
<tr>
<th>Collocator</th>
<th>Infrastructure Area Charge</th>
<th>Refund</th>
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<tr>
<td>1st</td>
<td>100%</td>
<td>NA</td>
</tr>
<tr>
<td>2nd</td>
<td>50%</td>
<td>50%</td>
</tr>
<tr>
<td>3rd</td>
<td>33 1/3%</td>
<td>16 2/3%</td>
</tr>
<tr>
<td>4th</td>
<td>25%</td>
<td>8 1/3%</td>
</tr>
<tr>
<td>5th and beyond</td>
<td>0%</td>
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To the extent that a physical collocator uses a space other than such initial space, SWBT shall refund to the Collocator the applicable portion of the Infrastructure Area charge based on the relative use of such initial space in a manner consistent with the above methodology and other terms of this Agreement within ninety (90) days of receipt of payment from the other collocator.

(c) No interest will be paid on refunds. Refunds shall be based on the Infrastructure Area charge actually paid by the first physical collocator.

(d) Notwithstanding the above, SWBT shall have no obligation to remit any amount that would result in SWBT being unable to retain the full amount of the Infrastructure Area charge or to remit any amount based upon charges not actually collected.

4.6 Occupancy Conditioned on Payment. SWBT shall not permit the Collocator to have access to the Premises for any purpose other than inspection until SWBT is in receipt of complete payment of the Preparation Charge and any Custom Work charges.

4.7 Breach Prior to Commencement Date. In the event that the Collocator materially breaches this Agreement by purporting to terminate the physical collocation arrangement after the Collocator's acceptance under Section 1.4 and after SWBT has begun preparation of the Premises but before SWBT
has been paid the entire amounts due therefore, then in addition to any other remedies that SWBT might have, the Collocator shall be liable in the amount equal to the non-recoverable costs less estimated net salvage, the total of which is not to exceed the Preparation Charge. Non-recoverable costs include the non-recoverable cost of equipment and material ordered, provided or used; the non-recoverable cost of installation and removal, including the costs of equipment and material ordered, provided or used; labor; transportation and any other associated costs. SWBT shall provide Collocator with a detailed invoice showing the costs it incurred associated with preparation.

4.8 Late Payment Charge. In the event that any charge is not paid when due, the unpaid amounts shall bear interest in accordance with the terms and conditions set forth in SWBT’s intrastate tariff late payment provision(s) applicable to access services for Texas, or the highest rate permitted by law, whichever is lower, from the due date until paid.

ARTICLE V - INTERCONNECTION CHARGES

The charges set forth herein are for physical collocation arrangements, while charges for interconnection are as set forth in the Interconnection Agreement and any applicable SWBT tariffs.

ARTICLE VI - FIBER OPTIC CABLE AND DEMARCATION POINT

6.1 Fiber Entrances. When the Collocator elects to bring its own facilities to the physical collocation arrangement to connect such arrangements to its network, the Collocator shall use a dielectric fiber optic cable as a transmission medium to the Premises or, where technically and structurally feasible, may use microwave. SWBT is only required to permit interconnection by copper or coaxial cable where the Collocator can demonstrate that use of such cable will not impair SWBT’s...
ability to service its own customers or subsequent interconnectors/collocators. SWBT shall provide at least two separate points of entry to the Eligible Structure in which the Premises is located wherever there are at least two entry points for SWBT cable. Where such space is not immediately available, SWBT shall perform work as is necessary to make available such separate points of entry for the Collocator at the same time that it makes such separate points of entry available for itself. In each instance where SWBT performs such work in order to accommodate its own needs and those specified by the Collocator in the Collocator’s written request, the Collocator and SWBT shall share the costs incurred by SWBT by pro-rating those costs using the number of cables to be placed in the entry point by each of the two parties in the first twelve (12) months thereafter.

6.2 Demarcation Point. SWBT shall designate the point(s) of termination within the Eligible Structure in which the Premises is located as the point(s) of physical demarcation between the Collocator’s network and SWBT’s network, with each being responsible for maintenance and other ownership obligations and responsibilities on its side of that demarcation point. SWBT anticipates that the demarcation point will be within the POT frame used for the Premises.

ARTICLE VII - USE OF PREMISES

7.1 Nature of Use. Where space permits, SWBT agrees to allow the Collocator to locate remote switching module (“RSM”) equipment in the space dedicated to the Collocator within SWBT’s central office premises, for the purpose of accessing SWBT unbundled network elements or for interconnection to SWBT. SWBT shall place no restriction or limitation on the Collocator as to the type or quantity, or use or functionality of that equipment, except that as provided by the Federal Communications Commission’s (“FCC’s”) Order in CC Docket No. 96-98, paragraph no. 681, such equipment shall only
be used for interconnection to SWBT except to the extent permitted under Section 7.6 and accessing SWBT unbundled network elements, and shall not be used for enhanced services, as defined in the FCC rules. Equipment used for interconnection and access to unbundled network elements includes, but is not limited to (i) transmission equipment such as optical terminating equipment and multiplexers, and (ii) equipment being collocated to terminate basic transmission facilities pursuant to the FCC’s expanded interconnection requirements (Sections 64.1401 and 64.1402) as of August 1, 1996, and the Texas expanded interconnection rule (P.U.C. Substantive Rule Section 23.92).

Consistent with the environment of the Premises, the Collocator shall not use the Premises for office, retail, or sales purposes. No signage or marking of any kind by the Collocator shall be permitted on the Eligible Structure in which the Premises is located or on the grounds surrounding the Eligible Structure in which the Premises is located.

7.2 Equipment List. A list of all the Collocator’s equipment and facilities that will be initially placed within the Premises is set forth on the request for which the premises is prepared (“List”), with the associated power requirements, floor loading, and heat release of each piece. The Collocator’s equipment and facilities shall be compliant with the standards set out in Section 8.1. The Collocator warrants and represents that the List is complete and accurate, and acknowledges that any incompleteness or inaccuracy would be a material breach of this Agreement. The Collocator shall not place or leave any equipment or facilities within the Premises not included on the List without the express written consent of SWBT.

7.2.1 Subsequent Requests to Place Equipment. If the Collocator subsequently desires to place in the Premises any equipment or facilities not set forth on the List, the Collocator shall furnish to SWBT a written list and description thereof substantially in the form of Attachment A, which is attached
and incorporated. SWBT may condition the placement of any such equipment or facilities on additional charges arising from the request, including any engineering design charges and any additional requirements such as power and environmental requirements for such listed and described equipment and/or facilities.

7.2.2 Limitations. Except as required by state or federal regulators, the foregoing imposes no obligation upon SWBT to purchase additional plant or equipment, relinquish used space or facilities, or to undertake the construction of new building quarters or to construct building additions to existing quarters in order to satisfy a subsequent request for additional space or the placement of additional equipment or facilities.

7.3 Administrative Uses. The Collocator may use the Premises for placement of equipment and facilities only. The Collocator’s employees, agents and contractors shall be permitted access 7 days a week, 24 hours a day, to the Premises, subject to security escort charges, if applicable, for accompanying SWBT personnel, in those Eligible Structures which are manned 7 days a week, 24 hours a day. For other Premises and subject to applicable escort charges, access will be provided (i) during all normal business hours upon forty-eight (48) hour notice, or (ii) following the same procedures for dispatching a SWBT technician in an emergency situation (to which SWBT responds on a 7 days a week, 24 hours a day, basis) when the Collocator is experiencing a service interruption involving the equipment or facilities located in the Premises. All access is provided subject to compliance by the Collocator’s employees, agent and contractors with SWBT’s policies and practices pertaining to fire, safety and security. The Collocator agrees to comply promptly with all laws, ordinances and regulations affecting the use of the Premises. Upon the expiration of the Agreement, the Collocator shall surrender the Premises to SWBT, in the same condition as when first occupied by the Collocator, except for ordinary
wear and tear.

7.4 Threat to Network or Facilities. Collocator equipment or operating practices representing a significant demonstrable technical threat to SWBT's network or facilities, including the Eligible Structure, or those of others are strictly prohibited.

7.5 Interference or Impairment. Notwithstanding any other provision hereof, the characteristics and methods of operation of any equipment or facilities placed in the Premises shall not interfere with or impair service over any facilities of SWBT or the facilities of any other person or entity located in the Eligible Structure in which the Premises is located; create hazards for or cause damage to those facilities, the Premises, or the Eligible Structure in which the Premises is located; impair the privacy of any communications carried in, from, or through the Eligible Structure in which the Premises is located; or create hazards or cause physical harm to any individual or the public. Any of the foregoing events would be a material breach of this Agreement.

7.6 Interconnection to Others. To the extent required by law, SWBT will permit a collocated carrier to connect with another carrier that is collocated in the same Premises for interconnection with SWBT or access to SWBT's unbundled network elements. SWBT will provide nothing more than the labor and physical structure(s) necessary for the collocator(s) to pull facilities provided by one collocator from its cage to the cage of another collocator. However, if as an example, the collocators requesting the connection are not located on the same floor and cannot physically pull the cable themselves, SWBT will perform the cable pull on a time and materials basis. At no time will the collocator be allowed access to any portion of the premises other than the physical collocation area. SWBT will not make any physical connection within the collocator's cage, SWBT will not accept any liability for the cable or the connections, or the traffic carried thereon, and SWBT will not maintain any
records concerning these connections.

7.7 **Personalty and its Removal.** Subject to this Article, the Collocator may place or install in or on the Premises such fixtures and equipment as it shall deem desirable for the conduct of business. Personal property, fixtures and equipment placed by the Collocator in the Premises shall not become a part of the Premises, even if nailed, screwed or otherwise fastened to the Premises, but shall retain their status as personalty and may be removed by Collocator at any time. Any damage caused to the Premises by the removal of such property shall be promptly repaired by Collocator at its expense.

7.8 **Alterations** In no case shall the Collocator or any person purporting to be acting through or on behalf of the Collocator make any rearrangement, modification, improvement, addition, repair, or other alteration to the Premises or the Eligible Structure in which the Premises is located without the advance written permission and direction of SWBT. SWBT shall consider a modification, improvement, addition, repair, or other alteration requested by the Collocator, provided that SWBT shall have the right to reject or modify any such request except as required by state or federal regulators. The cost of any such construction shall be paid by Collocator in accordance with SWBT's then-standard custom work order process.

**ARTICLE VIII - STANDARDS**

8.1 **Minimum Standards.** This Agreement and the physical collocation provided hereunder is made available subject to and in accordance with the (i) Bellcore Network Equipment Building System (NEBS) Generic Requirements (GR-63-CORE and GR-1089-CORE), as may be amended at any time and from time to time, and any successor documents; (ii) SWBT's Technical Publication for Physical Collocation dated October 1997; (iii) SWBT's Technical Publication 76300, Installation Guide, dated
September 1, 1996, followed in installing network equipment and facilities within SWBT central offices; (iv) SWBT’s Emergency Operating Procedures, as may be amended from time to time; and (v) any statutory and/or regulatory requirements in effect at the execution of this Agreement or that subsequently become effective and then when effective. The Collocator shall strictly observe and abide by each. In the event of a contradiction between this Agreement and SWBT’s Technical Publication for Physical Collocation or any revision thereof (whether objected to or not as provided below), this Agreement shall control.

8.2 Revisions. Any revision to SWBT’s Technical Publication for Physical Collocation, or its Technical Publication 76300, shall become effective and thereafter applicable under this Agreement thirty (30) days after such revision is released by SWBT except for those particular revisions to which the Collocator specifically objects within fifteen (15) days of receipt, providing therewith an explanation for each such objection. Upon each such objection, SWBT and the Collocator shall attempt to negotiate a resolution to any such objections. Notwithstanding the foregoing, any revision made to address situations potentially harmful to SWBT’s or other’s network, the Premises, or the Eligible Structure, to address Eligible Structure or Premises security issues, to comply with statutory and/or regulatory requirements, or to SWBT’s Emergency Operating Procedures shall become effective and applicable immediately notwithstanding any objection by the Collocator.

8.3 Compliance Certification. The Collocator warrants and represents compliance with the Bellcore Network Equipment Building System (NEBS) Generic Requirements (GR-63-CORE and GR-1089-CORE) for each item set forth on the List. The Collocator also warrants and represents that any equipment or facilities that may be placed in the Premises pursuant to Sections 7.2, 7.2.1, or otherwise shall be so compliant. Disclosure of any non-compliant item on the List, pursuant to Section 7.2, 7.2.1,