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BEFORE THE ARIZONA CORPORATION COMMISSION

MARC SPITZER
Chairman
WILLIAM MUNDELL
Commissioner
JEFF HATCH-MILLER
Commissioner
MIKE GLEASON
Commissioner
KRISTIN MAYES
Commissioner

Arizona Corporation Commission
DOCKETED
MAY 2 8 2004
DOCKETED BY

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AZ CORP COMMISSION
DOCUMENT CONTROL

IN THE MATTER QWEST CORPORATION'S COMPLIANCE WITH SECTION 252(e) OF THE TELECOMMUNICATIONS ACT OF 1996	DOCKET NO. RT-00000F-02-0271
IN THE MATTER OF U S WEST COMMUNICATIONS, INC.'S COMPLIANCE WITH SECTION 271 OF THE COMMUNICATIONS ACT OF 1996	DOCKET NO. T-00000A-97-0238
ARIZONA CORPORATION COMMISSION, Complainant, v. QWEST CORPORATION, Respondent.	**DOCKET NO. T-01051B-02-0871** **QWEST CORPORATION'S NOTICE OF FILING INTERCONNECTION AGREEMENTS IN COMPLIANCE WITH DECISION NO. 66949**

In Decision 66949, issued on April 30, 2004 Qwest Corporation ("Qwest") was ordered to file for review and approval by Arizona Corporation Commission agreements as described in Exhibit B of the Decision. Qwest hereby files the following agreements:

1. Eschelon (formerly ATI) Confidential/Trade Secret Stipulation with US WEST dated 02/28/00
2. Eschelon Trial Agreement with Qwest dated 7/21/00
3. Eschelon Confidential Purchase Agreement with Qwest dated 11/15/00
4. Eschelon Confidential Amendment to Confidential/Trade Secret Stipulation with Qwest dated 11/15/00

5. Eschelon Escalation Procedures Letter from Qwest dated 11/15/00
6. Eschelon Daily Usage Information Letter from Qwest dated 11/15/00
7. Eschelon Feature Letter for Qwest dated 11/15/00
8. Eschelon Confidential Billing Settlement Agreement with Qwest dated 11/15/00
9. Eschelon Status of Switched Access Minute Reporting Letter from Qwest dated 11/15/00 (The only letter matching this description is dated 07/03/01.)
10. Eschelon Implementation Plan with Qwest dated 7/31/01
11. McLeod Confidential Settlement Document with US WEST dated 4/25/00
12. McLeod Confidential Billing Settlement Agreement with Qwest dated 9/29/00
13. McLeod Amendment to Confidential Billing Settlement Agreement with Qwest dated 10/26/00
14. McLeod Volume Discount Agreement with Qwest dated on or round 10/26/00 (This Agreement is an oral agreement discussed on page 6 of Decision No. 66949.)
15. McLeod Purchase agreement with Qwest Communications Corp. and its subsidiaries (McLeod buys from Qwest) dated 10/26/00
16. McLeod Purchase Agreement with Qwest Communications Corp and its subsidiaries (Qwest buys from McLeod) dated 10/26/00
17. Electric Lightwave Confidential Settlement Agreement and Release with US WEST dated 6/16/99
18. Electric Lightwave Confidential Settlement Agreement and Release with US WEST dated 12/30/99
19. Electric Lightwave Amendment No. 1 to Confidential Billing Settlement Agreement and release with US WEST dated 6/21/00
20. Electric Lightwave Binding Letter Agreement with Qwest dated 7/19/01
21. Allegiance Internetwork Calling Name Delivery Service Agreement with US West dated 3/23/00 (The attached conformed copy was filed for approval with the Arizona Corporation Commission on May 23, 2003.)

22. Allegiance Directory Assistance Agreement with US West dated 6/29/00 (The attached conformed copy was filed with the Arizona Corporation Commission on May 23, 2003.)

23. Global Crossing Settlement Agreement and Release with Qwest dated 9/18/00

24. GST Confidential Billing Dispute Settlement Agreement and Release with US WEST dated 1/7/00

25. Paging Network Confidential Billing Statement Agreement with Qwest dated 04/23/01

26. SBC & NAS Confidential Consent to Assignment & Collocation Change of Responsibility Agreement with Qwest dated 6/1/01

27. Worldcom Confidential Billing Settlement Agreement with Qwest dated 12/17/00

28. XO (formerly Nextlink) Confidential Billing Settlement Agreement with US West dated 5/12/00

RESPECTFULLY SUBMITTED this 28th day of May, 2004.

QWEST CORPORATION

By: _____

Timothy Berg
Theresa Dwyer
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-and-

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1550548.1/67817.295

1. <u>Eschelon formerly ATI</u>
Confidential/Trade Secret Stipulation with US WEST
dated 02/28/00

ATI

Advanced Telecommunications, Inc.

March 2, 2000

Mr. Kevin Saville
US West, Inc.
200 South 5th Street
Room 395
Minneapolis, MN 55402

Re: **Stipulation**
Docket No. P3009, 3052, 5096, 421, 3017/PA-11-1192

Dear Mr. Saville:

Enclosed please find a copy of the fully executed Stipulation Between ATI and US Wel which is confidential and trade secret.

Sincerely,

Dennis D. Ahlers
Senior Attorney

Enclosure

• 730 Second Avenue South • Suite 1200 • Minneapolis, MN 55402 • Phone (612) 376-4400 • Fax (612) 376-4411 •

CONFIDENTIAL/TRADE SECRET

STIPULATION BETWEEN ATI AND US WEST

February 28, 2000

[Trade Secret Data Begins

WHEREAS, US WEST, Inc., ("USWC") and Advanced Telecommunications, Inc., d/b/a Cady Communications, Inc., Cady Telemanagement, Inc., American Telephone Technology, Inc., Electro-Tel, Inc. and Intellecom, Inc. (collectively "ATI") have reached a settlement agreement that resolves numerous disputes between ATI and USWC (collectively "Parties), including the proposed merger currently being considered by the Minnesota Public Utilities Commission ("MPUC") in MPUC Docket No. P-3009, 3052, 5096, 421, 3017/PA-99-1192; and

WHEREAS, the settlement agreement between the Parties includes both regulatory and non-regulatory components; and

WHEREAS, as a result of this settlement agreement, ATI has agreed to drop its opposition to the proposed merger, as modified by this agreement; and

WHEREAS, USWC and ATI have memorialized the regulatory components of our settlement agreement in a Stipulation and Agreement ("Agreement") to be filed February 28, 2000 with the MPUC; and

WHEREAS, the Parties wish to set forth the additional terms of their agreement in this separate document; and

WHEREAS, the Parties consider these additional provisions to be of critical importance in reaching an overall resolution of this matter; and

WHEREAS, ATI has made clear that without these additional provisions, it would have continued to oppose the proposed merger and may also have pursued other legal recourse;

NOW, THEREFORE IT IS AGREED THAT:

Confidentiality

1. The terms of this agreement are confidential, contain trade secret information and shall not be disclosed unless pursuant to a lawful Order compelling such disclosure. In such event that production is compelled, neither Party shall disclose the terms of this agreement without first notifying the other Party.

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Interconnection Agreement Implementation and Enforcement

2. In the accompanying Agreement filed with the MPUC on February 28, 2000, the Parties agreed to implement certain Direct Measures of Quality (DMOQs) under the Parties' Minnesota Interconnection agreement. The Parties agree that the implementation of these DMOQs shall become effective upon execution of this agreement. The DMOQ provisions in the Minnesota Interconnection Agreement include, among other things, Overall Performance Index measurements and credits. With respect to the Overall Performance Index credits for October and November, 1999, U S WEST agrees to credit ATI $89,290 by March 15, 2000.

3. In USWC states other than Minnesota in which ATI presently operates or in which ATI shall establish operations, the Parties agree to assess USWC wholesale service quality using the same three performance measurements identified in the accompanying Agreement. In these states, the measurements shall be called "Service Performance Measurements" (SPMs). The Service Performance Measurements shall be based upon the Overall Performance Index DMOQs implemented pursuant to the interconnection agreement in Minnesota except that the minimum standards will be mutually negotiated by the parties. These SPMs may from time to time be modified under this agreement unless the Parties agree otherwise. Further, since the Parties intend these SPMs to be used for measurement purposes only, the Parties agree that this agreement provides no basis for a claim against US WEST to issue credits or pay penalties associated with the SPMs.

4. As soon as reasonably practicable, the Parties shall negotiate mutually acceptable minimum standards for assessing USWC's performance under each SPM in each state other than Minnesota. USWC shall report its performance under these standards to ATI on a monthly basis. The Parties agree that the SPMs for other states shall apply to customer migration from resale to unbundled loops.

5. The Parties understand that the standard for each SPM may differ from state to state. If USWC's performance fails to meet or exceed the standard for any SPM in any state for a consecutive three month period, the signatories to this agreement, or their successor officers, shall meet to determine how to improve performance. The Parties further agree that the standards initially established are performance baselines. The Parties agree that the standards should be evaluated from time to time and that they will in good faith negotiate modifications as appropriate.

6. ATI does not waive its right to any performance or per occurrence measurements or credits that may be established for USWC in any state under state or federal law, rule, or regulation or as may be available to ATI from adopting a new or amending its existing Interconnection Agreements. US WEST likewise reserves it right to challenge any performance or per occurrence measurements or credits that may be

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established for USWC in any state under state or federal law, rule, or regulation or as may be available to Cady from adopting a new or amending its existing Interconnection Agreements.

Reciprocal Compensation

7. Cady has asserted that USWC must pay reciprocal compensation for internet related terminating traffic under its Interconnection Agreements and under applicable state and federal law. USWC has asserted that it has no legal obligation to pay reciprocal compensation for such traffic. Notwithstanding these differences and without waiving their positions, the parties agree for settlement purposes that reciprocal compensation for terminating internet traffic shall be paid at the most favorable rates and terms contained in an agreement executed to date by USWC. The parties will develop a full implementation plan on these reciprocal compensation issues by March 31, 2000. Further, the parties agree that for purposes of applying these rates and terms and conditions they will work cooperatively to develop a means by which ISP traffic will be broken out in the least costly manner practicable.

Resale Agreement Issues

8. The Parties have had a long dispute over various wholesale discount and resale agreement issues. USWC continues to disagree with ATI's position on these issues. However, USWC agrees to pay ATI $380,000 to resolve outstanding disputes between the Parties relating to the wholesale discount and the definition of the circumstances in which the discount on twenty or more stations/lines at a single location as described in ATI's February 22, 2000 letter. This credit shall be made on or before March 15, 2000 and will resolve all past and future claims associated with: (1) the implementation of the Resale discount; and (2) the interpretation of a "location" for the application of a discount for Centron systems consisting of twenty or more stations/lines at a single location.

9. USWC also agrees to credit ATI with $15,800 through its normal business process to correct past errors in applying the appropriate discounts for flat rated trunking and to apply the flat rate trunking discount appropriately on a going forward basis. In addition, USWC has as of February 15, 2000, credited ATI for $175,918 relating to situations where both Parties agree that ATI has twenty or more lines at a location, but the discount had not yet been applied. ATI will verify that the credits have been appropriately made. USWC will make every effort to accurately apply the twenty or more line discount on a going forward basis and agrees to provide appropriate credits to ATI in the event of errors in this process.

10. With respect to termination liability assessments (TLA) and while the Minnesota Commission continues to have an open docket on this issue, USWC agrees to continue to suspend such assessments in Minnesota when a USWC customer converts to an ATI customer on a resale basis and to credit ATI with any such TLA payments ATI

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has made in Minnesota. USWC understands that the outstanding TLA charges that remain to be suspended is approximately $16,000. ATI understands that USWC will continue to levy TLAs in other states. ATI reserves its right to pursue all avenues available to protest such assessments in any forum. USWC reserves its right to seek to have TLAs reinstated in Minnesota, and to assess such TLAs going forward, if permitted under law. Both Parties reserve all rights, but agree to negotiate in good faith, with respect to any potential retroactive assessments, should TLAs be permitted under Minnesota law.

Dedicated Provisioning Team

11. USWC agrees to dedicate Aimee Croatt as a Coach and locate her at ATI's offices at 511 11th Avenue South in Minneapolis for a period of at least six months. If Ms. Croatt is not available for assignment, USWC will provide another Coach who is knowledgeable of and experienced in working with all the different groups and functions within USWC related to provisioning. ATI must approve the assignment of any Coach other than Ms. Croatt. USWC will also utilize a service delivery coordinator (SDC) to assist the Coach. The parties recognize that the Coach and the SDC will need to compete training before the requirements in this paragraph 11 and paragraph 12 can be fully implemented. All properly input orders that, for one reason or another, are not flowing through the accepted process would be the responsibility of the Coach or SDC. The Coach would have access to all USWC's systems and would work within the USWC organization and using USWC's processes to resolve issues as quickly as possible. The Coach would track the reasons for problem orders to aid in defining and refining current processes for both USWC and ATI. ATI will provide any facilities requested by USWC for the Coach. ATI has also indicated that it will work cooperatively with USWC to identify and pay the incremental and extraordinary costs associated with the dedicated provisioning team.

12. At the appropriate time, USWC agrees to dedicate a provisioning team to work with the Coach and handle all interaction with ATI on order processing. After spending two months on site with the ATI provisioning team, the Coach and/or the SDC should have the criteria and information available to make a decision as to how many U S West provisioners will be needed to oversee the ATI orders. The provisioning team will be physically located at the 511 11th Avenue South location. The parties agree to evaluate the dedicating provisioning team requirement in 12 months after the effective date of this agreement.

Migration of ATI customers from resale to facilities based service

13. In the accompanying agreement, USWC and ATI agreed to continue to work together to develop a specific and detailed migration plan. The Parties agree that the DMOQs under the Minnesota interconnection agreement and accompanying agreement will apply to customer migration from resale to UNEs. The Parties here also agree that the SPMs for other states will apply to migration of customers in those states.

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Dispute Resolution

14. In the event of future disputes between the Parties, in addition to the dispute resolution mechanism provided under the Interconnection Agreement, the Parties agree to use the following alternative dispute resolution procedures as their preferred remedy; provided, however, that in the event the negotiations referenced below do not resolve the dispute within thirty (30) Business Days of the initial written request, unless the Parties mutually agree to a different time frame. Either Party may elect, before filing a claim or response in arbitration (as the case may be) to submit an otherwise arbitrable dispute to the Commission, the FCC, or a court of appropriate jurisdiction.

Negotiations. At the written request of a Party, each Party will appoint a knowledgeable, responsible representative to meet and negotiate in good faith to resolve any dispute arising between the Parties. The Parties intend that these negotiations be conducted by non-lawyer, business representatives. The location, format, frequency, duration, and conclusion of these discussions shall be left to the discretion of the representatives. Upon agreement, the representatives may utilize other alternative dispute resolution procedures such as mediation to assist in the negotiations. Discussions and correspondence among the representatives for purposes of these negotiations shall be treated as confidential information developed for purposes of settlement, exempt from discovery, and shall not be admissible in the arbitration described below or in any lawsuit without the concurrence of all Parties. Documents identified in or provided with such communications, which are not prepared for purposes of the negotiations, are not so exempted and may, if otherwise discoverable, be discovered or otherwise admissible, be admitted in evidence, in the arbitration or lawsuit.

Arbitration. Unless either Party chooses to submit the dispute to the Commission, FCC or court of competent jurisdiction, if the negotiations do not resolve the dispute within the applicable time frame, the dispute, if allowed under applicable law, shall be submitted to binding arbitration by a single arbitrator pursuant to the Commercial Arbitration Rules of the American Arbitration Association, except that the Parties may select an arbitrator outside American Arbitration Association rules upon mutual agreement. A Party may demand such arbitration in accordance with the procedures set out in those rules. Discovery shall be controlled by the arbitrator and shall be permitted to the extent set out in this section. Each Party may submit in writing to a Party, and that Party shall so respond to, a maximum of any combination of thirty-five (35) (none of which may have subparts) of the following: interrogatories, demands to produce documents, or requests for admission. Each Party is also entitled to take the oral deposition of one individual of another Party. Additional discovery may be permitted upon mutual agreement of the Parties. The arbitration hearing shall be commenced within thirty (30) Business Days of the demand for arbitration. The arbitrator shall control the scheduling so as to process the matter expeditiously.

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The Parties may submit written briefs. The arbitrator shall rule on the dispute by issuing a written opinion within thirty (30) Business Days after close of hearings. The times specified in this section may be extended upon mutual agreement of the Parties or by the arbitrator upon a showing of good cause. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction.

Expedited Arbitration Procedures. If the issue to be resolved through the negotiations referenced above directly and materially affects service to either Party's end user customers, including, without limitation, any dispute that relates to the timeliness of USWC's processing or provisioning of a request or order for collocation, then the period of resolution of the dispute through negotiations before the dispute is to be submitted to binding arbitration or other legal recourse shall be seven (7) Business Days. Once such a service affecting dispute is submitted to arbitration, the arbitration shall be conducted pursuant to the expedited procedures rules of the Commercial Arbitration Rules of the American Arbitration Association (i.e., Rules 53 through 57).

Costs. Each Party shall bear its own costs of these procedures, including the costs of responding to reasonable discovery. If the arbitrator finds that a Party's discovery requests require the responding Party to undertake unreasonable or unnecessarily burdensome efforts or expense, the Party seeking discovery shall reimburse the responding Party the costs of production of documents in response to such requests (including search time and reproduction costs). The Parties shall equally split the fees of the arbitration and the arbitrator.

Severability

15. The Parties agree that in the event that any provision of this agreement is found to be unlawful or otherwise prohibited by a regulatory agency or court of competent jurisdiction, the remaining provisions of this agreement shall remain in full force and effect.

Execution and Effective Date

16. This Stipulation resolves numerous issues between Cady and USWC, including all issues among the parties in MPUC Docket Number P-3009, 3052, 5096, 421, 3017/PA-99-1192, related to approval and consummation of the merger. The Parties agree to expressly represent to the Minnesota Public Utilities Commission that they recommend acceptance of the accompanying Stipulation and Agreement without reservation, and agree not to engage in any advocacy to the contrary or in support of any additional conditions in the USWC/Qwest merger proceeding.

17. It is expressly agreed by and between the Parties that nothing contained in this Stipulation, shall be deemed an admission or declaration against the interests of any of the Parties, or shall in any way prejudice the rights or positions of any of the Parties in

any other administrative or judicial proceeding of any sort. The Parties also agree that any documents, materials, or statements made in furtherance of this agreement, ~~shall~~ not be admissible as evidence in any regulatory or judicial proceeding, and will not be discussed or described in any way with any person or persons not currently employed by the parties, except to enforce this agreement.

18. This Stipulation applies to each of the parties and shall be binding on the successors and assigns of the parties

19. The provisions of this Stipulation shall take effect upon executionand will terminate on March 17, 2002.

20. This Stipulation may be executed in identical counterparts with the same effect as if a single copy were executed.

Trade Secret Data Ends]

US WEST COMMUNICATIONS, INC.

Dated: February __, 2000

By: [signature]
Title: President Wholesale

ADVANCED TELECOMMUNICATIONS, INC.

Dated: February 29, 2000

By: [signature] 2/29/00
Title: Chief Operating Officer/Chief Financial Officer

STP1: 526168-1

NONPUBLIC DOCUMENT

CONTAINS TRADE SECRET DATA

2. Eschelon
Trial Agreement with Qwest dated 7/21/00

TRIAL AGREEMENT

[Trade Secret Data Begins

This Trial Agreement (the "Agreement") is entered into by and between QWEST Corporation (formerly U S WEST Communications, Inc.) ("QWEST") and Eschelon Telecom, Inc. (formerly Advanced Telecommunications, Inc. dba Cady Communications, Inc., Cady Telemanagement, Inc., American Telephone Technology, Inc., Electro-Tel, Inc. and Intellecom, Inc.) (collectively "Eschelon"). On a Trial basis, QWEST and Eschelon (collectively the "Parties") have agreed to locate a dedicated provisioning team at Eschelon's facility at 511 11TH Avenue South, Suite 340, Minneapolis, MN 55415 (the "Facility"), and Eschelon has agreed to pay the incremental and extraordinary costs associated with the dedicated provisioning team.

Eschelon agrees to be a Trial Participant for the QWEST Market Trial ("Trial") of the Products and Services that are set forth on Attachment 1 (collectively, the "Services"), which is incorporated herein by this reference. Section 3 of Attachment 1 provides an overview of the Trial and describes goals of the Trial.

Eschelon understands and acknowledges that the Agreement is a Trial, and that this Trial does not commit either Party to provide a dedicated provisioning team outside the context of the Trial or to continue providing a dedicated provisioning team after conclusion of the Trial. Eschelon also understands and acknowledges that, other than this Agreement, there is no legal, regulatory, or contractual requirement that QWEST locate a dedicated provisioning team at a competitive local exchange provider's facility. This Trial will be conducted under the following Terms and Conditions, including Attachment 1.

1. **ABOUT THE SERVICE.** The respective responsibilities of QWEST and Eschelon are described in Attachment 1.

2. **TERM.** The Parties have agreed that this Agreement is effective as of May 1, 2000 and will expire one (1) year from this date.

3. **PAYMENT AND CHARGES.**

   3.1 Eschelon shall pay QWEST the sum of $9,206 each month for the term of the Agreement. Such charges do not include applicable taxes imposed by law.

   3.2 Eschelon shall pay each bill thirty days after receipt of the invoice. Late payments are subject to a charge of one and one-half percent (1-1/2%) per month, or the maximum allowed by law, whichever is less.

4. **TERMINATION.** Either Party may terminate this Agreement for cause provided written notice specifying the cause for termination and requesting correction within thirty (30) days is given the other Party and such cause is not corrected within such thirty (30) day period. Cause is any material breach of the terms of this Agreement.

5. **LIMITATION OF LIABILITY.** QWEST SHALL NOT BE LIABLE TO ESCHELON FOR ANY INCIDENTAL, INDIRECT, SPECIAL, OR CONSEQUENTIAL DAMAGES OF ANY KIND INCLUDING BUT NOT LIMITED TO ANY LOSS OF USE, LOSS OF BUSINESS, LOSS OF PROFIT, OR LOSS OF INFORMATION OR DATA. IN NO EVENT SHALL

QWEST LIABILITY TO ESCHELON FOR ANY DAMAGES RELATED TO SERVICE EXCEED AN AMOUNT EQUAL TO THE TOTAL AMOUNT THAT WOULD HAVE BEEN CHARGED TO ESCHELON FOR SERVICE NOT PERFORMED OR IMPROPERLY PERFORMED. REMEDIES OF ESCHELON UNDER THIS AGREEMENT ARE EXCLUSIVE AND LIMITED TO THOSE EXPRESSLY DESCRIBED IN THIS AGREEMENT.

6. **PERSONAL INJURY; PROPERTY DAMAGE.** Each Party shall be responsible for any actual physical damages it directly causes in the course of its performance under this Agreement, limited to damages resulting from personal injuries, death, or property damage arising from negligent acts or omissions; PROVIDED HOWEVER, THAT, EXCEPT AS PROVIDED IN SECTION 4.2.1.4 OF ATTACHMENT 1, NEITHER PARTY SHALL BE LIABLE TO THE OTHER FOR ANY INCIDENTAL, CONSEQUENTIAL, INDIRECT, OR SPECIAL DAMAGES OF ANY KIND, INCLUDING BUT NOT LIMITED TO ANY LOSS OF USE, LOSS OF BUSINESS, LOSS OF PROFIT, OR LOSS OF INFORMATION OR DATA.

7. **DISCLAIMER OF WARRANTIES; LIMITED REMEDY.** QWEST MAKES NO WARRANTY OF ANY KIND, WRITTEN OR ORAL, STATUTORY, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. In the event of an error, delay, defect, breakdown, or failure in Service or QWEST platform, QWEST's sole obligation shall be limited to the use of reasonable diligence under the circumstances to restore Service. Eschelon's sole and exclusive remedy in the event of an error, delay, defect, breakdown or failure in Service shall be limited to a daily prorated credit of any monthly service fee Eschelon paid for Service during the period of said event. No credit shall be available for difficulties such as Eschelon equipment failure, slow dial tone, busy circuits, any local telephone company or long distance company network failures or other causes beyond QWEST's reasonable control. Nothing in this section in any way affects or limits the rights Eschelon has under other agreements with QWEST or in consequence of any statute, regulation, or rule to service quality and performance guarantees, credits, penalties, or compensation of any kind.

8. **UNCONTROLLABLE CIRCUMSTANCES.** Neither Party shall be deemed in violation of this Agreement if it is prevented from performing any of the obligations under this Agreement by reason of severe weather and storms; earthquakes or other natural occurrences; strikes or other labor unrest; power failures; nuclear or other civil or military emergencies; acts of legislative, judicial, executive or administrative authorities; or any other circumstances which are not within its reasonable control.

9. **CONFIDENTIALITY, PRESS RELEASES.** The terms of this Agreement are confidential, contain trade secret information and shall not be disclosed unless pursuant to a lawful Order compelling such disclosure. In such event that production is compelled, neither Party shall disclose the terms of this Agreement without first notifying the other Party. Neither Party shall use the other's name in any press releases, sales promotions, or other publicity matters relating to the Trial or the Services without written approval from the other Party. Nothing in this section in any way affects or limits rights and obligations of the Parties relating to confidentiality and nondisclosure under other agreements with one another.

10. **DISPUTE RESOLUTION.** If any claim, controversy or dispute between the Parties, their agents, employees, officers, directors or affiliated agents should arise, and the Parties do not resolve it in the ordinary course of their dealings (the "Dispute"), then it shall be resolved in accordance with the then-current rules of the American Arbitration Association ("AAA"). A single arbitrator engaged in the practice of law and knowledgeable about the subject matter of the dispute shall conduct the arbitration. The Federal Arbitration Act, 9 U.S.C. Sections 1-16, not state law, shall govern the arbitrability of the Dispute. The arbitrator shall not have authority to award punitive damages. All expedited procedures prescribed by the AAA rules shall apply. The arbitrator's award shall be final and binding and may be entered in any court having jurisdiction thereof. Each Party shall bear its own costs and attorneys' fees, and shall share equally in the fees and expenses of the arbitrator. The arbitration proceedings shall occur in the Minneapolis, Minnesota metropolitan area or in another mutually agreeable location. It is acknowledged that the Parties, by mutual, written agreement, may change any of these arbitration practices for a particular, some, or all Dispute(s).

11. **LAWFULNESS.** This Agreement and the Parties' actions under this Agreement shall comply with all applicable federal, state, and local laws, rules, regulations, court orders, and governmental agency orders. Any provision not in compliance is void. This Agreement shall be governed by the laws of the state where Service is purchased.

12. **SEVERABILITY.** In the event that a court, governmental agency, or regulatory agency with proper jurisdiction determines that this Agreement or a provision of this Agreement is unlawful, this Agreement, or that provision of the Agreement to the extent it is unlawful, shall terminate. If a provision of this Agreement is terminated but the Parties can legally, commercially and practicably continue without the terminated provision, the remainder of this Agreement shall continue in effect.

13. **HUMAN RELATIONS.**

    13.1 Eschelon will not attempt to manage, supervise, or otherwise direct the performance of QWEST employees, including the Coach and the Service Delivery Coordinator ("SDC").

    13.2 Eschelon agrees that during the term of the Agreement and for a period of 12 months thereafter, without the prior written consent of QWEST, Eschelon will not actively solicit for employment any employee of QWEST, including the Coach and SDC, working in its Facility.

    13.3 Eschelon agrees that it will abide by and support in every respect the QWEST Code of Conduct, related policies and procedures, and applicable state and federal laws, as the same relate to the working conditions of the Coach and the SDC working in its Facility. Eschelon's agreement to so abide specifically includes but is not limited to the QWEST Non-Discrimination, Workplace Violence, Sexual Harassment, and Safety and Hygiene policies, abbreviated copies of which are attached as Attachment 2.

14. **RESPONSIBILITY FOR ENVIRONMENTAL CONTAMINATION.** Neither Party shall be liable to the other for any costs whatsoever resulting from the presence or release of any

environmental hazard that either Party did not introduce to the affected work location. Both Parties shall defend and hold harmless the other, its officers, directors and employees from and against any losses, damages, claims, demands, suits, liabilities, fines, penalties and expenses (including reasonable attorneys' fees) that arise out of or result from (i) any environmental hazard that the indemnifying Party, its contractors or agents introduce to the work locations or (ii) the presence or release of any environmental hazard for which the indemnifying Party is responsible under applicable law.

15. GENERAL.

15.1 Eschelon shall not assign or transfer any interest in this Agreement without the prior written consent of QWEST, which consent shall not be unreasonably denied or delayed. QWEST may assign or transfer this Agreement to any parent, subsidiary, successor or affiliated company without the prior written consent of Eschelon.

15.2 This Agreement constitutes the entire understanding between Eschelon and QWEST with respect to the Service provided herein and supersedes any prior Agreement or understanding(s).

15.3 If either Attachment conflicts with any terms or conditions stated in the body of this Agreement, this Agreement shall govern the Parties' relationship with respect to such conflict. If the terms and conditions of this Agreement conflict with any other document, the terms and conditions stated in this Agreement shall govern the Parties' relationship with respect to such conflict.

15.4 This Agreement benefits Eschelon and QWEST. There are no third Party beneficiaries.

15.5 Failure or delay by either Party to exercise any right, power, or privilege hereunder, will not operate as a waiver hereto.

15.6 If a Party returns this Agreement by facsimile machine, the signing Party intends the copy of this authorized signature printed by the receiving facsimile machine to be its original signature.

NONPUBLIC DOCUMENT

CONTAINS TRADE SECRET DATA

16. **EXECUTION.** The Parties have read, understand and agree to all of the above terms and conditions of this Agreement and hereby execute and authorize this Agreement as of the latest date shown below.

Trade Secret Data Ends]

Eschelon Telecom, Inc. (formerly Advanced Telecommunications, Inc. dba Cady Communications, Inc., Cady Telemanagement, Inc., American Telephone Technology, Inc., Electro-Tel, Inc. and Intellecom, Inc.)	**QWEST Corporation (formerly U S WEST Communications, Inc.)**
J. Oxley	Jasmin T. Espy
Authorized Signature	Authorized Signature
J. Jeffery Oxley	Jasmin T. Espy
Name Typed or Printed	Name Typed or Printed
Executive Director - Law and Policy	Vice President - Marketing
Title	Title
7/14/00	7-21-00
Date	Date
730 Second Avenue South, Suite 1200 Minneapolis, MN 55402	Elizabeth J. Stamp 1801 California Street, Suite 2410 Denver, CO 80202
Address for Notices	Address for Notices

NONPUBLIC DOCUMENT

CONTAINS TRADE SECRET DATA

ATTACHMENT 1
TO
TRIAL AGREEMENT

[Trade Secret Data Begins

1. **PARTICIPANT'S NAME.** The Participant is Eschelon Telecom, Inc. (formerly Advanced Telecommunications, Inc. dba Cady Communications, Inc., Cady Telemanagement, Inc., American Telephone Technology, Inc., Electro-Tel, Inc. and Intellecom, Inc.).

2. **PARTICIPANT'S LOCATION(S).** The location for the Trial shall be 511 11th Avenue South, #340, Minneapolis, MN 55415 (the "Facility").

3. **TRIAL OVERVIEW AND GOALS.**

   During the Trial, subject to the parameters outlined below, QWEST will locate a provisioning team, consisting of at least two QWEST employees, at the Facility. Though the activities performed by these employees will not differ from the activities these employees would perform on any CLEC's behalf at a QWEST service center, the QWEST employees will perform such activities at the Facility for the term of the Trial.

   The goals of the Trial include, but are not limited to, the following three items. The first goal is to evaluate whether offering dedicated provisioning teams at customer locations outside of QWEST service centers would be feasible, given the logistics of providing provisioning support on a broad scale. The second goal is to evaluate whether offering dedicated provisioning teams at customer locations outside of QWEST service centers has the potential to significantly reduce the number of errors in orders submitted by customers. The third goal is to evaluate whether offering dedicated provisioning teams at customer locations outside of QWEST service centers, when compared to existing provisioning support arrangements, has the potential to facilitate the resolution of service and provisioning issues.

4. **THE TRIAL.** The Trial shall consist of the Services as set forth in this Section 4.

   4.1 Facilities and Equipment

   4.1.1 Eschelon shall provide the following facilities and equipment so QWEST can provide the services identified in this Agreement.

   4.1.1.1 Eschelon will provide to QWEST a secured office at the Facility. The office will have a lock on the door. Eschelon will not have a key to the secured office at the Facility. The QWEST Coach and SDC will be the only people with a key to the secured office.

   4.1.1.2 Eschelon will provide office furnishings, including desks and chairs, for the office. Eschelon will provide power for the office.

   4.1.1.3 Eschelon will provide 5 telephone lines (with long distance functionality), 2 telephone sets, and a dedicated facsimile machine for QWEST's use.

4.1.1.4 Eschelon will provide badges for the Coach and the SDC. These badges will provide access to the two main doors at the Facility from 6:30 am to 6:30 pm.

4.1.1.5 Eschelon will provide parking at the Facility free of charge.

4.1.2 QWEST shall provide the following equipment so it can provide the services identified in this Agreement.

4.1.2.1 QWEST will provide 2 computers and 2 printers solely for the use of the Coach and SDC.

4.1.2.2 QWEST will install the computers in the secured office provided by Eschelon and connect the computers via dial-up access to appropriate QWEST systems.

4.2 Duties and Services

4.2.1 Eschelon shall perform the following activities:

4.2.1.1 Eschelon will perform normal order provisioning activities (i.e., order issuance, order updates, and error resolution).

4.2.1.2 Eschelon will escalate and seek the expedition of orders/repairs as it considers appropriate.

4.2.1.3 Eschelon and QWEST will consider the adequacy of assigned human resources every ninety (90) days.

4.2.1.4 Eschelon recognizes that QWEST has an obligation to protect the confidentiality of the data in its computer systems. Eschelon agrees that it shall not, under any circumstances, attempt to access the computers provided by QWEST that allow access to QWEST's computer systems. Inappropriate or unauthorized access by Eschelon to QWEST's computer systems through the computers provided by QWEST is grounds for the immediate termination of this Agreement with cause. Eschelon further agrees to release, indemnify, defend and hold harmless QWEST from and 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, but not limited to, costs and attorneys' fees, whether suffered, made, instituted, or asserted by any other Party or person, for invasion of privacy, personal injury to or death of any person or persons, or for loss, damage to, or destruction of property, whether or not owned by others, resulting from the breach of this section by Eschelon or any its officers, directors, employees, agents, or subcontractors.

4.2.1.5 Eschelon agrees to hold in strict confidence all Confidential Information received from QWEST as a result of this Agreement and to use such information solely for the purposes of this Agreement. Eschelon agrees to treat such Confidential Information as confidential unless otherwise agreed to in writing by both parties. In handling the Confidential Information, Eschelon agrees: (a) not to copy any such Confidential Information; (b) not to make disclosure of any such Confidential Information to anyone; and (c) to appropriately notify its employees and subcontractors not to make disclosure of any such Confidential Information to anyone. The obligations set forth herein shall be satisfied by Eschelon through the exercise of at least the same degree of care used to restrict disclosure of its own information of like importance. Upon termination of this Agreement for any reason or upon request by QWEST, Eschelon shall return to QWEST all Confidential information received from QWEST as a result of this Agreement or certify that it has destroyed all Confidential Information received from QWEST as a result of this Agreement.

4.2.2 QWEST shall perform the following activities:

4.2.2.1 QWEST Coach shall participate on conference calls between Eschelon and QWEST as appropriate.

4.2.2.2 The QWEST Coach and SDC shall investigate on a daily basis:

- Reject and other issues arising from Eschelon provisioning activities
- Orders that have not been issued/typed by QWEST
- Confirm information for Firm Order Commitments
- Outstanding issues such as CRM, customer notifications and other issues with QWEST representatives.

4.2.2.3 The QWEST Coach and SDC shall collect data for Eschelon's pending orders.

4.2.2.4 The QWEST Coach and SDC shall use the data to conduct root cause analysis and identify trends for issues, including:

- Order Provisioning Issues (orders, interaction with center processes, policies)
- Request Rejects
- Line Validation (PIC issues, conversions, features)
- Billing Inquiries (including verifying Eschelon CSRs)
- Escalations/expedites
- Chronic Repair and Service Issues (as they relate to order provision functions)

- FOC timeliness
- Order timeliness/completion

4.2.2.5 The QWEST Coach and SDC shall use the data, root cause analysis and identified trends to:

- Recommend training (as appropriate) to QWEST and/or Eschelon
- Propose process/policy change (as appropriate) to QWEST and/or Eschelon
- Present quarterly reviews of the on-site team's status, successes, and failures to senior management of both Eschelon and QWEST
- Recommend action plans to senior management of both Eschelon and QWEST
- Implement action plans approved by senior management of both Eschelon and QWEST
- Provide feedback (as appropriate) to QWEST and/or Eschelon

4.2.2.5 The QWEST Coach and SDC will act as a liaison with QWEST on other service and order provisioning issues that are not resolved through normal operations and provisioning processes.

4.2.2.6 The QWEST Coach and SDC will provide ongoing support to Eschelon in understanding QWEST's normal operating and provisioning processes.

4.2.2.7 On-Site Reporting:

- For the term of this Agreement, the QWEST Coach and SDC will report and be located at the Facility with occasional return to QWEST for meetings/ongoing training.
- The QWEST Coach or SDC will generally be available on-site during regular business hours.
- The QWEST Coach will provide a schedule to Eschelon to ensure that Eschelon is aware of the Coach's and SDC's planned availability.

4.2.2.8 QWEST and Eschelon will consider the adequacy of assigned human resources within sixty (60) days after this Agreement is signed.

4.2.2.9 QWEST agrees to hold in strict confidence all Confidential Information received from Eschelon as a result of this Agreement and to use such information solely for the purposes of this Agreement. QWEST agrees to treat such Confidential Information as confidential unless otherwise agreed to in writing by both parties. In handling the Confidential Information, QWEST agrees: (a) not to copy any such Confidential Information; (b) not

to make disclosure of any such Confidential Information to anyone; and (c) to appropriately notify its employees not to make disclosure of any such Confidential Information to anyone. The obligations set forth herein shall be satisfied by QWEST through the exercise of at least the same degree of care used to restrict disclosure of its own information of like importance. Upon termination of this Agreement for any reason or upon request by Eschelon, QWEST shall return to Eschelon all Confidential information received from Eschelon as a result of this Agreement or certify that it has destroyed all Confidential Information received from Eschelon as a result of this Agreement.

4.2.3 QWEST shall not perform the following activities:

4.2.3.1 The QWEST Coach and SDC shall not perform normal order provisioning activities (i.e., order issuance, order updates, or error resolution).

4.2.3.2 The QWEST Coach and SDC shall not perform account team functions (i.e., contract issues and negotiations).

4.2.3.3 The QWEST Coach and SDC will not perform escalations or seek expedites on behalf of Eschelon; however, they will support Eschelon in the escalation and expedite process for orders/repairs.

5. NOTICE. Each Party shall provide any and all notices required under this Trial Agreement to the other Party at the following address:

PARTICIPANT'S ADDRESS	QWEST'S ADDRESS
J. Jeffery Oxley Executive Director - Law and Policy 730 Second Avenue South, Suite 1200 Minneapolis, MN 55402	Elizabeth J. Stamp Director - Interconnect 1801 California Street, Suite 2410 Denver, CO 80202

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NONPUBLIC DOCUMENT

CONTAINS TRADE SECRET DATA

ATTACHMENT 2
TO
TRIAL AGREEMENT

Non-Discrimination

[Trade Secret Data Begins

It is the policy of QWEST to provide equal employment opportunity for employees and applicants in connection with employment decisions. Unlawful discrimination against an individual based on race, gender, age, sexual orientation, religion, national origin, disabilities, or "covered veteran" status, or any other form of unlawful discrimination or harassment, is contrary to QWEST policy and strictly prohibited. Each QWEST employee is responsible for promoting a workplace free of unlawful discrimination. Because laws protecting an individual's right to non-discrimination based on sexual orientation only exist on a state or local basis, the Non-Discrimination Policy of the Company with respect to sexual orientation extends to all employees, regardless of whether or not a state or local law applies.

QWEST is committed to a policy of affirmative action to employ and to advance in employment minorities, women, qualified individuals with disabilities, special disabled veterans and veterans of the Vietnam War.

Generally, non-discrimination means making employment decisions without regard to a person's race, gender, age, sexual orientation, religion, national origin, disabilities, or "covered veteran status".

Examples of employment decisions include, but are not limited to: evaluating employees' performance; making recommendations on hires, transfers, and promotions; recommending discipline, corrective action and termination.

In some instances, a disability or a required religious practice may need to be taken into account when the individual is otherwise qualified. An individual may be disabled under Federal or state law if he or she has an ongoing physical or mental condition or impairment that substantially limits his or her life activities. A disability may, but does not necessarily, include ongoing conditions such as epilepsy, diabetes, HIV/AIDS, cancer, etc. The legal duty of nondiscrimination may include a duty to make a reasonable accommodation.

Harassment on the basis of race, gender, age, sexual orientation, religion, national origin, disabilities, or "covered veteran" status will not be tolerated and can be illegal. Epithets, slurs, negative stereotyping, or threatening, intimidating or hostile acts that relate to a basis described above can constitute harassment.

Written or graphic material placed on walls, bulletin boards or elsewhere in the employer's premises, or circulated in the workplace that denigrates or shows hostility toward an individual or group on the basis described above can also constitute harassment.

If you have a violation to report, or if you feel that you have been discriminated against, you should contact your supervisor or manager, the EEO Hotline (1-800-336-4636), or the Human Resources Department.

Retaliation against an employee who complains about or reports discrimination or who participates in an investigation concerning alleged discrimination is prohibited.

Not only must managers and supervisors conduct themselves in a manner consistent with this policy, they are also responsible for establishing and maintaining a work environment free of unlawful harassment and unlawful discrimination. Managers and supervisors must identify potential incidents of discrimination immediately and report them to the EEO Hotline (1-800-336-4636) or Human Resources.

The interpretation and examples in this policy are illustrative and not intended to be all-inclusive.

Workplace Violence

Employees shall not use violence or threats of violence at work.

QWEST prohibits violence or threats of violence at work. This prohibition includes threatening language, both verbal and written, threatening gestures or behavior, and/or actual physical fighting by any employee. Firearms and/or weapons of any kind are prohibited on Company property, in the work place, in Company vehicles or in an employee's possession while on Company property or on Company business. It is the responsibility of each employee to be aware of, and to adhere to, this policy and report any violations to the appropriate management representative.

Management is responsible to take appropriate action whenever threats of violence or physical violence are observed by or reported to management.

Safety & Industrial Hygiene

QWEST recognizes the importance of providing employees with a safe and healthful workplace free of recognized hazards. To accomplish this, QWEST aims to conduct its operations in a manner that reasonably minimizes the risk of occupational injury and illness, reasonably minimizes property damage, and complies with applicable laws and regulations. In addition, QWEST adopts detailed compliance plans for managing safety risks as necessary.

Employees must understand and adhere to all applicable occupational safety and health requirements, and promptly report unsafe acts, hazardous conditions, or suspected violations of the law.

The rules for QWEST operations and state and federal occupational safety and health laws are complex, and your Environmental Health and Safety (EHS) group has developed detailed compliance plans for various tasks and operations. These plans help managers and employees understand what their occupational safety and health responsibilities are.

Employees must be aware of occupational safety and health requirements, and be alert and responsive to potential violations and hazards. Each QWEST employee must understand and follow those detailed compliance plans that apply to their work and should seek training and

help where necessary. Employee compliance and reports of hazards are vital to making QWEST an even safer place to work.

Employees must immediately obtain the approval of their EHS group prior to allowing any governmental agency, including the Occupational Safety and Health Administration (OSHA), access to Company facilities. If served with a subpoena or search warrant or if a serious accident occurs involving multiple injuries or a fatality, your EHS group and the EHS lawyer in the QWEST Law Department must be contacted immediately. In either case, call UniCALL 800-654-2525.

Sexual Harassment

Sexual Harassment, a form of sex discrimination, is illegal, contrary to QWEST policy, and strictly prohibited. Each QWEST employee is responsible for promoting a workplace free of unlawful sexual harassment.

Unlawful Sexual Harassment: The federal government has defined sexual harassment as unwelcome sexual advances, requests for sexual favors and other verbal or physical conduct of a sexual nature when:

- Submission to such conduct is made either explicitly or implicitly a term or condition of employment;
- Submission or rejection of such conduct by an individual is used as a basis for employment decisions affecting such individual; or
- Such conduct has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile, or offensive working environment.

Sexual harassment may include a range of subtle and not-so-subtle behaviors. Examples of sexual harassment are: unsolicited verbal sexual comments or jokes; subtle pressure for sexual activity; repeated unwelcome flirtations, advances or propositions; graphic remarks about a person's body or sexual activities; or patting, pinching or unnecessary touching.

Sexually oriented gestures, noises, remarks or rumors about a person's sexuality or sexual experience directed at or made in the presence of any employee can be sexual harassment. Engaging in such behavior is unacceptable, whether at the workplace or at any work-related setting outside the workplace, such as a business trip or business-related social event.

Displaying pictures, reading or viewing posters, calendars, graffiti, objects, promotional materials, reading materials, or other materials that are sexually suggestive, sexually demeaning, or pornographic, can also be a form of sexual harassment, and, in any event, is prohibited.

Managers and supervisors have special responsibilities with respect to this sexual harassment policy. Not only must managers and supervisors conduct themselves in a manner consistent with this policy, they are also responsible for establishing and maintaining a workplace free of unlawful sexual harassment. They must identify suspected incidents of sexual harassment

immediately to their assigned Human Resources Representative and/or the EEO Hotline (1-800-336-4636).

QWEST will not tolerate behavior in violation of this sexual harassment policy of, or by, non-employees, such as customers, dealers/contractors, visitors, or others.

Concerns will be reviewed and investigated as appropriate. Even conduct that does not rise to the level of unlawful sexual harassment may nonetheless constitute poor business judgment and be grounds for discipline.

If you believe that you have been subjected to sexual harassment, promptly contact either your supervisor, the Human Resources Department, or call the EEO Hotline (800/336-4636).

Trade Secret Data Ends]

3. <u>Eschelon</u>
Confidential Purchase Agreement with Qwest
dated 11/15/00

SUBJECT TO RULE OF EVIDENCE 408

Confidential Purchase Agreement

This Purchase Agreement ("PA") is made and entered into by and between Eschelon Telecom, Inc. and its subsidiaries and affiliates ("Eschelon") and Qwest Corporation and its subsidiaries ("Qwest") (collectively, the "Parties") effective on the 1st day of October, 2000.

The Parties have entered in to enter into this PA to facilitate and improve their business and operational activities, agreements and relationships. In consideration of the covenants, agreements and promises contained below the Parties agree to the following:

1. This PA is entered into between the Parties based on the following conditions, which are a material part of this agreement:

1.1 This PA shall be binding on Qwest and Eschelon and each of their respective subsidiaries, affiliated corporations, successors and assigns.

1.2 This PA may be amended or altered only by written instrument executed by an authorized representative of both Parties.

1.3 The Parties, intending to be legally bound, have executed this PA effective as of October 1, 2000, in multiple counterparts, each of which is deemed an original, but all of which shall constitute one and the same instrument.

1.4 Unless terminated as provided in this section, the initial term of this PA is from October 1, 2000 until December 31, 2005 ("Initial Term") and this PA shall thereafter automatically continue until either Party gives at least six (6) months advance written notice of termination. This is PA can only be terminated during the term of the agreement in the event of a material breach of the terms of this Amendment which remains unresolved and uncompensated following application of the dispute resolution provisions of this agreement.

1.5 All factual preconditions and duties set forth in this PA are intended to be, and are considered by the Parties to be, reasonably related to, and dependent upon each other.

1.6 If either Party's performance of this PA or any obligation under this PA is prevented, restricted or interfered with by causes beyond such Parties' reasonable control, including but not limited to acts of God, fire, explosion, vandalism which reasonable precautions could not protect against, storm or other similar occurrence, any law, order, regulation, direction, action or request of any unit of federal, state or local government, or of any civil or military authority, or by national emergencies, insurrections, riots, wars, strike or work stoppage or material vendor failures, or cable cuts, then such Party shall be excused from such performance on a day-to-day basis to the extent of such prevention, restriction or interference (a "Force Majeure").

1.7 The Parties agree that they will keep the substance of the negotiations and/or conditions of this PA and the terms or substance of this PA strictly confidential. The Parties further agree that they will not communicate (orally or in writing) or in any way disclose the

substance of the negotiations and/or conditions of this settlement and the terms or substance of this PA to any person, judicial or administrative agency or body, business, entity or association or anyone else for any reason whatsoever, without the prior express written consent of the other Party unless compelled to do so by law or unless Eschelon pursues an initial public offering, and then only to the extent that disclosure by Eschelon is necessary to comply with the requirements of the Securities Act of 1933 or the Securities Exchange Act of 1934. In the event Eschelon pursues an initial public offering, it will: (1) first notify Qwest of any obligation to disclose some or all of this PA; (2) provide Qwest with an opportunity to review and comment on Eschelon's proposed disclosure of some or all of this PA; and (3) apply for confidential treatment of the PA. It is expressly agreed that this confidentiality provision is an essential element of this PA and negotiations, and all matters related to these matters, shall be subject to Rule 408 of the Rules of Evidence, at the federal and state level.

In the event either Party initiates arbitration or litigation regarding the terms of this agreement or has a legal obligation which requires disclosure of the terms and conditions of this PA, the Party having the obligation shall immediately notify the other Party in writing of the nature, scope and source of such obligation so as to enable the other Party, at its option, to take such action as may be legally permissible so as to protect the confidentiality provided in this PA.

1.8 Neither Party will present itself as representing or jointly marketing services with the other, or market its services using the name of the other Party, without the prior written consent of the other Party.

1.9 Any claim, controversy or dispute between the Parties in connection with this PA shall be resolved by private and confidential arbitration conducted by a single arbitrator engaged in the practice of law under the then current rules of the American Arbitration Association. The arbitration shall be conducted in Denver, Colorado. Each Party shall have the right to seek from a court of appropriate jurisdiction equitable or provisional remedies (such as temporary restraining orders, temporary injunctions and the like) before arbitration proceedings have been commenced and an arbitrator has been selected. Once an arbitrator has been selected and the arbitration proceedings are continuing, thereafter the sole jurisdiction with respect to equitable or provisional remedies shall be remanded to the arbitrator. Any arbitrator shall be a retired judge or an attorney who has been licensed to practice for at least ten (10) years and is currently licensed to practice in the state of Colorado. The arbitrator shall be selected by the parties within fifteen (15) business days after a request for arbitration has been made by one of the Parties hereto. If the Parties are unable to agree among themselves, the Parties shall ask for a panel of arbitrators to be selected by the American Arbitration Association. If the parties are unable to select a sole arbitrator from the panel supplied by the American Arbitration Association within ten (10) business days after such submission, the American Arbitration Association shall select the sole arbitrator. The Federal Arbitration Act, 9 U.S.C. §§ 1-16, not state law, shall govern the arbitrability of all disputes. The arbitrator shall only have the authority to determine breach of this Agreement and award appropriate damages, but the arbitrator shall not have the authority to award punitive damages. The arbitrator's decision shall be final and binding and may be entered in any court having jurisdiction thereof. Each party shall bear its own costs and attorneys' fees and shall share equally in the fees and expenses of the arbitrator, except that the arbitrator shall have the discretion to award reasonable attorneys' fees and costs in favor of a Party if, in the

opinion of the arbitrator, the dispute arose because the other Party was not acting in good faith.

1.10 This PA shall be interpreted and construed in accordance with the laws of the State of Colorado, and shall not be interpreted in favor or against any Party to this Agreement.

1.11 This PA constitutes an agreement between the Parties and can only be changed in a writing or writings executed by both Parties. Each of the Parties forever waives all right to assert that this agreement was the result of a mistake in law or in fact.

1.12 This PA may be executed in counterparts and by facsimile.

2. In consideration of the agreements and covenants set forth above and the entire group of covenants provided in section 3, Eschelon agrees to purchase from Qwest, or one of its affiliates, during the Initial Term of this PA, at least $150 million worth of telecommunications, enhanced or information services, network elements, interconnection or collocation services or elements, capacity, termination or origination services, switching or fiber rights (the "Products"). If Eschelon fails to meet this purchase commitment, this agreement is terminated and Eschelon will be required to pay Qwest a $10 million penalty.

2.1 Subject to the provisions of this section 2, from January 1, 2001 to December 31, 2001, Eschelon will purchase, under this agreement or any other agreement between the parties, a minimum of $16 million of Products and in the event purchases by Eschelon do not meet this minimum, Eschelon agrees to make a payment to Qwest, no later than January 15, 2002, in an amount equal to the difference between actual purchases and the minimum. If Eschelon fails to meet this purchase commitment, this agreement is terminated and Eschelon will be required to pay Qwest a penalty of $10 million which is the equivalent of 63% of its 2001 annual revenue commitment to Qwest.

2.2 Subject to the provisions of this section 2, from January 1, 2002 through December 31, 2002, Eschelon will purchase a minimum of $24 million of Products, and in the event purchases by Eschelon do not meet this minimum, Eschelon agrees to make a payment to Qwest, no later than January 15, 2003, in an amount equal to the difference between actual purchases and the minimum. If Eschelon fails to meet this purchase commitment, this agreement is terminated and Eschelon will be required to pay Qwest a penalty of $10 million which is the equivalent of 42% of its 2002 annual revenue commitment to Qwest.

2.3 Subject to the provisions of this section 2, from January 1, 2003 through December 31, 2003, Eschelon will purchase a minimum of $31 million of Products, and in the event purchases by Eschelon do not meet this minimum, Eschelon agrees to make a payment to Qwest, no later than January 15, 2004, in an amount equal to the difference between actual purchases and the minimum. If Eschelon fails to meet this purchase commitment, this agreement is terminated and Eschelon will be required to pay Qwest a penalty of $10 million which is the equivalent of 32% of its 2003 annual revenue commitment to Qwest.

2.4 Subject to the provisions of this section 2, from January 1, 2004 through December 31, 2004, Eschelon will purchase a minimum of $37 million of Products, and in the

event purchases by Eschelon do not meet this minimum, Eschelon agrees to make a payment to Qwest, no later than January 15, 2005, in an amount equal to the difference between actual purchases and the minimum. If Eschelon fails to meet this purchase commitment, this agreement is terminated and Eschelon will be required to pay Qwest a penalty of $10 million which is the equivalent of 27% of its 2004 annual revenue commitment of Qwest.

2.5 Subject to the provisions of this section 2, from January 1, 2005 through December 31, 2005, Eschelon will purchase a minimum of $42 million of Products, and in the event purchases by Eschelon do not meet this minimum, Eschelon agrees to make a payment to Qwest, no later than January 15, 2006, in an amount equal to the difference between actual purchases and the minimum. If Eschelon fails to meet this purchase commitment, this agreement is terminated and Eschelon will be required to pay Qwest a penalty of $10 million which is the equivalent of 24% of its 2005 annual revenue commitment to Qwest.

Eschelon's annual and contract term purchase commitments will be reduced proportionally in the event Qwest sells any exchanges where it is currently the incumbent local exchange service provider, but only to the extent that any such sale materially impacts Eschelon's purchases from Qwest.

Eschelon's annual and contract term purchase commitments will be adjusted proportionally and/or appropriately in the event Eschelon acquires, or merges with, or divests to, another company where such acquisition, merger or divestiture materially changes Eschelon's market capitalization, size, markets or other similar measure, as mutually agreed.

2.6 The Parties will resolve any disputes pursuant to Escalation Procedures to be developed by the Parties.

3. In consideration of the agreements and covenants set forth above and the entire group of covenants provided in section 2, all taken as a whole, with such consideration only being adequate if all such agreements and covenants are made and are enforceable, Qwest agrees to make the Products available for purchase by Eschelon at such rates and on such terms and conditions as agreed.

[Remainder of page intentionally blank]

SUBJECT TO RULE OF EVIDENCE 408

Made and entered into on the effective date written above by Eschelon and Qwest.

Eschelon Telecom, Inc.	Qwest Corporation
Authorized Signature	Authorized Signature
Richard A. Smith Name Printed/Typed	Name Printed/Typed
President - COO Title	Title
11/29/00 Date	Date

H:Qwest\MTOP102500

SUBJECT TO RULE OF EVIDENCE 408

Made and entered into on the effective date written above by Eschelon and Qwest.

Eschelon Telecom, Inc.	Qwest Corporation
Authorized Signature	Authorized Signature
Name Printed/Typed	Name Printed/Typed
Title	EVP Title
Date	11-15-00 Date

Approved as to legal form

NOV 15 2000

H:Qwest/MTOP102500

4. Eschelon
Confidential Amendment to Confidential/Trade Secret Stipulation with Qwest dated 11/15/00

SUBJECT TO RULE OF EVIDENCE 408

CONFIDENTIAL AMENDMENT TO CONFIDENTIAL/TRADE SECRET STIPULATION

[Trade Secret Data Begins

This Amendment to the Confidential/Trade Secret Stipulation Between ATI and U S WEST ("Agreement"), is hereby entered into by Qwest Corporation ("Qwest"), formerly known as U S WEST, Inc., and Eschelon Telecom, Inc. ("Eschelon"), formerly known as Advanced Telecommunications, Inc., d/b/a Cady Communications, Inc., Cady Telemanagement, Inc., American Telephone Technology, Inc., Electro-Tel, Inc., and Intellecom, Inc., (hereinafter referred to as the "Parties" when referred to jointly) on this 15th day of November, 2000. This Amendment adds terms to the Confidential/Trade Secret Stipulation Between ATI and U S WEST dated February 28, 2000. The Parties acknowledge the recitals and terms contained in the Confidential/Trade Secret Stipulation Between ATI and U S WEST and seek to resolve differences which existed between the Parties as of that date, and continue as of the date of this Agreement, including differences relating to service quality.

ADDITIONAL RECITALS

1. Disputes have arisen between the Parties as to the effective date of Eschelon's ability to provide services through the unbundled network element ("UNE") platform. Eschelon claims that it was eligible to receive platform rates as of March 1, 2000.

2. Qwest believes that Eschelon was unable to provide services through the unbundled network element platform as of March 1, 2000.

3. In an attempt to finally resolve the issues in dispute and to avoid delay and costly litigation, the Parties voluntarily enter into this Confidential Agreement to resolve all disputes, claims and controversies between the Parties, as of the date of this Confidential Agreement that relate to the matters addressed herein, and Eschelon releases Qwest from any claims regarding the issue as described herein.

CONFIDENTIAL AGREEMENT

1. The Parties enter into this Agreement in consideration for the terms described below, and Eschelon's release of any claims that can or could have been brought against Qwest because Eschelon was providing services through resale of finished services instead of providing service through unbundled network elements. Eschelon claims that it had the right to elect platform prices as of March 1, 2000, while Qwest disagrees with Eschelon's claim, as described above.

2. Eschelon agrees to purchase from Qwest, under this agreement or any other agreement between the parties, at least $15 million (fifteen million dollars) of telecommunication services and products between October 1, 2000 and September 30, 2001. In consideration for Eschelon's agreement to make such purchases and for such other good and valuable consideration set forth in this agreement and documented in Qwest's November 15, 2000 letter, Qwest agrees to pay Eschelon $10 million by no later than November 17, 2000 to resolve all issues, outstanding through the date of execution of this agreement, related to the UNE platform and switched access. Further, Qwest will pay to Eschelon the revenue Qwest billed to IXCs at Qwest's established switched access rates for Eschelon platform end users for usage for the month of October 2000. Qwest will pay this amount to Eschelon within 30 days of the date Qwest receives WTN information for Eschelon for all of October 2000. For any month (or partial month), from November 1, 2000 until the mechanized process is in place, during which Qwest fails to provide accurate daily usage information for Eschelon's use in billing switched access, Qwest will credit Eschelon $13.00 (or pro rata portion thereof) per Platform line per month as long as Eschelon has provided the WTN information to Qwest. After the mechanized process is in place, Eschelon and Qwest will use the established escalation procedures if a dispute arises. Qwest will credit the IXC and other companies for daily usage traffic that Qwest provides to Eschelon to bill to the IXC (to eliminate double billing).

In the event that Eschelon does not purchase, under this agreement or any other agreement, $15,000,000.00 (fifteen million dollars) in telecommunications services and/or products within the time frame set forth above, Eschelon shall, by December 31, 2001, make a pro rata refund of the payment received from Qwest.

3. Eschelon shall provide to Qwest consulting and network-related services, including but not limited to processes and procedures relating to wholesale service quality for local exchange service ("Services"). These Services will address numerous items, including loop cutover and conversion, repair, billing and other items agreed upon by the Parties. The Services may include all lines of business and methods of local market entry used by Eschelon. Eschelon agrees to utilize knowledgeable and experienced personnel for the Services. Eschelon further agrees to assign, upon request, up to two full time representatives dedicated to working with the Qwest account team or other Qwest organizations to facilitate handling of provisioning issues. The Parties agree to meet together (via telephone, live conference, or otherwise) as necessary to facilitate provisioning of the Services. Executives from both companies agree to address and discuss the progress of the Services at quarterly meetings to begin in 2001 and continue through the end of 2005. In consideration of Eschelon's agreement to provide Services and for such good and valuable consideration set forth in this agreement, Qwest agrees to pay

Eschelon an amount that is ten percent (10%) of the aggregate billed charges for all purchases made by Eschelon from Qwest from November 15, 2000 through December 31, 2005. Eschelon will invoice Qwest annually. Payment is due within 30 days of the invoice date. In the event that the Confidential Purchase Agreement between Eschelon and Qwest (as of the same date as this Agreement) is terminated, this paragraph of this Agreement also terminates simultaneously with termination of that Confidential Purchase Agreement and any payments made pursuant to this paragraph as of the date of termination will be promptly returned to Qwest. In addition, if Eschelon fails to meet its purchase commitments under sections 2, 2.1, 2.2, 2.3, 2.4 or 2.5 of the Confidential Purchase Agreement, Eschelon will promptly return to Qwest any payments made pursuant to this section.

4. If the Parties fail to finalize the Implementation Plan by April 30, 2001, as required by the Parties' Escalation Procedures Agreement, they agree to immediately terminate the Purchase Agreement, the Confidential Billing Settlement Agreement, this Amendment to the Confidential/Trade Secret Stipulation, the Escalation Procedures Agreement, and the Interconnection Agreement Amendment, all dated November 15, 2000, and cooperate in good faith to determine and promptly return to each other all of the economic benefits each received from the other in consequence of those Agreements. Moreover, all of the claims, whether in law or in equity, that either Party released or discharged in those Agreements shall be restored to them.

5. The Parties will address in their quarterly meetings appropriate price adjustments for the telecommunications services and products purchased by Eschelon and Qwest in the preceding quarter.

6. For valuable consideration mentioned above, the receipt and sufficiency of which are hereby acknowledged, Eschelon does hereby release and forever discharge Qwest and its associates, owners, stockholders, predecessors, successors, agents, directors, officers, partners, employees, representatives, employees of affiliates, employees of parents, employees of subsidiaries, affiliates, parents, subsidiaries, insurance carriers, bonding companies and attorneys, from any and all manner of action or actions, causes or causes of action, in law, under statute, or in equity, suits, appeals, petitions, debts, liens, contracts, agreements, promises, liabilities, claims, affirmative defenses, offsets, demands, damages, losses, costs, claims for restitution, and expenses, of any nature whatsoever, fixed or contingent, known or unknown, past and present asserted or that could have been asserted or could be asserted in any way relating to or arising out of the disputes/matters addressed in "Additional Recitals" paragraphs 1 and 2 above, including all disputes related to the UNE platform and switched access.

7. The terms and conditions contained in this Confidential Agreement shall inure to the benefit of, and be binding upon, the respective successors, affiliates and assigns of the Parties.

8. Eschelon hereby covenants and warrants that it has not assigned or transferred to any person any claim, or portion of any claims which is released or discharged by this Confidential Agreement.

9. The Parties agree that they will keep the substance of the negotiations and/or conditions of this settlement and the terms or substance of this Confidential Agreement strictly confidential. The Parties further agree that they will not communicate (orally or in writing) or in any way disclose the substance of the negotiations and/or conditions of this settlement and the terms or substance of this Agreement to any person, judicial or administrate agency or body, business, entity or association or anyone else for any reason whatsoever, without the prior express written consent of the other Party unless compelled to do so by law or unless Eschelon pursues an initial public offering, and then only to the extent that disclosure by Eschelon is necessary to comply with the requirements of the Securities Act of 1933 or the Securities Exchange Act of 1934. In the event Eschelon pursues an initial public offering, it will: (1) first notify Qwest of any obligation to disclose some or all of this Confidential Agreement; (2) provide Qwest with an opportunity to review and comment on Eschelon's proposed disclosure of some or all of this Confidential Agreement; and (3) apply for confidential treatment of the Confidential Agreement. It is expressly agreed that this confidentiality provision is an essential element of this Confidential Agreement and negotiations, and all matters related to these matters, shall be subject to Rule 408 of the Rules of Evidence, at the federal and state level.

10. In the event either Party initiates arbitration or litigation regarding the terms of this agreement or has a legal obligation which requires disclosure of the terms and conditions of this Confidential Agreement, the Party having the obligation shall immediately notify the other Party in writing of the nature, scope and source of such obligation so as to enable the other Party, at its option, to take such action as may be legally permissible so as to protect the confidentiality provided in this Agreement.

11. This Confidential Agreement constitutes an agreement between the Parties and can only be changed in a writing or writings executed by both Parties. Each of the Parties forever waives all right to assert that this Confidential Agreement was the result of a mistake in law or in fact.

12. This Confidential Agreement shall be interpreted and construed in accordance with the laws of the State of Minnesota, and shall not be interpreted in favor or against any Party to this Agreement.

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CONTAINS TRADE SECRET DATA

13. The Parties have entered into this Confidential Agreement after conferring with legal counsel.

14. In the event that any provision of this Confidential Agreement should be declared to be unenforceable by any administrative agency or court of law, either Party may initiate an arbitration under the provisions of section 14 below within 90 days of such declaration, to determine the impact of such declaration on the remainder of this Confidential Billing Settlement Agreement. The arbitrator shall have the authority to determine the materiality of the provision and any appropriate remedies, including voiding the agreement in its entirety. If neither Party initiates such an arbitration within 90 days, the remainder of the Confidential Agreement shall remain in full force and effect, and shall be binding upon the Parties hereto as if the invalidated provisions were not part of this Confidential Agreement.

15. Any claim, controversy or dispute between the Parties in connection with this Confidential Agreement shall be resolved by private and confidential arbitration conducted by a single arbitrator engaged in the practice of law under the then current rules of the American Arbitration Association. The arbitration shall be conducted in Minneapolis, Minnesota. Each Party shall have the right to seek from a court of appropriate jurisdiction equitable or provisional remedies (such as temporary restraining orders, temporary injunctions, and the like) before arbitration proceedings have been commenced and an arbitrator has been selected. Once an arbitrator has been selected and the arbitration proceedings are continuing, thereafter the sole jurisdiction with respect to equitable or provisional remedies shall be remanded to the arbitrator. Any arbitrator shall be a retired judge or an attorney who has been licensed to practice for at least ten (10) years and is currently licensed to practice in the state of Minnesota. The arbitrator shall be selected by the Parties within fifteen (15) business days after a request for arbitration has been made by one of the Parties hereto. If the Parties are unable to agree among themselves, the Parties shall ask for a panel of arbitrators to be selected by the American Arbitration Association. If the Parties are unable to select a sole arbitrator from the panel supplied by the American Arbitration Association within ten (10) business days after such submission, the American Arbitration Association shall select the sole arbitrator. The Federal Arbitration Act, 9 U.S.C §§ 1-16, not state law, shall govern the arbitratibility of all disputes. The arbitrator shall only have the authority to determine breach of this Agreement and award appropriate damages, but the arbitrator shall not have authority to award punitive damages. The arbitrator's decision shall be final and binding and may be entered in any court having jurisdiction thereof. Each Party shall bear its own costs and attorneys' fees and shall share equally in the fees and expenses of the arbitrator, except that the arbitrator shall have the discretion award reasonable attorneys' fees and costs in favor of a Party if, in the opinion of the arbitrator, the dispute arose because the other Party was not acting in good faith.

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16. The Parties acknowledge and agree that they have a legitimate billing dispute about the issues described in this Confidential Agreement and that the resolution reached in this Agreement represents a compromise of the Parties' positions. Therefore, the Parties agree that resolution of the issues contained in this Agreement cannot be used against the other Party, including but not limited to admissions.

17. This Confidential Agreement may be executed in counterparts and by facsimile.

Trade Secret Data Ends]

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IN WITNESS THEREOF, the Parties have caused this Confidential Agreement to be executed as of this 15th day of November 2000.

Escheion Telecom, Inc.	Qwest Corporation
By:	By:
Title: President - COO	Title:
Date: 11/15/00	Date:

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CONTAINS TRADE SECRET DATA

IN WITNESS THEREOF, the Parties have caused this Confidential Agreement to be executed as of this 15th day of November 2000.

Eschelon Telecom, Inc.	Qwest Corporation
By:_____	By: _____
Title: _____	Title: EVP
Date: _____	Date: 11.15.00

Approved as to legal form

NOV 15 2000

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CONTAINS TRADE SECRET DATA

5. <u>Eschelon</u>
Escalation Procedures Letter from Qwest
dated 11/15/00

Qwest
1801 California Street
Suite 5200
Denver, CO 80202
Telephone: 303-992-2787
Facsimile: 303-992-2789

Greg Casey
Executive Vice President
Wholesale Markets

November 15, 2000

CONFIDENTIAL AGREEMENT

VIA ELECTRONIC MAIL AND FACSIMILE

Richard A. Smith
President and Chief Operating Officer
Eschelon Telecom, Inc.
730 Second Avenue South, Suite 1200
Minneapolis, Minnesota 55402

Re: Escalation procedures and business solutions

Dear Rick:

[Trade Secret Data Begins

As a result of ongoing discussions between Eschelon and Qwest in recent days, the parties have addressed numerous proposals intended to better the parties' business relationship. In principle, the parties have agreed to: (1) develop an implementation plan by which to mutually improve the companies' business relations and to develop a multi-state interconnection agreement; (2) arrange quarterly meetings between executives of each company to address unresolved and/or anticipated business issues; and (3) establish and follow escalation procedures designed to facilitate and expedite business-to-business dispute solutions.

1. IMPLEMENTATION PLAN

By no later than December 31, 2000, the parties agree to meet together (via telephone, live conference or otherwise), and as necessary thereafter, to develop an Implementation Plan. The purpose of the Implementation Plan ("Plan") will be to establish processes and procedures to mutually improve the companies' business relations and to develop a multi-state interconnection agreement. Both parties agree to participate in good faith and dedicate the necessary time and resources to the development of the Implementation Plan, and to finalize an Implementation Plan by no later than April 30, 2001. Any necessary escalation and arbitration of issues arising during development of the Plan must also be completed by April 30, 2001.

During development of the Plan, and thereafter, if an agreed upon Plan is in place by April 30, 2001, Eschelon agrees to not oppose Qwest's efforts regarding Section 271 approval or to file complaints before any regulatory body concerning issues arising out of the Parties' Interconnection Agreements. Both before and after April 30, 2001, Eschelon reserves the right, after notice to Qwest, to participate in regulatory cost proceedings or dockets regarding the establishment of rates. Notwithstanding any other provision of this agreement, if no Plan is agreed upon by April 30, 2001, the Parties will have all remedies available at law and equity in any forum.

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2. QUARTERLY MEETINGS

Beginning in 2001 and continuing through the end of 2005, the parties agree to attend and participate in quarterly executive meetings, the purpose of which will be to address, discuss and attempt to resolve unresolved business issues and disputes, anticipated business issues, and issues related to the Parties' Interconnection Agreements, Implementation Plan, and other agreements. The meetings will be attended by executives from both companies at the vice-president and/or above level.

3. ESCALATION PROCEDURES

The parties wish to establish a business-to-business relationship and agree that they will resolve any and all business issues that may arise between them, including but not limited to, their Interconnection Agreements and Amendments, in accordance with the escalation procedures set forth herein. The parties agree, subject to any subsequent written agreement between the parties, to: (1) utilize the following escalation process and time frames to resolve such disputes; (2) commit the time, resources and good faith necessary to meaningful dispute resolution; (3) not proceed to a higher level of dispute resolution until either a response is received or expiration of the time frame for the prior level of dispute resolution; (4) grant to one another, at the request of the other party, reasonable extensions of time at Levels 1 and 2 of the dispute resolution process to facilitate a business resolution; and (5) complete Levels 1, 2 and 3 of dispute resolution before seeking resolution through arbitration or the courts.

Level	Participants	Time frame for discussions
LEVEL 1	Vice Presidents (Judy Tinkham/Dave Kunde, Lynne Powers, Bill Markert, or successors)	10 business days
LEVEL 2	Senior Vice Presidents (Greg Casey/Rick Smith, or successors)	10 business days
LEVEL 3	CEOs (Joe Nacchio/Rick Smith, or successors)	10 business days

LEVEL 4 Arbitration according to the provisions of the Parties' Interconnection Agreements and/or other agreements (to be expedited and completed within 90 days, upon request of one of the Parties)

LEVEL 5	CEOs (Joe Nacchio/Rick Smith, or successors)	10 business days

LEVEL 6 If a dispute is not resolved in Levels 1 through 5, either party may initiate litigation in federal or state court, with all questions of fact and law to be submitted for determination to the judge, not a jury. The parties agree that the exclusive venues for civil court actions initiated by Eschelon are the United States District Court for the District of Minnesota or a court of the State of Minnesota and the exclusive venues for civil court actions initiated by Qwest are the United States District Court for the Districts of Minnesota or Colorado or the courts of the State of Minnesota or Colorado. When a court issues a final order, no longer subject to appeal, the prevailing party shall be awarded reasonable attorneys' fees and expenses. In the event that either party files an action in court, the parties waive: (a) primary jurisdiction in any state utility or service commission; and (b) any tariff limitations on damages or other limitation on actual damages, to the extent that such damages are reasonably foreseeable and acknowledging each party's duty to mitigate damages.

If the parties agree with the terms set forth above, they will each execute a copy of this letter in the signature spaces provided on the last page. Upon signature of both parties, the parties will be bound by the terms set forth herein. This letter agreement may be executed in counterparts and by facsimile.

Trade Secret Data Ends]

Very truly yours,

Greg Casey
Executive Vice President
Wholesale Markets

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CONTAINS TRADE SECRET DATA

TERMS OF LETTER AGREEMENT ACCEPTED BY:

QWEST CORPORATION

[name]

SVP
[title]

11-15-00
[date]

Approved as to legal form

NOV 15 2000

ESCHELON TELECOM, INC.

[name]

[title]

[date]

NONPUBLIC DOCUMENT

CONTAINS TRADE SECRET DATA

TERMS OF LETTER AGREEMENT ACCEPTED BY:

QWEST CORPORATION

_____
[name]

_____
[title]

_____
[date]

ESCHELON TELECOM, INC.

_____
[name]

President-CEO
[title]

11/15/00
[date]

NONPUBLIC DOCUMENT

CONTAINS TRADE SECRET DATA

6. <u>Eschelon</u>
Daily Usage Information Letter from Qwest
dated 11/15/00

1801 California Street, 21st Floor
Denver, CO 80202

303.896.5335 fax

November 15, 2000

Qwest.

CONFIDENTIAL

VIA ELECTRONIC AND U.S. MAIL

Richard Smith
President and Chief Operating Officer
730 Second Ave South
Suite 1200
Minneapolis, MN 55402

Dear Rick:

[Trade Secret Data Begins

As we discussed last week, Qwest will provide Eschelon with the daily usage information necessary for you to bill the Interexchange Carrier (IXC) and other carriers switched access or other costs, as appropriate. In order to provide that information to you, the interim process for carrier access billing requires that Eschelon provide Qwest a daily working telephone number ("WTN") list for every month beginning October 1, 2000 and a WTN list that reflects the percentage of WTNs that are multi line business, Centrex, or ISDN/PRI, or other information as mutually agreed upon by Eschelon and Qwest. Until such time that Eschelon is able to provide PIC information to Qwest, Qwest can not credit IXC the PIC charge that would be required prior to Eschelon billing IXC the PIC charge.

Eschelon will provide Qwest with this information each month on a going forward basis until Qwest is able to provide a mechanized method for capturing this data. Qwest anticipates implementation of the mechanized method by 1Q/01. After such implementation, Eschelon will no longer provide WTN, PIC, and type of line (multi line business, Centrex, or ISDN/PRI) information.

Qwest will endeavor to provide Eschelon with high quality daily usage information. In addition to providing Eschelon with daily usage information, Qwest will provide you the necessary information and assistance to determine the accuracy and validity of disputed information related to switched access usage on Qwest's switches.

The interim process provides daily usage information delivered to Eschelon as indicated on the attached Category 11 access record format description, or other format mutually agreed upon by Eschelon and Qwest. The mechanized process will deliver daily usage information to Eschelon via the daily usage feed (DUF) file.

Qwest will bill Eschelon for its Platform lines and provide Eschelon the necessary information and assistance to determine the accuracy and validity of the billed charges. Platform billing requirements will be addressed as part of the Eschelon-Qwest Implementation Plan and will be addressed at the parties' quarterly meetings, or as necessary.

At your earliest convenience, please send the daily working telephone numbers list to me, in an electronic format, at jrixe@uswest.com. If you have any questions or require additional information, please don't hesitate to contact me.

Trade Secret Data Ends]

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CONTAINS TRADE SECRET DATA

USA

ncerely,

Heidi Pennington
for Judy Rixe

Judy Rixe

CC: Judy Tinkham Qwest
Jim Gallegos Qwest
Bill Markert, Eschelon
Jeff Oxley, Eschelon

NONPUBLIC DOCUMENT

CONTAINS TRADE SECRET DATA

7. Eschelon
Feature Letter for Qwest dated 11/15/00

1801 California Street, 21st Floor
Denver, CO 80202

303.896.5335 fax

CONFIDENTIAL

Qwest

November 15, 2000

VIA ELECTRONIC AND U.S. MAIL

Richard A. Smith
President & COO
Eschelon Telecom, Inc.
730 2nd Avenue South, Suite 1200
Minneapolis, MN 55402

Dear Rick:

[Trade Secret Data Begins

Attached is a copy of the features listed in the email I received yesterday from Bob Pickens. The attached features matrix includes the corresponding USOCs and pricing, where pricing has been filed and approved. We have been unable to locate a feature or USOC for "Permanent Line Blocking." You may be referring to Dial Lock, which is an AIN feature. If so, we will address that and any other AIN features of interest to Eschelon as part of the Implementation Plan and the quarterly meetings.

As indicated, to date, rates have not yet been established for all of the features. Until rates are filed and approved, features available with platform orders will be included in the flat based rate. After rates are filed and approved for such features, the established rate will apply to any features not listed in Attachment 3.2 to the Interconnection Agreement as being part of the flat rate. Additionally, Voice Messaging service, DSL service, Directory Assistance, and additional Listing service, will be billed at 100% retail rates when ordered with the platform.

Trade Secret Data Ends]

If you have any questions please contact me.

Sincerely,

Freddi Pennington

Freddi Pennington
Resale/UNE-P/PAL Group Manager
(303) 896-1049

Attachments: As stated

Cc: Arturo Ibarra, Laurie Korneffel, Audrey McKenney, Judy Rixe – Qwest
Jeff Oxley - Eschelon

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CONTAINS TRADE SECRET DATA

USA

[Trade Secret Data Begins

Eschelon Features
Pricing As of 11/14/00

Features	USOC	Type	AZ Phoenix	CO Denver	MN Minneapolis	OR Portland	WA Seattle
Business Complete a Call	DC5RC	DA	$ 0.3500	$	$ 0.3500	$ 0.3500	$
Call Reject	NSY	CLASS	$ 2 1880	$ 1.8345	$ 2.1728	$ 2.2239	$ 2.1552
Call Trace Blocking	HBG	CLASS					
Caller ID Number	NSD	CLASS	$ 0 0863	$ 0.0864	$ 0.0898	$ 0.0907	$ 0.0895
Caller ID Name and Number	NNK	CLASS	$ 0 3144	$ 0.3052	$ 0.3244	$ 0.3284	$ 0.3230
Caller ID Block Per Line	NKS	CLASS	$ 0.4377	$ 0.3932	$ 0.4424	$ 0.4505	$ 0.4396
Circular Hunt	HCKPG		$ 0.0642	$ 0.0685	$ 0.0661	$ 0.0661	$ 0.0661
Collect & Third Party Block	RTVXQ	Toll Block					
Complete a Call Block		DA					
Continuous Redial Blocking	HBQ	CLASS					
Continuous Redial	NSS	CLASS	$ 0.9562	$ 0 8244	$ 0.9563	$ 0.9767	$ 0.9492
Custom Ringing	RGG1A-RGG3C	CLASS	$ 0.0500	$ 0 0500	$ 0.0600	$ 0.0500	$ 0.0600
Deny 3-way Calling	3BL	Custom Calling					
Deny Continuous Redial	HBQ	CLASS					
Hunting	HTG	HUNTING	$ 0 0614	$ 0.0614	$ 0.0614	$ 0.0614	$ 0.0614
Last Call Return Block	HBS	CLASS					
Permanent Line Blocking	Unable to locate feature						
Series Completion Hunting	HSO	HUNTING	$ 0.0678	$ 0.0718	$ 0.0701	$ 0 0701	$ 0.0701
Voice Messaging Service							
Business Voice Messaging	BVMS	Enhanced	12 75	12 75	12.75	12 75	12.75
DSL Service							
Select DSL Service	HFB		19 95	19 95	19.95	19.95	19.95
Deluxe DSL Service	HFB		29.95	29 95	29.95	29 95	29.95

All rates are subject to change pending filing and approval by state commisions.

* Further discussion needed to better understand business requirement

Trade Secret Data Ends]

NONPUBLIC DOCUMENT

CONTAINS TRADE SECRET DAT.

8. <u>Eschelon</u>
Confidential Billing Settlement Agreement with Qwest dated 11/15/00

SUBJECT TO RULE OF EVIDENCE 408

CONFIDENTIAL BILLING SETTLEMENT AGREEMENT

This Confidential Billing Settlement Agreement ("Agreement"), is hereby entered into by Qwest Corporation ("Qwest") and Eschelon Telecom, Inc., and its subsidiaries, ("Eschelon") (hereinafter referred to as the "Parties" when referred to jointly) on this 15th day of November, 2000.

RECITALS

1. Qwest is an incumbent local exchange provider operating in the states of Arizona, Colorado, Idaho, Iowa, Minnesota, Montana, Nebraska, New Mexico, North Dakota, Oregon, South Dakota, Utah, Washington and Wyoming.

2. Eschelon is a competitive local exchange provider that operates in several states within Qwest's operating region.

3. Whereas both Qwest and Eschelon have entered into interconnection agreements pursuant to the federal Telecommunications Act of 1996 ("Act") under Sections 251 and 252 of that Act, and those agreements have been approved by the appropriate state commissions where those agreements were filed pursuant to the Act. Qwest and Eschelon operate under those agreements.

4. Disputes between the Parties have arisen regarding the provisioning of finished services through unbundled network elements ("UNEs"), and the provisioning of finished service through the UNE platform.

5. In an attempt to finally resolve those issues in dispute and to avoid delay and costly litigation, the Parties voluntarily enter into this Confidential Billing Settlement Agreement to resolve all disputes, claims and controversies between the Parties, as of the date of this Agreement that relate to the matters addressed herein, and Qwest releases Eschelon from any claims regarding the issues as described herein.

CONFIDENTIAL BILLING SETTLEMENT AGREEMENT

1. The Parties enter into this Agreement in consideration for the sum of money described below, and Qwest's release of Eschelon's conversion and termination fees associated with the changes to a new platform which is currently being created by the Parties. As part of the new platform, Qwest will provide elements in combination to Eschelon together with the call origination, call termination, call duration, and call type information to Eschelon.

2. Eschelon shall pay to Qwest an amount of $10,000,000.00 (ten million dollars) no later than November 17, 2000. This amount represents the charges which Qwest claims Eschelon owes it for conversion from resale to unbundled network elements, and for termination liability associated with existing contracts.

3. For valuable consideration mentioned above, the receipt and sufficiency of which are hereby acknowledged, Qwest does hereby release and forever discharge Eschelon and its associates, owners, stockholders, predecessors, successors, agents, directors, officers, partners, employees, representatives, employees of affiliates, employees of parents, employees of subsidiaries, affiliates, parents, subsidiaries, insurance carriers, bonding companies and attorneys, from any and all manner of action or actions, causes or causes of action, in law, under statute, or in equity, suits, appeals, petitions, debts, liens, contracts, agreements, promises, liabilities, claims, affirmative defenses, offsets, demands, damages, losses, costs, claims for restitution, and expenses, of any nature whatsoever, fixed or contingent, known or unknown, past and present asserted or that could have been asserted or could be asserted in any way relating to or arising out of the disputes/matters addressed herein, including all disputes related to the UNE platform and switched access.

4. The terms and conditions contained in this Confidential Billing Settlement Agreement shall inure to the benefit of, and be binding upon, the respective successors, affiliates and assigns of the Parties.

5. Qwest hereby covenants and warrants that it has not assigned or transferred to any person any claim, or portion of any claims which is released or discharged by this Confidential Billing Settlement Agreement.

6. The Parties agree that they will keep the substance of the negotiations and/or conditions of the settlement and the terms or substance of the Confidential Billing Settlement Agreement strictly confidential. The Parties further agree that they will not communicate (orally or in writing) or in any way disclose the substance of the negotiations and/or conditions of the settlement and the terms or substance of this Agreement to any person, judicial or administrate agency or body, business, entity or association or anyone else for any reason whatsoever, without the prior express written consent of the other Party unless compelled to do so by law or unless Eschelon pursues an initial public offering, and then only to the extent that, disclosure by Eschelon is necessary to comply with the requirements of the Securities Act of 1933 or the Securities Exchange Act of 1934. In the event Eschelon pursues an initial public offering, it will: (1) first notify Qwest of any obligation to disclose some or all of this Confidential Agreement; (2) provide Qwest with an opportunity to review and comment on Eschelon's proposed disclosure of some or all of this Confidential Agreement; and (3) apply for confidential treatment of the Confidential Agreement. It is expressly agreed that this confidentiality provision is an

essential element of this Confidential Billing Settlement Agreement and negotiations, and all matters related to these matters, shall be subject to Rule 408 of the Rules of Evidence, at the federal and state level.

7. In the event either Party initiates arbitration or litigation regarding the terms of this agreement or has a legal obligation which requires disclosure of the terms and conditions of this Confidential Billing Settlement Agreement, the Party having the obligation shall immediately notify the other Party in writing of the nature, scope and source of such obligation so as to enable the other Party, at its option, to take such action as may be legally permissible so as to protect the confidentiality provided in this Agreement.

8. This Confidential Billing Settlement Agreement constitutes an agreement between the Parties and can only be changed in a writing or writings executed by both Parties. Each of the Parties forever waives all right to assert that this Confidential Billing Settlement Agreement was the result of a mistake in law or in fact.

9. This Confidential Billing Settlement Agreement shall be interpreted and construed in accordance with the laws of the State of Minnesota, and shall not be interpreted in favor or against any Party to this Agreement.

10. The Parties have entered into this Confidential Billing Settlement Agreement after conferring with legal counsel.

11. In the event that any material provision of this Confidential Billing Settlement Agreement should be declared to be unenforceable by any administrative agency or court of law, either Party may initiate an arbitration under the provisions of paragraph 12 below within 90 days of such declaration, to determine the impact of such declaration on the remainder of this Confidential Billing Settlement Agreement. The arbitrator shall have the authority to determine the materiality of the provision and any appropriate remedies, including voiding the agreement in its entirety. If neither Party initiates such an arbitration within 90 days, the remainder of the Confidential Billing Settlement Agreement shall remain in full force and effect, and shall be binding upon the Parties hereto as if the invalidated provisions were not part of this Confidential Billing Settlement Agreement.

12. Any claim, controversy or dispute between the Parties in connection with this Confidential Billing Settlement Agreement shall be resolved by private and confidential arbitration conducted by a single arbitrator engaged in the practice of law under the then current rules of the American Arbitration Association. The arbitration shall be conducted in Minneapolis, Minnesota. Each party shall have the right to seek from a court of appropriate jurisdiction equitable or provisional remedies (such as temporary restraining orders, temporary injunctions, and the like) before arbitration proceedings have been commenced

and an arbitrator has been selected. Once an arbitrator has been selected and the arbitration proceedings are continuing, thereafter the sole jurisdiction with respect to equitable or provisional remedies shall be remanded to the arbitrator. Any arbitrator shall be a retired judge or an attorney who has been licensed to practice for at least ten (10) years and is currently licensed to practice in the state of Minnesota. The arbitrator shall be selected by the parties within fifteen (15) business days after a request for arbitration has been made by one of the parties hereto. If the parties are unable to agree among themselves, the parties shall ask for a panel of arbitrators to be selected by the American Arbitration Association. If the parties are unable to select a sole arbitrator from the panel supplied by the American Arbitration Association within ten (10) business days after such submission, the American Arbitration Association shall select the sole arbitrator. The Federal Arbitration Act, 9 U.S.C §§ 1-16, not state law, shall govern the arbitratibility of all disputes. The arbitrator shall have the authority to determine breach of this Agreement and award appropriate damages, but the arbitrator shall not have authority to award punitive damages. The arbitrator's decision shall be final and binding and may be entered in any court having jurisdiction thereof. Each Party shall bear its own costs and attorneys' fees and shall share equally in the fees and expenses of the arbitrator except that the arbitrator shall have the discretion to award reasonable attorneys' fees and costs in favor of a Party if, in the opinion of the arbitrator, the dispute arose because the other Party was not acting in good faith.

13. The Parties acknowledge and agree that they have a legitimate billing dispute about the issues described in this Confidential Billing Settlement Agreement and that the resolution reached in this Agreement represents a compromise of the Parties' positions. Therefore, the Parties agree that resolution of the issues contained in this Agreement cannot be used against the other Party, including but not limited to admissions.

14. This Confidential Billing Settlement Agreement may be executed in counterparts and by facsimile.

IN WITNESS THEREOF, the Parties have caused this Confidential Billing Settlement Agreement to be executed as of this 15th day of November 2000.

Eschelon Telecom, Inc.	Qwest Corporation
By:	By:
Title: President - COO	Title:
Date: 11/15/00	Date:

IN WITNESS THEREOF, the Parties have caused this Confidential Billing Settlement Agreement to be executed as of this 15th day of November 2000.

Eschelon Telecom, Inc.	Qwest Corporation
By: _____	By: _____
Title: _____	Title: EVP
Date: _____	Date: 11-15-00

Approved as to legal form

NOV 15 2000

9. <u>Eschelon</u>

Status of Switched Access Minute Reporting Letter from Qwest dated 07/03/01

ride the light

Qwest.

Qwest
1801 California Street, Suite 2350
Denver, Colorado 80202
Phone 303-896-5851
Facsimile 303-896-7473

Audrey McKenney
Senior Vice President
Wholesale Markets Business Development

CONFIDENTIAL AND PRIVILEGED
SUBJECT TO RULE OF EVIDENCE 408

July 3, 2001

Richard A. Smith
President and Chief Operating Officer
Eschelon Telecom, Inc.
730 Second Avenue South
Suite 1200
Minneapolis, MN 55402

Re: Status of Switched Access Minute Reporting

Dear Rick:

[Trade Secret Data Begins

Over time, Eschelon has added switches in additional markets and has started to move away from resale to Unbundled Network Element Platform ("UNE-P") for customers not served by those switches. In the course of adding switches and increasing the number of its customers served by those switches in multiple states within Qwest's region, Eschelon has noted a discrepancy between the access minutes recorded for Eschelon customers served by Eschelon's switches (Eschelon's On-Net customers) and the access minutes reported to Eschelon by Qwest for Eschelon UNE-P customers served by Qwest's switches (Eschelon's Off-Net customers). Although Qwest believes that it has accurately recorded switched access minutes, we have agreed to work with Eschelon to verify the accuracy of such records and to determine the reasons why the parties' systems are reporting a different number of switched access minutes. Factors that could potentially be causing the discrepancy include, among other factors, different usage characteristics of Eschelon's On-Net and Off-Net customers, recording and reporting differences between Eschelon's and Qwest's switches, inaccurate reporting by Eschelon to Qwest of Eschelon's Off-Net WTNs, and under reporting of Off-Net access minutes by Qwest.

Eschelon, Inc. has asserted that the tapes which Qwest Corporation provides to Eschelon recording switched access minutes going on the ports of its platform services are lower than the minutes that Eschelon is experiencing based on minutes going through Eschelon's switch. Based on Eschelon's concern, and

Qwest's desire to ensure that its recordings are accurate, Qwest has agreed to perform an audit with Eschelon.

Since November 2000, as an interim measure, Qwest has been paying Eschelon each month an Interim Amount, which is the difference between thirteen dollars ($13) per line per month and the amount that Eschelon was able to bill IXCs for switched access, per line, based upon the switched access minutes reported to Eschelon by Qwest. Eschelon has devoted substantial internal and external resources to switched access issues, including resources associated with the audit, traffic studies, and hiring of personnel with expertise in access issues. In consideration for this, as of January 1, 2001 and continuing until Qwest and Eschelon agree to do otherwise, Qwest will increase the Interim Amount to the difference between $16 per line per month and the amount that Eschelon is able to bill IXCs for switched access, based upon the switched access minutes reported to Eschelon by Qwest.

In order to determine whether Qwest's reporting of access minutes has been correct, the parties are undertaking a joint analysis, including an audit of the switched access minutes reported by Qwest and Eschelon (the "Audit"). The Audit will proceed in accordance with the scope of work previously agreed to by the parties. Once the Audit is completed, the parties have agreed to true up the difference between $13 per line and the actual amount that Eschelon should have been able to bill to its carrier customers as calculated above (less any amount that Eschelon is able to backbill to its carrier customers) based on its tariffed rate.

Eschelon has also noted an issue relating to access records for Qwest's intraLATA toll traffic terminating to customers served by an Eschelon switch. The ongoing analysis and resources expended by Eschelon and Qwest will also address this issue. As of June 1, 2001, until the Parties agree that the issue is resolved, Qwest will pay Eschelon $2.00 per line per month for such traffic.

Using the results of the Audit, the parties will also negotiate the terms and conditions of any subsequent analysis or procedures to be followed, and for resolution of future discrepancies between the switched access minutes indicated by Qwest and the minutes recorded or believed to be accurate by Eschelon.

Qwest and Eschelon want to avoid complaints and find business solutions to their problems. In working on service issues, while the audit is occurring and depending upon the results of the audit and the negotiations, Eschelon agrees that it will not seek payment of sums due from Qwest to Eschelon, if any, related to the Direct Measures of Quality ("DMOQs") in Minnesota pursuant to the Stipulation and Agreement entered into by the Parties on February 29, 2000. The Parties will meet upon the findings of the audit and will determine whether the DMOQs are appropriate at that time.

We look forward to working with Eschelon and completing the audit process.[1]

Trade Secret Data Ends]

Sincerely,

Audrey McKenney

Audrey McKenney

[Trade Secret Data Begins

[1] Notwithstanding anything herein to the contrary, we also acknowledge that both parties may rely upon, and make use of the contents of this letter as accurately setting forth the matters agreed upon. **Trade Secret Data Ends]**

10. Eschelon
Implementation Plan with Qwest dated 7/31/01

ride the light
Qwest.

eschelon
telecom, inc.

QWEST/ESCHELON
IMPLEMENTATION PLAN

[Trade Secret Data Begins

1. IMPLEMENTATION PLAN OVERVIEW AND OBJECTIVES

1.1. Eschelon Telecom, Inc., and its subsidiaries, ("Eschelon") and Qwest Corporation ("Qwest") (collectively, the "Parties") have agreed to develop an Implementation Plan ("Implementation Plan") to document and establish processes and procedures to mutually improve Qwest's and Eschelon's business relations.

1.2. The objective of the Implementation Plan is to give structure as to how Qwest and Eschelon will work as business partners to arrive at mutually satisfying business solutions and settlements.

2. RESOLUTION OF BUSINESS ISSUES

2.1. Qwest has established a service account team for Eschelon. Other organizations within Qwest also interact directly with Eschelon personnel. Each functional area has specific functional support responsibilities. (See, for example, Attachment 1).

2.1.1. The Qwest Service Management team will hold weekly meetings with Eschelon to identify and resolve service-related issues.

2.1.2. As desired, the Qwest Service Management team will continue to facilitate other meetings with subject matter experts within Qwest to address Eschelon's service-related issues.

2.1.3 Qwest will provide Eschelon policy and process change information electronically through the use of a centrally maintained database. Detailed Eschelon-specific information will be provided to Eschelon through the Service Management Account Team.

2.2. Qwest has provided Eschelon with an escalation chart and process to follow (Attachment 2) in identifying the names and telephone numbers of the persons at Qwest (or their successors) that Eschelon may contact to escalate service-related issues. Qwest and Eschelon may agree to revise the escalation chart and process from time to time, provided the level of support to Eschelon is not decreased.

2.3. Each quarter until December 31, 2005, or as otherwise agreed by the Parties, Dana Filip and/or her designee or successor and Rick Smith and/or his designee or successor agree to meet together (via telephone, live conference or otherwise) to review the status of Eschelon's service-related issues.

2.5 The Parties agree to attend and participate in quarterly executive meetings. The purpose of these meetings will be to address, discuss, and attempt to resolve unresolved business issues, anticipated business issues, and issues related to the Parties' interconnection agreements, Implementation Plan, and other agreements. The meetings will be attended by executives from both companies at the vice-president level or above. The parties may agree to meet less frequently.

3. TREATMENT OF LOCAL USAGE ASSOCIATED WITH UNE-P SWITCHING FOR ESCHELON'S TOLL TRAFFIC.

3.1 The Parties have agreed that Qwest will calculate local usage charges associated with Unbundled Network Element Platform ("UNE-P") switching on Eschelon's interLATA and intraLATA toll traffic, and Eschelon will pay undisputed amounts within 30 days from Eschelon's receipt of the monthly invoice from Qwest. (*See* Attachment 3.2, ¶III(B) of Interconnection Agreement Amendment Terms, Nov. 15, 2000). Qwest will calculate local usage charges in accordance with the procedures set forth on Attachment 3 to this Implementation Plan.

4. SERVICE MANAGEMENT AND METRICS

Eschelon has alleged that Qwest has failed at times to promptly provide services. In order to ascertain Qwest's service levels, the parties have agreed to the following:

4.1. Qwest and Eschelon will track and report performance measurements designed to monitor Qwest's levels of service.

4.2 Representatives from Qwest and Eschelon will hold monthly working meetings to review and discuss the measurements. Quarterly executive level meetings will also be held to review results, performance trends, and set service improvement priorities.

4.3 A jointly developed action plan will be created, implemented and reviewed at the monthly meetings to facilitate the service excellence expected by both Parties.

5. COORDINATION REGARDING COMMON ISSUES

5.1 Appropriate representatives of Eschelon and Qwest will meet and confer as needed to communicate and to minimize conflicts which arise between the Parties. Further, the Parties will work with each other as issues of dispute and conflict arise and will seek in good faith to obtain resolution of those issues.

6. INTRALATA TOLL

6.1 Eschelon and Qwest agree to negotiate in good faith to obtain an agreement, by September 1, 2001, regarding terms and conditions relating to Qwest's end-user customers who choose Qwest as their retail intraLATA toll carrier.

7. MODIFICATION AND TERM OF IMPLEMENTATION PLAN

7.1 This Implementation Plan is subject to modification as mutually agreed upon, in writing, by the Parties whose signatures are included on this agreement or their designated representatives.

7.2 This Plan becomes effective and will remain in effect until December 31, 2005, unless otherwise mutually terminated or extended by the Parties in writing.

8. COORDINATION FOR CONVERSIONS

Qwest has undertaken certain enhancements to the UNE-P and is in the process of implementing such enhancements. Qwest agrees to take commercially reasonable efforts to ensure that service provided to Eschelon's end-user customers is not adversely affected during the conversion to UNE-P. Qwest will provide notice to Eschelon before changes relating to the conversion are made, plan the conversion jointly with Eschelon, and use a phased approach to converting customers over time on an agreed upon schedule.

Trade Secret Data End

QWEST/ESCHELON IMPLEMENTATION PLAN TERMS ACCEPTED BY:

Eschelon Telecom, Inc.	Qwest Corporation
Signature	Signature
Richard A Smith	Audrey McKenney
Name Printed/Typed	Name Printed/Typed
President and COO	SVP - Wholesale Mkt
Title	Title
July 31, 2001	July 31, 2001
Date	Date

NONPUBLIC DOCUMENT

CONTAINS TRADE SECRET DATA

ATTACHMENT 1

Business Issue Resolution Categories

Qwest. ride the light

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Service Center

- Pre-order inquiry
- Order status
- Critical date management
- Order expedites [less than standard interval requests]
- Tier 1 and 2 order escalation
- Delayed order management
- CNR [customer-not-ready] notification and management
- Order writing process
- Order flow process
- Center operational issues [i.e., lack of response, service order quality and timeliness issues]
- System availability

Service Management

- Proactive management of service
- Tier 3 and 4 order escalation [i.e., failure of center to accelerate critical dates to satisfaction of customer]
- Interface on major outages [i.e., switch failures, natural disasters]
- Service performance reporting
- Action planning with appropriate internal organizations on service performance differences
- Lead meetings on resolving priority service and business issues [PSBI]
- Document progress of PSBI team and escalate issues as necessary
- Gather trends in service quality and timeliness and conduct post mortems/root cause analysis
- Manage interconnection agreements and subsequent amendments
- Answer product questions and facilitate modification requests
- Serve as customer liaison with Project management, Sales, Service Center, and all other internal organizations

Sales

- Account status and growth opportunities
- Coordinate forecasting with project management
- New product introduction and use
- Lead meetings on account sta and growth
- Funding and costing inquiry

The center structure is as follows:
Service Delivery Coordinators
Customer Service Managers
Sr Customer Service Manager
Sr Director
Vice President

Performance related issues regarding the responsibilities within the Service Center should be handled by the appropriate level in this structure.

The Service Management structure is as follows:
Service Manager
Sr Service Manager
Director - Customer Service
Sr Director - Customer Service
Vice President
Sr Vice President

Performance related issues regarding the responsibilities within Service Management should be handled by the appropriate level in this structure.

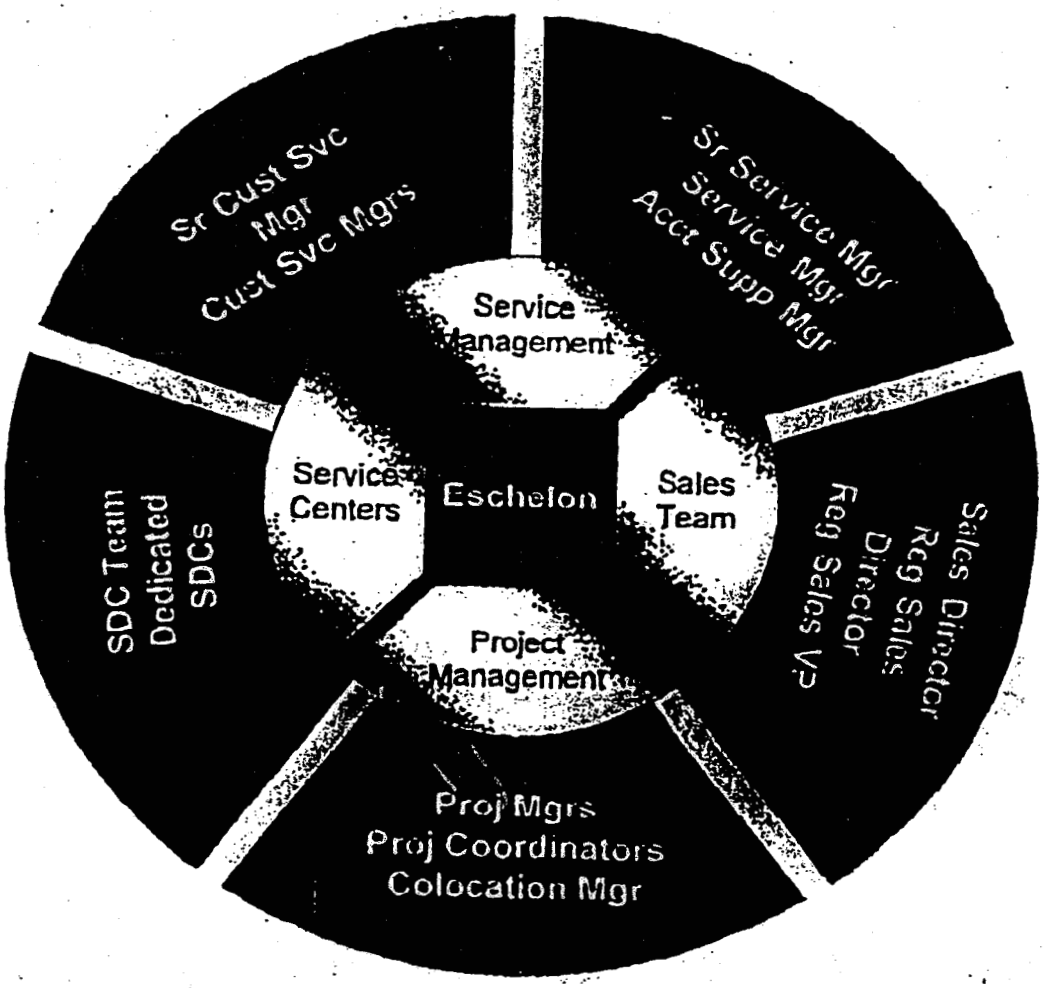
The Sales Management structure is as follows:
Sales Director
Regional Sales Director
Regional VP Sales
Sr VP Sales

Performance related issues regarding the responsibilities within Sales Management should be handled by the appropriate level in this structure.

NONPUBLIC DOCUMENT

CONTAINS TRADE SECRET DATA

Attachment 1



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CONTAINS TRADE SECRET DATA

Qwest

Attachment 2

Eschelon
Escalation Tier Contact Information

Tier	Contacts	Functions
[Trade Secret Data Begins	**Des Moines Service Center**	
0	N/A	
1	Private Line 800-246-1271 LIS 800-537-0002 Delayed Orders 800-340-9629	• Handle Customer Calls • ASR Order Status • Queries on Completion Dates • Questions on Due Dates • FOC questions/Resends of FOC's • Assisting with ASR prep • Answer Questions on Rejects/Delayed Orders. • Manage Critical Dates, Due Date Changes, VP Expedites, Out of Service Conditions, Feature Discrepancies, Delays at Test and Turn up and General Delayed Order Questions • Timely Customer updates, meet call back commitments
2	All Products 515-286-4067 Duty Pager 800-759-8888 Pin 829-3082 Duty pager is covered during and after center hours	• Respond to missed commitments from TIER 1 • Assist TIER 1 with unresolved Customer issues • Resolve issues with other departments • Document details in appropriate databases • Timely Customer updates, meet call back commitments • If further escalation is necessary, a commitment is made for a call back from next level
3	Service Manager Pat Levene 612-663-6265	• Receive escalations on a variety of service order related issues from Service Delivery Coordinators (SDC) and/or directly from the customer • Respond to missed commitments or

		calls for assistance from TIER 2 • Evaluate and Manage special circumstances requiring VP expedites • Resolve issues with other departments • Timely Customer updates, meet call back commitments • Document details in the appropriate databases • If further escalation is necessary, a commitment is made for a call back from next level
4 5 6 7	Senior Service Manager Steve Sheahan 612-663-7527 Director Joan Masztaler 303-896-8331 Sr Director Toni Dubuque 612-288-3831 Vice President Christie Doherty 303-896-0848	Tier 4, 5, 6,7 would become involved in a service order escalation: • Major network outage • After normal process of tiered escalations failed to resolve the issue to the customer's satisfaction It is the role and responsibility of each level to support the decision of the previous level unless another alternative that has not been investigated presents itself. If the resolution of the issue is not possible or implementation of the order can not be accelerated for whatever reason, a clear and complete explanation of the circumstances is necessary so that the customer can respond to the end user with authority.

NONPUBLIC DOCUMENT

CONTAINS TRADE SECRET DATA

Qwest

Attachment 2

Eschelon
Escalation Tier Contact Information

Tier	Contacts	Functions
	Minneapolis Service Center	
0	N/A	
1	Centrex 800-279-8806 Complex Resale 800-636-8746 Delayed Orders 888-796-9087	• Handle Customer Calls • LSR Order Status • Queries on Completion Dates • Questions on Due Dates • FOC questions/Resends of FOC's • Assisting with LSR prep • Answer Questions on Rejects/Delayed Orders. • Manage Critical Dates, Due Date Changes, VP Expedites, Out of Service Conditions, Feature Discrepancies, Delays at Test and Turn up and General Delayed Order Questions • Timely Customer updates, meet call back commitments
2	All Products 800-366-9974 Duty Pager 612-622-3624 Delayed Orders 303-787-6503 Duty Pager 800-946-4646 Pin 141-4422 Duty pager is covered during and after center hours	• Respond to missed commitments from TIER 1 • Assist TIER 1 with unresolved Customer issues • Resolve issues with other departments • Document details in appropriate databases • Timely Customer updates; meet call back commitments • If further escalation is necessary, a commitment is made for a call back from next level
3	Service Manager	• Receive escalations on a variety of service order related issues from

	Pat Levene 612-663-6265	Service Delivery Coordinators (SDC) and/or directly from the customer • Respond to missed commitments or calls for assistance from TIER 2 • Evaluate and Manage special circumstances requiring VP expedites • Resolve issues with other departments • Timely Customer updates, meet call back commitments • Document details in the appropriate databases • If further escalation is necessary, a commitment is made for a call back from next level
4 5 6 7	Senior Service Manager Steve Sheahan 612-663-7527 Director Joan Masztaler 303-896-8331 Sr Director Toni Dubuque 612-288-3831 Vice President Christie Doherty 303-896-0848	Tier 4, 5, 6,7 would become involved in a service order escalation: • Major network outage • After normal process of tiered escalations failed to resolve the issue to the customer's satisfaction It is the role and responsibility of each level to support the decision of the previous level unless another alternative that has not been investigated presents itself. If the resolution of the issue is not possible or implementation of the order can not be accelerated for whatever reason, a clear and complete explanation of the circumstances is necessary so that the customer can respond to the end user with authority.

Qwest. 2

Attachment 2

Eschelon
Escalation Tier Contact Information

Tier	Contacts	Functions
	Denver Service Center	
0	Call Center 888-796-9087	• Handle Customer Calls • LSR/Order Status • Queries on Completion Dates • FOC questions/Resends of FOC's • Assisting with LSR prep • Answer questions on Rejects/Delayed orders • Document details in appropriate databases
1	Warm transfer from the call center as appropriate	• Receive warm transfer from Call Center using ticketing process • Resolve missed FOC intervals • Manage Critical Dates, Due Date Changes, VP Expedites, Out of Service Conditions, Feature Discrepancies, Delays at Test and Turn up and General Delayed Order Questions • Timely Customer updates, meet call back commitments • Resolve issues with other departments • Document details in appropriate databases
2	Duty Pager 303-201-4939 [during Center hours] 800-423-3641 [after Center hours] Delayed Orders 303-787-6503 Duty Pager 800-946-4646 Pin 141-4422 Duty pager is covered during and after Center	• Respond to missed commitments from TIER 1 • Assist TIER 1 with unresolved Customer issues • Resolve issues with other departments • Document details in appropriate databases • Timely Customer updates, meet call back commitments • If further escalation is necessary, a commitment is made for a call back from next level

	hours	
3	Service Manager Pat Levene 612-663-6265	• Receive escalations on a variety of service order related issues from Service Delivery Coordinators (SDC) and/or directly from the customer • Respond to missed commitments or calls for assistance from TIER 2 • Evaluate and Manage special circumstances requiring VP expedites • Resolve issues with other departments • Timely Customer updates, meet call back commitments • Document details in the appropriate databases • If further escalation is necessary, a commitment is made for a call back from next level
4 5 6 7	Senior Service Manager Steve Sheahan 612-612-663-7527 Director Joan Masztaler 303-896-8331 Sr Director Toni Dubuque 612-288-3831 Vice President Christie Doherty 303-896-0848	Tier 4, 5, 6,7 would become involved in a service order escalation: • Major network outage • After normal process of tiered escalations failed to resolve the issue to the customer's satisfaction It is the role and responsibility of each level to support the decision of the previous level unless another alternative that has not been investigated presents itself. If the resolution of the issue is not possible or implementation of the order can not be accelerated for whatever reason, a clear and complete explanation of the circumstances is necessary so that the customer can respond to the end user with authority.

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CONTAINS TRADE SECRET DATA

Omaha Service Center

New Coordinated Install Group	800 486-3986
Exsisting Hot Cut Group	800 697-0772
IPG (Integrated Pair Gain) Group	888 286-1666
Warranty Group (Technician Testers)	888 304-5777
Toll Free Fax	888 307-3999
Emergency QCCC Pager	888 274-4069
Team Leader Dana Frenking	402 591-6026 Pager 888 827-2717
Director James Mackie	402 591-5600 Pager 888 243-2906
VP Scott Simanson	303 703-2100 Pager 877 616-5044

ACCOUNT MAINTENANCE SUPPORT CENTER (AMSC) Call Center
CREATE/STATUS/ESCALATIONS LIST 5-1-01

Tier		Non-Design Services	Designed Services	Info To Provide
		Type of Service CNTX, LNP	**Type of Service:** HI-CAP (DSI,DS3) DSO Type 2 Trunking	
1	**Qwest AMSC Initial Trouble Report**	800-223-7881	800-223-7881	Non Design Telephone Number Designed Services Circuit ID,CLLI Code, 2/6 code or Trunk Group #
2	Status	800-223-7881	800-223-7881	Non Design Telephone Number Designed Services Qwest Ticket Number
3	Escalations ***Note: The appropriate Escalation Manager's Name & Number will be provided after the Designed Test Center is contacted***	800-223-7881	800-223-7881	**Non Design** Telephone Number **Designed Services** Qwest Ticket Number

NONPUBLIC DOCUMENT

CONTAINS TRADE SECRET DATA

4	**AMSC Call Center On-Call Duty Manager (On-Call duty 7x24 rotates, please call center to have appropriate Manager contacted.)**	800-223-7881	800-223-7881	**Non Design** Telephone Number **Designed Services** Qwest Ticket Number
5	**AMSC Team Leader**	Nina Gable 719-444-9900	Nina Gable 719-444-9900	**Non Design** Telephone Number **Designed Services** Qwest Ticket Number
6	AMSC Director	Sheila Thompson 208-385-8783	Sheila Thompson 208-385-8783	**Non Design** Telephone Number **Designed Services** Qwest Ticket Number
7	AMSC VP Manager	Rob Williams 303-308-7380	Rob Williams 303-308-7380	**Non Design** Telephone Number **Designed Services** Qwest Ticket Number
	911 Trunks	800-357-0911	911 Trunks	Circuit ID or 2/6 Code
	Resold 1FR & 1FB - POTS	800-405-0083	1FR & 1FB	Telephone Number

Trade Secret Data Ends]

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ATTACHMENT 3

[Trade Secret Data Begins

Qwest will calculate local usage charges associated with UNE-P switching on Eschelon's interLATA and intraLATA toll traffic as follows:

1. Qwest will utilize the Originating and Terminating long distance minutes of use on Eschelon's UNE-P lines monthly as reported in the switched access minutes of use provided to Eschelon by Qwest. Qwest will identify the usage by state, so appropriate state rates can be applied to each minute of usage.

2. Qwest's invoice will show the rates used to calculate the usage charges. The rate elements applicable to this traffic are local switching ("LS") and shared transport ("ST") as set forth in the Interconnection Agreements between the Parties (not access tariffs). Charges will reflect any rate reductions subsequently made by Qwest either voluntarily or upon regulatory or court order. If there are such reductions after the effective date of this Amendment, Qwest will use any such new rates in the monthly calculation when the rates become effective.

3. Routing of traffic will determine the appropriate rates to apply to each minute. Certain assumptions will be made as to the percent of traffic originating and terminating from a tandem versus traffic routed directly to and from end offices (e.g., Direct End Office Trunking, "DEOT"). The calculations for each revenue stream to Qwest are as follows:

a. Total Originating Local Switching Revenue is equal to Revenue from End Office Routed Traffic plus Revenue from Tandem Routed Traffic (i + ii = Total Originating Local Switching Revenue)

i. Revenue from End Office Routed Traffic is:–

% DEOT Routed Originating Minutes of Use ("MOUs") x Originating MOUs x LS rate element

ii. Revenue from Tandem Routed Traffic is:

[(1 - % DEOT Routed Originating Traffic) x Originating MOUs x LS rate element] + [(1 - % DEOT Routed Originating Traffic) x Originating MOUs x ST rate element]

b. Total Terminating Local Switching Revenue is equal to Revenue from End Office Routed Traffic plus Revenue from Tandem Routed Traffic.

i. Revenue from End Office Routed Traffic is:

% DEOT Routed Terminating MOUs x Terminating MOUs X LS rate element

ii. Revenue from Tandem Routed Traffic is:

[(1 - % DEOT Routed Terminating Traffic) x Terminating MOUs x LS rate element] + [(1 - % DEOT Routed Terminating Traffic) x Terminating MOUs x ST rate element]

c. Total Local Switching Revenue = (a) Originating Revenue + (b) Terminating Revenue

4. As reflected in the above calculation, the LS rate is applied to all traffic, while the ST rates are only applied to traffic that is routed through an access tandem.

5. The following weighting factors for DEOT and Tandem traffic will be used until the Parties agree to new weighting factors or actual weightings can be obtained.

a. Originating:

i. DEOT Routed: AZ (59.5%); CO (60.0%); MN (47.5%); OR (57.0%); UT (58.5%); WA (58.0%)

ii. Tandem Routed: AZ (41.5%); CO (40.0%); MN (52.5%); OR (43.0%); UT (41.5%); WA (42.0%)

b. Terminating:

i. DEOT Routed: AZ (57.5%); CO (55.5%); MN (50.0%); OR (54.0%); UT (53.5%); WA (54.5%)

ii. Tandem Routed: AZ (42.5%); CO (44.5%); MN (50.0%); OR (46.0%); UT (46.5%); WA (45.5%)

If actual weightings can be obtained, actual weightings will be used.

6. In the event that usage, routing, or network configuration patterns change, the Parties agree to negotiate any material changes to the assumptions in the above calculation.

Trade Secret Data Ends]

11. McLeod
Confidential Settlement Document with US WEST
dated 4/25/00

U S WEST, Inc.
[illegible] California Street, Suite 3200
Denver, Colorado 80202
[illegible] (phone)
[illegible] (fax)
E-mail: [illegible]

John A. Kelly
President
[illegible]

April 25, 2000

CONFIDENTIAL SETTLEMENT DOCUMENT
THIS LETTER IS WRITTEN PURSUANT TO,
AND IS PROTECTED BY, RULE OF EVIDENCE 408
AND THE NONDISCLOSURE AGREEMENT

VIA FACSIMILE

Blake Fisher
Group V.P. & Chief Planning Dev. Officer
McLeodUSA
6400 C Street SW
Post Office Box 3177
Cedar Rapids, Iowa 52506 3177

Re: U S WEST/QWEST MERGER: settlement agreement

[Trade Secret Data Begins

Dear Blake:

This letter documents the proposed settlement terms discussed by the parties over the last several days. All of the terms of settlement documented in this letter are expressly contingent upon: (1) by no later than Tuesday, April 25, 2000, both parties' acceptance of the terms of this confidential settlement agreement, which acceptance will be documented below by the signature of authorized representatives from U S WEST and McLeodUSA; (2) by no later than Tuesday, April 25, 2000, McLeodUSA's withdrawal, in writing, of its opposition to the U S WEST/QWEST merger in Minnesota, and McLeodUSA's withdrawal, in writing, from the merger dockets in all other states on the following schedule: Arizona by the end of business on Wednesday, April 26, 2000, Washington by the end of business on Thursday, April 27, 2000, and Montana, Utah and Wyoming by the end of business on Friday, April 28, 2000. In addition to the foregoing, McLeodUSA agrees to withdraw from ~~all~~ regulatory proceedings related to the divestiture of Qwest business activity to Touch America, Inc. McLeodUSA further agrees to coordinate its withdrawal activities with Qwest and U S WEST; (3) at the hearing to be held April 25, 2000 before the Minnesota Commission, McLeodUSA will affirmatively support U S WEST's Motion for Reconsideration and will recommend merger approval; and (4) closure of the merger between U S WEST and QWEST, except for the payment of cash to McLeodUSA for the nonblocked Centrex service issue and subscriber list information disputes, the bill and keep arrangement and the good faith

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negotiations described below, all of which are tied to McLeodUSA's withdrawal from the merger dockets.

1. In consideration for McLeodUSA's withdrawal from the merger dockets, and within five (5) business days after McLeodUSA has withdrawn its opposition to the merger in all states and dismissed its pending FCC complaint regarding subscriber list information charges, U S WEST agrees to pay McLeodUSA $6 million to resolve the nonblocked Centrex service and subscriber list information billing disputes. The form of payment will consist of bill credits (if payment has not been made) or cash payments to McLeodUSA. This billing settlement will be documented in, and subject to, a confidential billing agreement between the parties—the form of which the parties agree to negotiate and execute by no later than Thursday, April 27, 2000, which is a condition to withdrawals in Washington, Wyoming, Utah, and Montana. Effective upon merger closure and subject to the additional terms described below, U S WEST and McLeodUSA agree to a $25.5 million billing dispute settlement to resolve miscellaneous disputes. The form of billing settlement will consist of a cash payment to McLeodUSA, payable within five (5) business days following merger closure.

a. NONBLOCKED CENTREX SERVICE: Subject to McLeodUSA's withdrawal from the merger dockets, McLeodUSA and U S WEST agree that upon payment to McLeodUSA of the $6 million described above, all disputed amounts through March 31, 2000 have been fully resolved. In addition, the parties agree to split the unbilled balances in Iowa at the tiered rate. Effective immediately, for Centrex service charges incurred on a going-forward basis, the parties will continue to negotiate, in good faith, a business-to-business resolution. These settlement terms will be documented in, and subject to, a confidential billing agreement between the parties.

b. SUBSCRIBER LIST INFORMATION CHARGES: Subject to McLeodUSA's withdrawal from the merger dockets, U S WEST and McLeodUSA agree that upon payment of the $6 million described above, all disputed amounts incurred through March 31, 2000 have been fully resolved. McLeodUSA agrees to immediately dismiss its pending FCC complaint regarding subscriber list information charges. Effective immediately, on a going-forward basis, McLeodUSA will agree to pay the $.04/$.06 rates for subscriber list information or such other final rates as may be established by any cost docket proceedings or rates the parties may negotiate, in good faith, on a business-to-business basis. Both parties reserve the right to participate fully in future rate determination proceedings. These settlement terms will be documented in, and subject to, a confidential billing agreement between the parties.

c. COMPENSATION FOR TRAFFIC EXCHANGE: Upon payment to McLeodUSA of the $6 million described above, in all states, for the

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period of March 1, 2000 through December 31, 2002, the parties agree to immediately amend their existing interconnection agreements to revert to a bill and keep arrangement for local and internet-related traffic, and to incorporate such a bill and keep arrangement into any future interconnection agreements. Subject to merger closure, both parties agree not to bill usage to one another in any state between March 1, 2000 and the date of merger closure. However, in the event that the merger between U S WEST and QWEST does not close, U S WEST will retroactively bill McLeodUSA for the true-up for reciprocal compensation for usage through February 29, 2000 at the appropriate state commission rates. Both parties may bill each other retroactively for the usage not billed between March 1, 2000 and the date on which it is officially announced that the merger will not close, based on appropriate state commission rates or the currently existing interconnection agreement(s). U S WEST and McLeodUSA agree to pay the nondisputed portion of such retroactive usage billing at the appropriate state rates within five (5) business days of receiving each other's invoices for the same. In addition, if the merger does not close, the parties will immediately amend their existing interconnection agreements accordingly.

d. INTERIM PRICING: Subject to merger closure and in consideration for the bill and keep arrangement agreed upon above, U S WEST and McLeodUSA agree that all interim rates, except reciprocal compensation rates, will be treated as final and any final commission orders entered in any of the 14 states in U S WEST's territory through April 30, 2000, and on a going-forward basis through December 31, 2002, (except as such orders may relate to reciprocal compensation rates for the period between March 1, 2000 and December 31, 2002—reciprocal compensation is addressed in paragraph 1.c. of this document) will be applied prospectively to McLeodUSA, and not retroactively. In addition, U S WEST agrees that this settlement term will apply throughout the terms of the parties' existing interconnection agreements. Thus, both Parties agree not to bill each other for any true-ups associated with final commission orders that affect interim prices and release claims for such true-ups. These settlement terms will be documented in, and subject to, a confidential billing agreement between the parties.

e. CENTREX SERVICE AGREEMENTS: For McLeodUSA's five-year Centrex Service Agreements that expire before December 31, 2002, the parties agree to extend the terms and pricing of those agreements until December 31, 2002. This settlement term will be documented in, and subject to, a confidential billing agreement between the parties.

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2. Effective immediately, U S WEST and McLeodUSA will engage in good faith efforts to resolve any outstanding issues. In addition, McLeodUSA agrees to provide to U S WEST a revised prioritized forecast for its services by May 31, 2000. Upon the successful merger of U S WEST and QWEST, U S WEST agrees, with its successor, to continue to work in good faith with McLeodUSA, on a business-to-business basis, on matters important to the parties' business relationship.

Trade Secret Data Ends]

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Terms of settlement accepted by:

U S WEST, INC.

John A. Kelley
President, Wholesale Markets

MCLEODUSA

[redacted] Blake O. Fisher, Jr.

[redacted] Group Vice President

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12. McLeod

Confidential Billing Settlement Agreement with Qwest dated 9/29/00

COPY

SUBJECT TO RULE OF EVIDENCE 408

CONFIDENTIAL BILLING SETTLEMENT AGREEMENT

[Trade Secret Data Begins

This Confidential Billing Settlement Agreement ("Agreement"), is hereby entered into by Qwest Corporation ("Qwest") and McLeodUSA, Inc. ("McLeodUSA") (hereinafter referred to as the "Parties" when referred to jointly) on this ____ day of September, 2000.

RECITALS

1. Qwest is an incumbent local exchange provider operating in the states of Arizona, Colorado, Idaho, Iowa, Minnesota, Montana, Nebraska, New Mexico, North Dakota, Oregon, South Dakota, Utah, Washington and Wyoming.

2. McLeodUSA is a competitive local exchange provider that will soon operate in all fourteen states of Qwest's operating region.

3. Whereas both Qwest and McLeodUSA have entered into interconnection agreements pursuant to the federal Telecommunications Act of 1996 ("Act") under Sections 251 and 252 of that Act, and those agreements have been approved by the appropriate state commissions where those agreements were filed pursuant to the Act. Qwest and McLeodUSA operate under those agreements in certain states, as well as various state and federal tariffs.

4. Disputes between the Parties have arisen regarding the provisioning of finished services through unbundled network elements, and the provisioning of finished service through the UNE platform.

5. In an attempt to finally resolve those issues in dispute and to avoid delay and costly litigation, the Parties voluntarily enter into this Confidential Billing Settlement Agreement to resolve all disputes, claims and controversies between the Parties, as of the date of this Agreement that relate to the matters addressed herein, and McLeodUSA releases Qwest from any claims regarding the issue as described here.

CONFIDENTIAL BILLING SETTLEMENT AGREEMENT

1. The Parties enter into this agreement in consideration for the sum of money described below, and Qwest's release of McLeodUSA's conversion and termination fees associated with the changes to a new platform which is currently being created by the Parties. As part of the new platform, Qwest will provide call origination, call termination, call duration, and call type information to McLeodUSA.

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enable the other Party, at its option, to take such action as may be legally permissible so as to protect the confidentiality provided in this agreement.

8. This Confidential Billing Settlement Agreement constitutes an agreement between the Parties and can only be changed in a writing or writings executed by both Parties. Each of the Parties forever waives all right to assert that this Confidential Billing Settlement Agreement was the result of a mistake in law or in fact.

9. This Confidential Billing Settlement Agreement shall be interpreted and construed in accordance with the laws of the State of Colorado, and shall not be interpreted in favor or against any Party to this agreement.

10. The parties have entered into this Confidential Billing Settlement Agreement after conferring with legal counsel.

11. If any provision of this Confidential Billing Settlement Agreement should be declared to be unenforceable by any administrative agency or court of law, the remainder of the Confidential Billing Settlement Agreement shall remain in full force and effect, and shall be binding upon the Parties hereto as if the invalidated provisions were not part of this Confidential Billing Settlement Agreement.

12. Any claim, controversy or dispute between the Parties in connect with this Confidential Billing Settlement Agreement shall be resolved by private and confidential arbitration conducted by a single arbitrator engaged in the practice of law under the then current rules of the American Bar Association. The Federal Arbitration Act, 9 U.S.C §§ 1-16, not state law, shall govern the arbitratibility of all disputes. The arbitrator shall only have the authority to determine breach of this agreement, but shall not have the authority to award punitive damages. The arbitrator's decision shall be final and binding and may be entered in any court having jurisdiction thereof. Each party shall bear its own costs and attorneys' fees and shall share equally in the fees and expenses of the arbitrator.

13. The Parties acknowledge and agree that they have a legitimate billing dispute about the issues described in this Confidential Billing Settlement Agreement and that the resolution reached in this Agreement represents a compromise of the Parties' positions. Therefore, the Parties agree that resolution of the issues contained in this agreement cannot be used against the other Party, including but not limited to admissions.

14. This Confidential Billing Settlement Agreement may be executed in counterparts and by facsimile.

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CONTAINS TRADE SECRET DATA

Trade Secret Data Ends]

2. McLeodUSA shall pay to Qwest an amount of $38,500,000 no later than November 10, 2000. This amount represents the charges which Qwest claims McLeodUSA owes it for conversion from resale to unbundled network elements, and for termination liability associated with existing contracts.

3. For valuable consideration mentioned above, the receipt and sufficiency of which are hereby acknowledged, Qwest does hereby release and forever discharge the other and the other's associates, owners, stockholders, predecessors, successors, agents, directors, officers, partners, employees, representatives, employees of affiliates, employees of parents, employees of subsidiaries, affiliates, parents, subsidiaries, insurance carriers, bonding companies and attorneys, from any and all manner of action or actions, causes or causes of action, in law, under statute, or in equity, suits, appeals, petitions, debts, liens, contracts, agreements, promises, liabilities, claims, affirmative defenses, offsets, demands, damages, losses, costs, claims for restitution, and expenses, of any nature whatsoever, fixed or contingent, known or unknown, past and present asserted or that could have been asserted or could be asserted in any way relating to or arising out of the disputes/matters addressed herein.

4. The terms and conditions contained in this Confidential Billing Settlement Agreement shall insure to the benefit of, and be binding upon, the respective successors, affiliates and assigns of the Parties.

5. Qwest hereby covenants and warrants that it has not assigned or transferred to any person any claim, or portion of any claims which is released or discharged by this Confidential Billing Settlement Agreement.

6. The Parties agree that they will keep the substance of the negotiations and/or conditions of the settlement and the terms or substance of the Confidential Billing Settlement Agreement strictly confidential. The Parties further agree that they will not communicate (orally or in writing) or in any way disclose the substance of the negotiations and/or conditions of the settlement and the terms or substance of this agreement to any person, judicial or administrate agency or body, business, entity or association or anyone else for any reason whatsoever, without the prior express written consent of the other party unless compelled to do so by law. It is expressly agreed that this confidentiality provision is an essential element of this Confidential Billing Settlement Agreement and negotiations, and all matters related to these matters, shall be subject to Rule 408 of the Rules of Evidence, at the federal and state level.

7. In the event either Party has a legal obligation which requires disclosure of the terms and conditions of this Confidential Billing Settlement Agreement, the Party having the obligation shall immediately notify the other Party in writing of the nature, scope and source of such obligation so as to

IN WITNEESS THEREOF, the Parties have caused this Confidential Billing Settlement Agreement to be executed as of this day _____ of September 2000.

McLeodUSA Incorporated	Qwest Corporation
By:_____	By: _____
Title: _____	Title: _____
Date: _____	Date: _____

Approved as to legal form

SEP 29 2000

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IN WITNEESS THEREOF, the Parties have caused this Confidential Billing Settlement Agreement to be executed as of this day 29 of September 2000.

McLeodUSA Incorporated	Qwest Corporation
By:	By:
Title: EVP/CFO	Title: EVP - Wholesale Markets
Date: 9/29/00.	Date: 9/29/00

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13. McLeod

Amendment to Confidential Billing Settlement Agreement with Qwest dated 10/26/00

SUBJECT TO RULE OF EVIDENCE 408

AMENDMENT TO CONFIDENTIAL BILLING SETTLEMENT AGREEMENT

[Trade Secret Data Begins

This Amendment to Confidential Billing Settlement Agreement ("Agreement"), is hereby entered into by Qwest Corporation ("Qwest") and McLeodUSA, Inc. ("McLeodUSA") (hereinafter referred to as the "Parties" when referred to jointly) on this ____ day of October, 2000. The Parties amend the Confidential Billing Settlement Agreement which was entered into by the Parties on September 30, 2000.

RECITALS

1. Qwest is an incumbent local exchange provider operating in the states of Arizona, Colorado, Idaho, Iowa, Minnesota, Montana, Nebraska, New Mexico, North Dakota, Oregon, South Dakota, Utah, Washington and Wyoming.

2. McLeodUSA is a competitive local exchange provider that will soon operate in all fourteen states of Qwest's operating region.

3. Whereas both Qwest and McLeodUSA have entered into interconnection agreements pursuant to the federal Telecommunications Act of 1996 ("Act") under Sections 251 and 252 of that Act, and those agreements have been approved by the appropriate state commissions where those agreements were filed pursuant to the Act. Qwest and McLeodUSA operate under those agreements in certain states, as well as various state and federal tariffs.

4. Disputes between the Parties have arisen regarding the provisioning of finished services through unbundled network elements, and the provisioning of finished service through the UNE platform.

5. In an attempt to finally resolve those issues in dispute and to avoid delay and costly litigation, the Parties voluntarily enter into this Confidential Billing Settlement Agreement to resolve all disputes, claims and controversies between the Parties, as of the date of this Agreement that relate to the matters addressed herein, and McLeodUSA releases Qwest from any claims regarding the issue as described here.

CONFIDENTIAL BILLING SETTLEMENT AGREEMENT

1. The Parties enter into this agreement in consideration for the sum of money described below, and Qwest's release of McLeodUSA's conversion and termination fees associated with the changes to a new platform which is currently being created by the Parties. As part of the new platform, Qwest will

provide call origination, call termination, call duration, and call type information to McLeodUSA.

2. In the September 30, 2000 Confidential Billing Settlement Agreement, McLeodUSA agreed to pay pay to Qwest an amount of $38,500,000 no later than November 10, 2000. This amount represented the charges which Qwest claimed McLeodUSA owed it for conversion from resale to unbundled network elements, and for termination liability associated with existing contracts. Upon further discussion, the Parties agree that the appropriate amount to settle such claims should have been $43,500,000. Consequently, McLeodUSA agrees to pay Qwest the additional $5,000,000 no later than November 30, 2000.

3. For valuable consideration mentioned above, the receipt and sufficiency of which are hereby acknowledged, Qwest does hereby release and forever discharge the other and the other's associates, owners, stockholders, predecessors, successors, agents, directors, officers, partners, employees, representatives, employees of affiliates, employees of parents, employees of subsidiaries, affiliates, parents, subsidiaries, insurance carriers, bonding companies and attorneys, from any and all manner of action or actions, causes or causes of action, in law, under statute, or in equity, suits, appeals, petitions, debts, liens, contracts, agreements, promises, liabilities, claims, affirmative defenses, offsets, demands, damages, losses, costs, claims for restitution, and expenses, of any nature whatsoever, fixed or contingent, known or unknown, past and present asserted or that could have been asserted or could be asserted in any way relating to or arising out of the disputes/matters addressed herein.

4. The terms and conditions contained in this Confidential Billing Settlement Agreement shall insure to the benefit of, and be binding upon, the respective successors, affiliates and assigns of the Parties.

5. Qwest hereby covenants and warrants that it has not assigned or transferred to any person any claim, or portion of any claims which is released or discharged by this Confidential Billing Settlement Agreement.

6. The Parties agree that they will keep the substance of the negotiations and/or conditions of the settlement and the terms or substance of the Confidential Billing Settlement Agreement strictly confidential. The Parties further agree that they will not communicate (orally or in writing) or in any way disclose the substance of the negotiations and/or conditions of the settlement and the terms or substance of this agreement to any person, judicial or administrate agency or body, business, entity or association or anyone else for any reason whatsoever, without the prior express written consent of the other party unless compelled to do so by law. It is expressly agreed that this confidentiality provision is an essential element of this Confidential Billing Settlement Agreement and negotiations, and all matters related to these matters,

shall be subject to Rule 408 of the Rules of Evidence, at the federal and state level.

7. In the event either Party has a legal obligation which requires disclosure of the terms and conditions of this Confidential Billing Settlement Agreement, the Party having the obligation shall immediately notify the other Party in writing of the nature, scope and source of such obligation so as to enable the other Party, at its option, to take such action as may be legally permissible so as to protect the confidentiality provided in this agreement.

8. This Confidential Billing Settlement Agreement constitutes an agreement between the Parties and can only be changed in a writing or writings executed by both Parties. Each of the Parties forever waives all right to assert that this Confidential Billing Settlement Agreement was the result of a mistake in law or in fact.

9. This Confidential Billing Settlement Agreement shall be interpreted and construed in accordance with the laws of the State of Colorado, and shall not be interpreted in favor or against any Party to this agreement.

10. The parties have entered into this Confidential Billing Settlement Agreement after conferring with legal counsel.

11. If any provision of this Confidential Billing Settlement Agreement should be declared to be unenforceable by any administrative agency or court of law, the remainder of the Confidential Billing Settlement Agreement shall remain in full force and effect, and shall be binding upon the Parties hereto as if the invalidated provisions were not part of this Confidential Billing Settlement Agreement.

12. Any claim, controversy or dispute between the Parties in connect with this Confidential Billing Settlement Agreement shall be resolved by private and confidential arbitration conducted by a single arbitrator engaged in the practice of law under the then current rules of the American Bar Association. The Federal Arbitration Act, 9 U.S.C §§ 1-16, not state law, shall govern the arbitratibility of all disputes. The arbitrator shall only have the authority to determine breach of this agreement, but shall not have the authority to award punitive damages. The arbitrator's decision shall be final and binding and may be entered in any court having jurisdiction thereof. Each party shall bear its own costs and attorneys' fees and shall share equally in the fees and expenses of the arbitrator.

13. The Parties acknowledge and agree that they have a legitimate billing dispute about the issues described in this Confidential Billing Settlement Agreement and that the resolution reached in this Agreement represents a compromise of the Parties' positions. Therefore, the Parties agree that resolution

of the issues contained in this agreement cannot be used against the other Party, including but not limited to admissions.

14. This Confidential Billing Settlement Agreement may be executed in counterparts and by facsimile.

IN WITNESS THEREOF, the Parties have caused this Confidential Amendment to Confidential Billing Settlement Agreement to be executed as of this day ____ of October 2000.

Trade Secret Data Ends]

McLeodUSA Incorporated	Qwest Corporation
By: Blake O. Fisher, Jr.	By: _____
Title: Group Vice President	Title: _____
Date: 10/26/2000	Date: _____

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CONTAINS TRADE SECRET DATA

[Trade Secret Data Begins

of the issues contained in this agreement cannot be used against the other Party, including but not limited to admissions.

14. This Confidential Billing Settlement Agreement may be executed in counterparts and by facsimile.

IN WITNESS THEREOF, the Parties have caused this Confidential Amendment to Confidential Billing Settlement Agreement to be executed as of this day ____ of October 2000.

Trade Secret Data Ends]

McLeodUSA Incorporated	Qwest Corporation
By: _____	By: _____
Title: _____	Title: EXEC V.P.
Date: _____	Date: 10-26-00

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CONTAINS TRADE SECRET DATA

14 McLeod

Volume Discount Agreement with Qwest dated on or round 10/26/00

(This Agreement is an oral agreement discussed on page 6 of Decision No. 66949.)

15. McLeod

Purchase agreement with Qwest Communications Corp. and its subsidiaries (McLeod buys from Qwest) dated 10/26/00

Purchase Agreement

[Trade Secret Data Begins

This Purchase Agreement ("PA") is made and entered into by and between McLeodUSA Telecommunications Services, Inc. and its subsidiaries and affiliates ("McLeodUSA") and Qwest Communications Corp. and its subsidiaries ("Qwest") (collectively, the "Parties") effective on the 2nd day of October, 2000.

The Parties have entered in to enter into this PA to facilitate and improve their business and operational activities, agreements and relationships. In consideration of the covenants, agreements and promises contained below the Parties agree to the following:

1. This PA is entered into between the Parties based on the following conditions, which are a material part of this agreement:

1.1 This PA shall be binding on Qwest and McLeodUSA and each of their respective subsidiaries, affiliated corporations, successors and assigns.

1.2 This PA may be amended or altered only by written instrument executed by an authorized representative of both Parties.

1.3 The Parties, intending to be legally bound, have executed this PA effective as of October 2, 2000, in multiple counterparts, each of which is deemed an original, but all of which shall constitute one and the same instrument.

1.4 Unless terminated as provided in this section, the initial term of this PA is from the date of signing until December 31, 2003 ("Initial Term") and this PA shall thereafter automatically continue until either party gives at least six (6) months advance written notice of termination. This is Amendment can only be terminated during the Initial Term, or at any time thereafter, in the event of:

1.4.1 a material breach of the terms of the Agreements or this Amendment which remains unresolved and uncompensated following application of the dispute resolution provisions of this agreement;

1.4.2 a material change in the telecommunications industry pricing structure that is so adverse to McLeodUSA so as to make this PA useless; or

1.4.3 a termination of that certain Purchase Agreement with a like effective date pursuant to which McLeodUSA purchases Products (defined below) from Qwest.

1.5 All factual preconditions and duties set forth in this PA are, are intended to be, and are considered by the Parties to be, reasonably related to, and dependent upon each other.

1.6 If either party's performance of this PA or any obligation under this PA is prevented, restricted or interfered with by causes beyond such Parties reasonable control,

including but not limited to acts of God, fire, explosion, vandalism which reasonable precautions could not protect against, storm or other similar occurrence, any law, order, regulation, direction, action or request of any unit of federal, state or local government, or of any civil or military authority, or by national emergencies, insurrections, riots, wars, strike or work stoppage or vendor failures, cable cuts ,shortages, breach or delays, then such party shall be excused from such performance on a day-to-day basis to the extent of such prevention, restriction or interference (a "Force Majeure").

1.7 Without the prior written consent of the other party and except as set forth below or to the extent required by law, neither party will disclose to any person the existence or content of this agreement, or material terms of the agreement. In the event that either party concludes that disclosure is required by applicable law, including but not limited to the regulations of the Securities and Exchange Commission, such party will provide the other party with prompt notice thereof and an opportunity to comment on such disclosure prior to such disclosure and such party will disclose only the information that, in the opinion of its counsel, it is required by such law to disclose. In the event that either party or any of its Representatives is required by a governmental authority or in connection with a legal proceeding or pursuant to legal process to disclose any of the Evaluation Material with respect to which such party is the receiving party or any other matter referred to in the immediately preceding paragraph, it is agreed that such party will provide the other party with prompt notice of each such request or requirement so that such other party may seek promptly an appropriate protective order or other appropriate remedy and/or waive compliance by such party subject to such request or requirement with the provisions of this PA and the party giving notice shall use its commercially reasonable efforts to assist the party seeking protection. In the event that such protective order or other remedy is not obtained promptly, such party subject to such requirement may furnish that portion (and only that portion) of the PA or other information with respect to such matter that, in the opinion of its counsel, it is legally compelled to disclose and will exercise its commercially reasonable efforts to obtain reliable assurance that confidential treatment will be accorded any information so furnished. The term "person" as used in this Agreement shall be broadly interpreted to include without limitation any corporation, company, partnership, organization, bank, group, individual or other entity.

1.8 Neither party will present itself as representing or jointly marketing services with the other, or market its services using the name of the other party, without the prior written consent of the other party.

2. In consideration of the agreements and covenants set forth above and the entire group of covenants provided in section 3, McLeodUSA agrees to purchase from Qwest, or one of its affiliate corporations, during the Initial Term of this PA, at least $480 million worth of telecommunications, enhanced or information services, network elements, interconnection or collocation services or elements, capacity, termination or origination services, switching or fiber rights (the "Products"), at prices previously quoted by Qwest, including but not limited to, on any products or updated products for wholesale long distance services purchased, the highest discount level available for that product, subject to the terms of this section 2.

2.1 Subject to the provisions of this section 2, by December 31, 2001, McLeodUSA will purchase a minimum of $150 million of Products and in the event purchases by McLeodUSA do not meet this minimum, McLeodUSA agrees to make a payment to Qwest, no later than January 15, 2002, in an amount equal to the difference between actual purchases and the minimum.

2.2 Subject to the provisions of this section 2, from January 1, 2001 through December 31, 2002, McLeodUSA will purchase a cumulative minimum of $310 million of Products, and in the event purchases by McLeodUSA do not meet this minimum, McLeodUSA agrees to make a payment to Qwest, no later than January 15, 2003, in an amount equal to the difference between actual purchases and the minimum.

2.3 Subject to the provisions of this section 2, From January 1, 2001 through December 31, 2003, McLeodUSA will purchase a cumulative minimum of $480 million of Products, and in the event purchases by McLeodUSA do not meet this minimum, McLeodUSA agrees to make a payment to Qwest, no later than January 15, 2004, in an amount equal to the difference between actual purchases and the minimum.

2.4 The minimum purchase requirements provided above shall be changed proportionally, but in no event to exceed $480 million in the cumulative aggregate, if the following occur to a material degree:

2.4.1 A reduction in the rates for any of the Products.

2.4.2 Products are no longer offered without adequate substitution.

2.4.3 Any sale of current Qwest exchanges where McLeodUSA is doing business.

2.4.4 Delays in the delivery of an ordered Product that cause McLeodUSA difficulty in meeting its minimum commitments.

2.4.5 Release, sale, transfer or relinquishment of any current collocation back to Qwest by mutual agreement.

2.4.6 McLeodUSA's business is prevented, restricted or interfered with by a Force Majeure as described in section 1.7.

2.4.7 Changes in technology eliminating the need for certain services provided by Qwest, provided Qwest has the right of first refusal to provide the technology.

2.5 The Parties will meet to discuss all proposed changes in requirements or payments pursuant to this section 2, and will resolve any disputes pursuant to Escalation Procedures to be developed by the Parties, before any payment or change in requirement is made.

2.6 The take or pay purchase requirements of this section are specifically conditioned on the rates offered for the Products as of the date of this PA remaining in effect at levels no higher than the rates quoted.

3. In consideration of the agreements and covenants set forth above and the entire group of covenants provided in section 2, all taken as a whole, with such consideration only being adequate if all such agreements and covenants are made and are enforceable, Qwest agrees to make the Products available for purchase by McLeodUSA at such rates and on such terms and conditions as agreed.

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Trade Secret Data Ends]

Made and entered into on the date written above by McLeodUSA and Qwest.

McLeodUSA Telecommunications Services, Inc.	Qwest Communications Corp.
Authorized Signature	Authorized Signature
Blake O. Fisher, Jr.	
Name Printed/Typed	Name Printed/Typed
Group Vice President	
Title	Title
October 26, 2000	October 26, 2000
Date	Date

M:Qwest\QTOP102300

SUBJECT TO RULE OF EVIDENCE 408

Made and entered into on the date written above by McLeodUSA and Qwest.

McLeodUSA Telecommunications Services, Inc.	Qwest Communications Corp.
Authorized Signature	Authorized Signature
Blake O. Fisher, Jr.	GREGORY M. CASEY
Name Printed/Typed	Name Printed/Typed
Group Vice President	EXEC. V.P.
Title	Title
October 26, 2000	October 26, 2000
Date	Date

[illegible]

NONPUBLIC DOCUMENT

CONTAINS TRADE SECRET DATA

16. <u>McLeod</u>
Purchase Agreement with Qwest Communications Corp and its subsidiaries (Qwest buys from McLeod) dated 10/26/00

Purchase Agreement

[Trade Secret Data Begins

This Purchase Agreement ("PA") is made and entered into by and between McLeodUSA Telecommunications Services, Inc. and its subsidiaries ("McLeodUSA") and Qwest Communications Corp. and its subsidiaries ("Qwest") (collectively, the "Parties") effective the 2nd day of October, 2000.

The Parties have entered in to enter into this PA to facilitate and improve their business and operational activities, agreements and relationships. In consideration of the covenants, agreements and promises contained below the Parties agree to the following:

1. This PA is entered into between the Parties based on the following conditions, which are a material part of this agreement:

1.1 This PA shall be binding on Qwest and McLeodUSA and each of their respective subsidiaries, affiliated corporations, successors and assigns.

1.2 This PA may be amended or altered only by written instrument executed by an authorized representative of both Parties.

1.3 The Parties, intending to be legally bound, have executed this PA effective as of October 2, 2000, in multiple counterparts, each of which is deemed an original, but all of which shall constitute one and the same instrument.

1.4 Unless terminated as provided in this section, the initial term of this PA is from the date of signing until December 31, 2003 ("Initial Term") and this PA shall thereafter automatically continue until either party gives at least six (6) months advance written notice of termination. This is PA can only be terminated during the Initial Term, or at any time thereafter, in the event of:

1.4.1 a material breach of the terms of the Agreements or this Amendment which remains unresolved and uncompensated following application of the dispute resolution provisions of this agreement;

1.4.2 a material change in the telecommunications industry pricing structure that is adverse to Qwest so as to make this PA useless; or

1.4.3 a termination of that certain Purchase Agreement with a like effective date pursuant to which McLeodUSA purchases Products (defined below) from Qwest.

1.5 All factual preconditions and duties set forth in this PA are, are intended to be, and are considered by the Parties to be, reasonably related to, and dependent upon each other.

1.6 If either party's performance of this PA or any obligation under this PA is prevented, restricted or interfered with by causes beyond such Parties reasonable control, including but not limited to acts of God, fire, explosion, vandalism which reasonable precautions

could not protect against, storm or other similar occurrence, any law, order, regulation, direction, action or request of any unit of federal, state or local government, or of any civil or military authority, or by national emergencies, insurrections, riots, wars, strike or work stoppage or vendor failures, cable cuts, shortages, breach or delays, then such party shall be excused from such performance on a day-to-day basis to the extent of such prevention, restriction or interference (a "Force Majeure").

1.7 Without the prior written consent of the other party and except as set forth below or to the extent required by law, neither party will disclose to any person the existence or content of this agreement, or material terms of the agreement. In the event that either party concludes that disclosure is required by applicable law, including but not limited to the regulations of the Securities and Exchange Commission, such party will provide the other party with prompt notice thereof and an opportunity to comment on such disclosure prior to such disclosure and such party will disclose only the information that, in the opinion of its counsel, it is required by such law to disclose. In the event that either party or any of its Representatives is required by a governmental authority or in connection with a legal proceeding or pursuant to legal process to disclose any of the Evaluation Material with respect to which such party is the receiving party or any other matter referred to in the immediately preceding paragraph, it is agreed that such party will provide the other party with prompt notice of each such request or requirement so that such other party may seek promptly an appropriate protective order or other appropriate remedy and/or waive compliance by such party subject to such request or requirement with the provisions of this PA and the party giving notice shall use its commercially reasonable efforts to assist the party seeking protection. In the event that such protective order or other remedy is not obtained promptly, such party subject to such requirement may furnish that portion (and only that portion) of the PA or other information with respect to such matter that, in the opinion of its counsel, it is legally compelled to disclose and will exercise its commercially reasonable efforts to obtain reliable assurance that confidential treatment will be accorded any information so furnished. The term "person" as used in this Agreement shall be broadly interpreted to include without limitation any corporation, company, partnership, organization, bank, group, individual or other entity.

1.8 Neither party will present itself as representing or jointly marketing services with the other, or market its services using the name of the other party, without the prior written consent of the other party.

2. In consideration of the agreements and covenants set forth above and the covenants provided in section 3, all taken as a whole, with such consideration only being adequate if all such agreements and covenants are made and are enforceable, McLeodUSA agrees to make telecommunications, enhanced or information services, network elements, interconnection or collocation services or elements, capacity, termination or origination services, switching and fiber rights ("the Products") available for purchase by Qwest.

3. In consideration of the agreements and covenants set forth above and the covenants provided in section 2, all taken as a whole, with such consideration only being adequate if all such agreements and covenants are made and are enforceable, Qwest agrees to purchase from

McLeodUSA, or one of its affiliate corporations, during the Initial Term of this PA, Products at prices established by McLeodUSA, subject to the terms of this section 3.

3.1 Subject to the provisions of this section 3, Qwest will purchase quarterly a proportional amount of additional Products to aggregate no less than $15.84 million between January 1, 2001 and December 31, 2001 and in the event the quarterly purchases by Qwest do not meet this minimum, Qwest agrees to make a payment to McLeodUSA, in an amount equal to the difference between actual purchases and the proportional amount of the minimum.

3.2 Subject to the provisions of this section 3, Qwest will purchase quarterly a proportional amount of additional Products to aggregate no less than $18.32 million between January 1, 2002 and December 31, 2002 and in the event the quarterly purchases by Qwest do not meet this minimum, Qwest agrees to make a payment to McLeodUSA, in an amount equal to the difference between actual purchases and the proportional amount of the minimum.

3.3 Subject to the provisions of this section 3, Qwest will purchase quarterly a proportional amount of additional Products to aggregate no less than $19.92 million between January 1, 2003 and December 31, 2003 and in the event the quarterly purchases by Qwest do not meet this minimum, Qwest agrees to make a payment to McLeodUSA, in an amount equal to the difference between actual purchases and the proportional amount of the minimum.

3.4 The minimum purchase requirements provided in this Attachment shall be adjusted proportionally for each of the following which occur:

3.4.1 A reduction in the rates for any of the Products.

3.4.2 Any of the Products are no longer offered.

3.4.3 Any substantial increase or decrease in the operations of, including but not limited to the scope or geography of services offered by, McLeodUSA.

3.4.4 Any delay in the delivery of an ordered Product.

3.4.5 Any outage or state of "out of service" when Products have been ordered or requested.

3.4.6 The business of Qwest or McLeodUSA is prevented, restricted or interfered with by a Force Majeure as described in section 1.9.

3.4.7 Changes in technology eliminating the need for certain services provided by McLeodUSA.

3.5 The Parties will meet to discuss all proposed changes in requirements or

payments pursuant to this section 3, and will resolve any disputes pursuant to Escalation Procedures to be developed by the Parties, before any payment or change in requirement is made.

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Trade Secret Data Ends]

Made and entered into on the date written above by McLeodUSA and Qwest.

McLeodUSA Telecommunications Services, Inc.	Qwest Communications Corp.
Authorized Signature	Authorized Signature
Blake O. Fisher, Jr.	
Name Printed/Typed	Name Printed/Typed
Group Vice President	
Title	Title
October 26, 2000	October 26, 2000
Date	Date

H:Qwest/MTOP102500

NONPUBLIC DOCUMENT

CONTAINS TRADE SECRET DATA

SUBJECT TO RULE OF EVIDENCE 408

Made and entered into on the date written above by McLeodUSA and Qwest.

McLeodUSA Telecommunications Services, Inc.	Qwest Communications Corp.
Authorized Signature	Authorized Signature
Blake O. Fisher, Jr.	GLEGOLY M COSY
Name Printed/Typed	Name Printed/Typed
Group Vice President	EXEC. V.P.
Title	Title
October 26, 2000	October 26, 2000
Date	Date

H:Qwest\OMTOF102500

NONPUBLIC DOCUMENT

CONTAINS TRADE SECRET DATA

17. <u>Electric Lightwave</u>
Confidential Settlement Agreement and Release with US WEST dated 6/16/99

I. Purpose of Agreement

This Confidential Settlement Agreement and Release (hereafter "Agreement") is entered into as of this 14th day of June, 1999, by and between U S WEST, Inc., and its subsidiaries, agents, affiliates, employees, principals, officers, directors, successors and assigns, including but not limited to U S WEST Communications, Inc. (hereafter "U S WEST"), and Electric Lightwave, Inc, and all of its agents, affiliates, employees, principals, officers, directors, successors, assigns, parents and subsidiaries (hereafter "Electric Lightwave") to effect a complete and final settlement of all disputes, claims or causes of action existing between U S WEST and Electric Lightwave as set forth herein.

II. Description of Lawsuit

A. Electric Lightwave has filed a lawsuit against U S WEST in the United States District for the Western District of Washington at Seattle, cause No. C97-1073Z (hereafter "Lawsuit"), alleging that U S WEST violated federal and state antitrust laws and other state statutes and state common law by, among other things, illegally monopolizing the local switched access markets in Seattle, Washington; Salt Lake City, Utah; Portland, Oregon; Boise, Idaho; and, Phoenix, Arizona. Part of the claims in the Lawsuit were arbitrated in February, 1999 and an award was given to Electric Lightwave (hereafter the "Arbitration"). Certain claims remain in the federal court action.

B. U S WEST has denied the allegations made therein and has denied liability in the matter.

C. In order to avoid the uncertainty, expense, and delay associated with litigation, and because a settlement of the Lawsuit and all other claims or disputes between Electric Lightwave and U S WEST as hereinafter described (together, the "Parties") is in the best interests of the Parties, the Parties desire to end the Lawsuit.

III. Terms of Settlement and Release

A. Terms and Release. For and in consideration of one dollar ($1.00) and other good and valuable consideration, Electric Lightwave releases, acquits, and forever discharges U S WEST from any amounts owed as a result of the Arbitration and for all claims, demands, causes of action, and liability, of any kind or nature whatsoever, including attorney fees and costs, whether known or unknown, equitable or legal, arising from any of the allegations forming the basis of the Lawsuit and occurring up to the date of this Agreement. Electric Lightwave agrees that it will not assert any claim or file any legal action before any court, agency or regulatory body of any state or before the Federal Communications Commission that arises from or could have been asserted based on any of the allegations forming the basis of the Lawsuit occurring up to the date of this Agreement. For and in consideration of the dismissal of the Lawsuit with prejudice, U S WEST releases, acquits, and forever discharges Electric Lightwave from any and all claims, demands, causes of action and liability of any kind or nature whatsoever, whether known or unknown, arising from any of the allegations forming the basis of the Lawsuit.

(1) Within thirty (30) days of the date of this Agreement, Electric Lightwave and U S WEST will enter into an eighteen (18) month "take or pay" services agreement having a total value of $29.7 million. U S WEST will pay Electric Lightwave the total amount due under the take or pay agreement in six (6) equal quarterly installments of $4,975,000 each, commencing September 30, 1999, and continuing on the last day of each succeeding quarter until paid in full. Appendix A, which is attached to this Agreement and incorporated herein by reference, contains a list of the Electric Lightwave services and the prices for those services that are to be included in the take or pay agreement to be entered into between the Parties.

(2) Because of confusion over the ending date, U S WEST and Electric Lightwave agree to extend any interconnection agreements between them in the states of Washington, Utah, Oregon, Idaho and Arizona, that expire on or before September 30, 1999, to September 30, 1999, subject to the following:

(a) total liability of U S WEST to Electric Lightwave for reciprocal compensation throughout such extension period will be capped at $3,000,000.00 per month for all states in total subject to any downward adjustment ordered by regulatory commissions;

(b) both parties may continue any existing advocacy concerning reciprocal compensation before any state regulatory commission and will be bound by the final outcome therein; and, the settlement of this issue shall not be considered, or used as evidence of any waiver or estoppel of rights to assert contrary positions;

(c) both parties will continue to negotiate for replacement interconnection agreements in the states listed above.

B. Compromise. The Parties agree that this settlement is the compromise of disputed and unliquidated claims and that payment by U S WEST is not an admission of liability or wrongdoing and that receipt of payment by Electric Lightwave is not a concession that its claims are less or other than completely meritorious.

C. Existing and Future Damages. The parties understand and agree that, in order to avoid the uncertainty, expense, and delay of continued litigation, the amount paid and received pursuant to the terms of this Agreement is given and accepted not only for damages that are now known to exist, but also for any damages that may arise or develop in the future and which are currently unknown arising from the factual allegations forming the basis of the Lawsuit.

D. Confidentiality. Except as provided in paragraph III (M) of this Agreement, the Parties agree that the negotiations regarding this Agreement and the terms, conditions, and amounts of this Agreement are to remain confidential, except as

may be required by law, provided, however, that the parties may disclose this Agreement to their primary management personnel, to any employees and attorneys who may be required to carry out the provisions of this Agreement, and in response to any legitimate inquiries from the Parties' professional or financial advisers, lenders, prospective buyers, and taxing or other governmental authorities. Any such agent or person to whom permitted disclosure is made shall be informed of the confidentiality obligations of this Agreement. Neither a party nor a party's agent may directly or indirectly disclose this Agreement or the Agreement's provisions except as may be required by law or otherwise permitted by this Agreement. A Party shall notify the other Party prior to making any disclosure permitted hereunder. Should an arbitrator find that the warranties of the Parties or their attorneys are not accurate, or that the parties, their attorneys, or any agent or person to whom permitted disclosure is made materially breached this Agreement or materially breached the confidentiality terms in this Agreement, liquidated damages in the amount of two hundred fifty thousand dollars ($250,000.00) shall be paid by the breaching party to the opposing and nonbreaching party. The Parties agree that while the full extent of damages in the event of breach is uncertain, this sum is not a penalty and would adequately compensate the nonbreaching party for all damages which might be incurred in the event of a breach.

E. Choice of Law. This document is to be construed and interpreted in accordance with the laws of the State of Washington.

F. Dismissal. Upon execution of this Agreement, the Parties direct their attorneys to promptly file a dismissal with prejudice of the Lawsuit described in paragraph II(A) above, and the related appeal to the Ninth Circuit Court of Appeals; each party to pay their own costs and fees

G. Authorization. The Parties covenant and represent that they are fully authorized to enter into and executed this Agreement.

H. Arbitration. Any claim, controversy, or dispute between Electric Lightwave and U S WEST, whether sounding in contract, statute, tort, fraud, misrepresentation, discrimination, or any other legal theory, arising out of the interpretation of this Agreement, whenever brought, shall be resolved by arbitration. By signing this Agreement, the Parties voluntarily knowingly and intelligently waive any right they may otherwise have to seek remedies in court or other forums, including the right to a jury trial and the right to recover damages. The Federal Arbitration Act 9 U.S.C. §§ 1-16 ("FAA"), shall govern the arbitrability of all claims, provided that they are enforceable under the FAA, as it may be amended from time to time. In the event the FAA does not govern, the arbitration provisions of the Revised Code of Washington § 7.04.010, et seq. shall apply. Additionally, the substantive law of Washington, only to the extent it is consistent with the terms stated in this Agreement for arbitration, shall apply to any common law claims. This Agreement for arbitration supersedes any other arbitration agreement between the Parties to the extent they are inconsistent. The location of the arbitration proceeding shall be in Seattle, Washington. A single arbitrator engaged in the practice of law shall conduct the arbitration under the applicable rules and procedures of the American Arbitration Association ("AAA"). Other than as set forth herein, the arbitrator shall have no authority to add to, detract from, change, amend, or modify the terms of this agreement and shall apply existing law.

All arbitration proceedings, including settlements and awards, under this Agreement will be confidential. The Parties shall pay equally the hourly fees and expenses of the arbitrator. The prevailing party in any arbitration shall be entitled to receive reasonable attorneys' fees. The arbitrator's decision and award shall be final and binding as to all claims that were or could have been raised in the arbitration, and judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. If any party hereto files a judicial or administrative action asserting claims subject to this arbitration provision, and another party successfully stays such action or compels arbitration of such claims, the party filing said action shall pay the other party's costs and expenses incurred in seeking such stay or compelling arbitration, including reasonable attorneys' fees.

I. Enforceability. If any aspect of this Agreement is found illegal or unenforceable, all remaining provisions of the Agreement shall remain enforceable. The Parties agree that the arbitrator or court should sever or revise any illegal or unenforceable provision and interpret and enforce that provision and all remaining provisions of this Agreement in a manner that gives effect to the intent of the Parties.

J. Execution. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together constitute one and the same instrument, binding on the Parties.

K. Entire Agreement. The Parties acknowledge that no promise, inducement or agreement not expressed herein has been made to them, that this Agreement contains the entire agreement between the Parties, and that the terms of this Agreement are contractual and not a mere recital. Any modification to this Agreement must be in writing and signed by both Parties to be effective.

L. Voluntariness and Finality. THE PARTIES HAVE READ THIS AGREEMENT, FULLY UNDERSTAND ITS TERMS, AND SIGN IT FREELY AND VOLUNTARILY. The Parties acknowledge that they have had the opportunity to discuss the terms of this Agreement with their attorneys and represent that this Agreement is executed with the knowledge, consent and approval of their attorneys.

M. Financial Disclosure. The Parties agree that Electric Lightwave can make only the following financial disclosure with respect to this Agreement or settlement of the Lawsuit:

"Legal Proceedings – Electric Lightwave

The legal proceedings of the Company against U S WEST described under Item 3 of the Company's Form 10-K for the year ended December 31, 1998, and the related arbitration, have been resolved by the parties. U S WEST and the Company have entered into an 18-month agreement for the purchase of telecommunication services from the Company."

N. Indemnification. Electric Lightwave agrees to indemnify U S WEST for any amounts U S WEST becomes obligated to pay as a result of lawsuits brought by Electric Lightwave shareholders concerning this agreement and it will assume the

defense thereof or pay U S WEST's fees and costs. U S WEST will cooperate in defense of any such lawsuits.

***

Executed this 10 day of June, 1999.

U S WEST, INC.

By _____
Solomon D. Trujillo
Chairman, President and Chief
Executive Officer

ELECTRIC LIGHTWAVE, INC.

By _____
David B. Sharkey
President & Chief Operating Officer

Approved as to Form:

By _____
Attorney for Lightwave, Inc.

Approved as to Form:

By _____
Attorney for U S WEST, Inc.

Executed this 16th day of June, 1999.

U S WEST, INC.

By _____
Solomon D. Trujillo
Chairman, President and Chief
Executive Officer

ELECTRIC LIGHTWAVE, INC.

By _____
David B. Sharkey
President & Chief Operating Officer

Approved as to Form:

By _____
Attorney for Lightwave, Inc.

Approved as to Form:

By _____
Attorney for U S WEST, Inc.

18. <u>Electric Lightwave</u>
Confidential Settlement Agreement and Release with US WEST dated 12/30/99

CONFIDENTIAL BILLING SETTLEMENT AGREEMENT AND RELEASE

I. Purpose of Agreement

1.1 This Confidential Billing Settlement Agreement and Release (hereafter "Billing Settlement Agreement") is entered into as of this 30th day of December, 1999, by and between U S WEST Communications, Inc., and its subsidiaries, agents, affiliates, employees, principals, officers, directors, successors and assigns (hereafter "U S WEST"), and Electric Lightwave, Inc, and all of its agents, affiliates, employees, principals, officers, directors, successors, assigns, parents and subsidiaries (hereafter "ELI") (together, the "Parties") to effect a complete and final settlement of all disputes, claims or causes of action existing between U S WEST and ELI as set forth herein.

II. Description of Disputes

2.1 ELI has filed complaints against U S WEST before the Arizona Corporation Commission, the Utah Public Service Commission, the Idaho Public Utilities Commission, and the Oregon Public Service Commission seeking to recover compensation for internet-related traffic under the Parties' interconnection agreements for those states (collectively the "ELI Complaints"). The Complaints are in various procedural stages and are listed on the attached Exhibit A.

2.2 U S WEST has denied any responsibility to compensate ELI for such internet-related traffic as local traffic under the reciprocal compensation provisions in the Parties' existing interconnection agreements because U S WEST maintains the traffic is interstate in nature.

2.3 U S WEST on November 5, 1999, filed its Demand for Arbitration in the arbitration captioned as *U S WEST Communications, Inc. v. Electric Lightwave, Inc.* (the "Idaho Arbitration"), asking that ELI be ordered to withdraw its claim seeking local reciprocal compensation filed with the Public Utilities Commission of Idaho. In addition, in the state of Utah U S WEST is seeking federal court and state court review of the Utah Public Service Commission's order in favor of ELI in Docket No. 98-049-36 (the "Utah Appeals"). Also, U S WEST is seeking federal court and state court review of the Oregon Public Utility Commission Order No. 99-285 in Docket UC 377 (collectively, the "Oregon Appeals"). U S WEST has also filed a counterclaim against ELI in Docket UC 377 (the "Oregon Counterclaim"). Finally, U S WEST has filed a Petition for Reconsideration with respect to the Arizona Corporation Commission's November 2, 1999 order entered in Docket No. T-01051B-98-0689 (the "Arizona Petition for Reconsideration.").

2.4 ELI has filed notices of its intent to opt-into the following existing interconnection agreements:

State	Underlying Agreement	Status
Idaho	AT&T	Pending
Utah	NEXTLINK	Approved

2.5 ELI also has attempted to opt-into U S WEST's interconnection agreement with International Telecom, Ltd. in Oregon. U S WEST has declined to permit such opt-in and ELI filed its "*Motion of Electric Lightwave, Inc. Requesting Immediate Approval of Interconnection Agreement Pursuant to Section 252(I) of the Telecommunications Act*" in a proceeding before the Oregon Public Utilities Commission (the "Oregon Commission") designated as ARB 164 (the "Opt-in Proceeding"). In the Opt-in Proceeding, ELI has asked the Oregon Commission to permit it to opt-into the International Telecom interconnection agreement.

2.6 U S WEST also has denied any responsibility to compensate ELI for internet-related traffic under the reciprocal compensation provisions in the interconnection agreements that ELI has selected to opt-into because U S WEST maintains the traffic is not local traffic, but is interstate in nature.

2.7 In light of the Parties' desire to resolve their current billing dispute over the payment of reciprocal compensation, and in order to avoid the uncertainty, expense, and delay associated with pending and anticipated litigation, and because a settlement of the ELI Complaints, the Utah Appeals, the Idaho Arbitration, the Oregon Appeals, the Arizona Petition for Reconsideration, the Opt-in Proceeding, and ELI's potential claims for reciprocal compensation under the agreements it has selected to opt-into (collectively referred to as the "Existing Disputes") as hereinafter described, is in the best interest of the Parties, the Parties desire to resolve the Existing Disputes pursuant to this Billing Settlement Agreement.

I. III. Terms of Billing Settlement and Release

3.1. Dismissal of Pending Proceedings. ELI will obtain the dismissal with prejudice of the ELI Complaints in the states of Oregon and Idaho as identified on the attached Exhibit A. U S WEST will obtain the dismissal of the Utah Appeals, the Oregon Appeals and the Oregon Counterclaim. With respect to ELI's claim for reciprocal compensation brought in Arizona, U S WEST agrees to obtain the withdrawal of its Petition for Reconsideration filed with respect to the Arizona Corporation Commission's November 2, 1999 order entered in Docket No. T-01051B-98-0689, in the event that such Petition for Reconsideration has not been denied, and will not further appeal such order. ELI agrees that U S WEST's performance hereunder will fully discharge and satisfy U S WEST's reciprocal compensation obligations arising under such order to ELI. U S WEST also

will withdraw its claim in the Idaho Arbitration. It is the Parties' intent through this Billing Settlement Agreement to dismiss any actions relating to reciprocal compensation brought by either party arising out of the expired or existing interconnection agreements.

3.2 Billing Settlement and Release. For and in consideration of one dollar ($1.00) and other good and valuable consideration, and except as provided in this Billing Settlement Agreement, ELI releases, acquits, and forever discharges U S WEST from any amounts owed as a result of the ELI Complaints and for all claims, demands, causes of action, and liability, of any kind or nature whatsoever, including attorney fees and costs, whether known or unknown, equitable or legal, arising from any of the allegations forming the basis of the ELI Complaints, together with all claims, demands, causes of action and liability of any kind or nature whatsoever, whether known or unknown, arising from or relating to the applicability of reciprocal compensation for internet-related traffic, including the rate element(s) for reciprocal compensation for internet-related traffic, between the Parties through and including the month of December 2001. For and in consideration of the dismissal of the ELI Complaints in Oregon and Idaho with prejudice, and except as provided herein, U S WEST releases, acquits, and forever discharges ELI from any and all claims, demands, causes of action and liability of any kind or nature whatsoever, whether known or unknown, arising from any of the allegations forming the basis of the ELI Complaints, or arising from or relating to the rate element(s) for reciprocal compensation for internet-related traffic between the Parties through and including the month of December 2001. This relief does not apply to intra-LATA toll traffic exchanged between U S WEST and ELI.

3.3 Settlement Amounts. In order to avoid any future disputes and litigation and the costs associated with such litigation on the issue of reciprocal compensation between the Parties, as it applies, or doesn't apply, to internet-related traffic, the Parties agree to the following provisions respecting the payment of reciprocal compensation and Direct Trunk Transport: U S WEST agrees to pay $15.5 million to ELI. The payments will be made as follows: $12 million shall be paid within three business days (excluding December 31, 1999 and excluding the date of execution) of execution of this Billing Settlement Agreement. The balance shall be paid on or before January 14, 2000. Further, notwithstanding anything to the contrary in the Parties' existing interconnection agreements, or in any new interconnection agreements entered into between the Parties covering the time period of January 1, 2000 to December 31, 2001 (collectively hereafter, the "Interconnection Agreements"), the Parties agree that they will pay each other reciprocal compensation, to the extent applicable, on the basis set forth in the chart below. The Parties' agreement to pay reciprocal compensation at the below-listed rates is based upon the comprehensive settlement of their Existing Disputes, as well as future disputes, as described in paragraphs 2.1 through 2.7, and 3.1 hereof, and such rates are agreed to in consideration of the settlement of all such disputes. The rates to be applied are as follows:

Usage for Time Period	Voice traffic	Internet Related Traffic
2000	Effective contractual rates as modified by commission order	.001 per minute
January 1, 2001 to June 30, 2001	Effective contractual rates as modified by commission order	.00075 per minute
July 1, 2001 to December 31, 2001	Effective contractual rates as modified by commission order	.00065 per minute

3.4 Factors for Payment of Internet-related Traffic. The Parties agree to apply the following factors for the payment of internet-related traffic:

3.4.1 Factor for payment from U S WEST to ELI. Payment of internet-related traffic by U S WEST to ELI will be set at a factor of 90% of the total non-toll U S WEST traffic delivered to ELI for the period January 1, 2000 through June 30, 2000. U S WEST and ELI will adjust this factor each quarter thereafter based upon mutually agreed upon traffic studies. In the event that an agreement is not reached on a timely basis, the Parties will continue to pay reciprocal compensation at the existing factor until agreement is reached. When a factor is adjusted, such adjustment shall be effective as of the first date of each respective quarter and the Parties agree to true up any differences between what has been paid and what is owed under such adjusted rate. The initial six-month period of January 1, 2000 to June 30, 2000 shall not be subject to adjustment.

3.4.2 Factor for payment from ELI to U S WEST. Payment of internet-related traffic by ELI to U S WEST will be set at a factor of 38% of the total non-toll ELI traffic delivered to U S WEST for the period January 1, 2000 through June 30, 2000. U S WEST and ELI will adjust this factor each quarter thereafter based upon mutually agreed upon traffic studies. In the event that an agreement is not reached on a timely basis, the Parties will continue to pay reciprocal compensation at the existing factor until agreement is reached. When a factor is adjusted, such adjustment shall be effective as of the first date of each respective quarter and the Parties agree to true up any differences between what has been paid and what is owed under such adjusted rate. The initial six-month period of January 1, 2000 to June 30, 2000 shall not be subject to adjustment.

3.5 Guaranty of Reciprocal Compensation for Internet-Related Traffic. The rates set forth herein for reciprocal compensation for internet-related traffic shall be at the rates established in paragraph 3.3 hereof, notwithstanding any action, ruling, or determination by the FCC, state commission, arbitrator, or court. The Parties further agree that they are free to pursue any position regarding the payment of reciprocal compensation for internet-related traffic, provided, however, that the Parties shall not assert the invalidity

of the Interconnection Agreements or the terms related to reciprocal compensation for internet-related traffic provided for by this Billing Settlement Agreement, and shall not seek payment from each other of reciprocal compensation for internet-related traffic for the time periods covered by the Interconnection Agreements and any amendments, other than at the rates, and under the terms and conditions provided for in this Billing Settlement Agreement. The Parties agree to commence good faith negotiations, no later than 60 days prior to the termination of this Billing Settlement Agreement, regarding appropriate rates terms and conditions, consistent with federal and state law as it exists at that time, to govern reciprocal compensation arrangements between the Parties immediately following the termination of this Billing Settlement Agreement.

3.6 Right to Early Termination of Rate Agreement. Notwithstanding anything in this Billing Settlement Agreement to the contrary, including the provisions of paragraph 3.5 above, either party may elect to terminate this Billing Settlement Agreement effective June 30, 2001 by providing written notice of its intent to terminate on or before April 30, 2001. Such termination shall not alter the Parties' rights and obligations with respect to the payment of reciprocal compensation for internet-related traffic prior to July 1, 2001. The Parties' rights and obligations, if any, to pay such compensation after July 1, 2001 will be as if this Billing Settlement Agreement did not exist.

3.7 Payment for Direct Trunk Transport ("DTT") Charges. Notwithstanding anything in the Interconnection Agreements to the contrary, the Parties have elected to establish LIS two-way DTT facilities for the reciprocal exchange of traffic and have agreed that the cost of the LIS two-way DTT facilities shall be shared among the Parties by reducing the LIS two-way DTT rate element charges as follows:

3.7.1 The provider of the LIS two-way DTT facility will share the cost charged at the contract transport rate of the LIS two-way DTT facility through a relative use factor. From October 1, 1999 through June 30, 2000 a relative use factor of 50 percent will be used.

3.7.2 The Parties agree to meet on or around April 1, 2000 to address trunking issues, including compensation, after June 30, 2000.

3.7.3 Notwithstanding the foregoing, U S WEST's payment of the $15.5 million referenced in paragraph 3.3 of this Billing Settlement Agreement includes full payment for DTT for the period prior to December 31, 1999 and no additional payments shall be due and owing from U S WEST to ELI for DTT for such period.

3.7.4 Although all other parts of the Interconnection Agreements and this Billing Settlement Agreement will not be affected by any FCC or PUC decision, both paragraphs 3.7.1 and 3.7.2 above are subject to any FCC or state PUC orders related to the treatment, including compensation, of DTT and/or trunking for internet- related traffic.

3.8 ELI's Payments of DTT and Reciprocal Compensation to U S WEST for all Periods Prior to October 1, 1999. ELI agrees to pay U S WEST for all outstanding reciprocal compensation and DTT charges owed in the states of Washington, Idaho, Utah, Oregon, and Arizona for all periods prior to October 1, 1999 at the effective contract rate as modified by the relevant commission, with recognition of a mutually agreed to relative use factor, within thirty days of execution of this Billing Settlement Agreement (excluding December 31, 1999).

3.9 ELI's Payment of Reciprocal Compensation and DTT to U S WEST for October 1, 1999 through December 31, 1999. ELI shall pay U S WEST reciprocal compensation and DTT at effective contractual rates as modified by commission order for the period of October 1, 1999 through December 31, 1999. In calculating DTT charges, the Parties will apply the relative use factor as set forth in paragraph 3.7.1 hereof. The Parties will meet and determine the appropriate billing amount for such period within twenty business days of execution of this Billing Settlement Agreement. Payment will be made by ELI to U S WEST by January 31, 2000.

3.10 Limitation on Liability for Payment of Reciprocal Compensation. The Parties' agreement to pay reciprocal compensation under the Interconnection Agreements shall not be construed as an agreement to pay reciprocal compensation for internet-related traffic after December 31, 2001, and shall not be deemed to be an admission of liability to pay such compensation. In addition, the fact that the Parties have settled pending and future anticipated billing disputes pursuant to this Billing Settlement Agreement shall not be used in any administrative, legislative or court proceeding as an admission by either party that the terms of this Billing Settlement Agreement are acceptable. In any administrative or judicial proceeding, both Parties may advocate, propose and support positions different than those offered in this Billing Settlement Agreement

3.11 ELI's Pick and Choose Rights. After the effective date of this Billing Settlement Agreement, ELI may continue to exercise its "pick and choose" rights, as set forth in Section 252(i) of the Telecommunications Act of 1996 with the following exceptions:

3.11.1 ELI may not exercise its "pick and choose" rights to alter, change, or modify the reciprocal compensation provisions for internet-related traffic established by this Billing Settlement Agreement with respect to existing and future interconnection agreements through December 31, 2001.

3.11.2 Subject to paragraph 3.7.4, ELI may not exercise its "pick and choose" rights to alter, change, or modify the DTT compensation provisions established by this Billing Settlement Agreement with respect to existing and future interconnection agreements prior to June 30, 2000.

3.11.3 Notwithstanding the foregoing, ELI may terminate this Billing Settlement Agreement as provided for in paragraph 3.6.

3.12 Compromise. The Parties acknowledge and agree that they have a legitimate billing dispute about whether and/or the amounts of reciprocal compensation owed to each of them under their prior, existing and potential future interconnection agreements covering the period through December 31, 2001. The terms and conditions contained in this Billing Settlement Agreement for internet-related traffic as it applies to reciprocal compensation and the provision of trunks for carrying such traffic do not represent the Parties' position on these issues and may not be used by one party against the other party in any forum. The Parties agree that this Billing Settlement Agreement is the compromise of disputed and liquidated billing and other claims and that payment by U S WEST or ELI is not a concession that the claims of either party are less or other than completely meritorious.

3.13 Existing and Future Damages. The Parties understand and agree that, in order to avoid the uncertainty, expense, and delay of continued litigation, the amount paid and received pursuant to the terms of this Billing Settlement Agreement is given and accepted not only for damages that are now known to exist, but also for any damages that may arise or develop in the future and which are currently unknown, arising from the factual allegations forming the basis of the ELI Complaints; provided, however, that the Parties do not waive the right to dispute the accuracy of billing rendered, for periods after January 1, 2000, based upon errors in the measurement or recording of traffic. The settlement amount provided for by paragraph 3.3 of this Billing Settlement Agreement includes full payment and satisfaction of all amounts owed or claimed, known or unknown, or which might be claimed by ELI from U S WEST as reciprocal compensation and for DTT through December 31, 1999, under its prior or existing interconnection agreements with U S WEST in the states of Washington, Oregon, Arizona, Idaho, and Utah. In addition, this waiver does not apply to traffic that has been inappropriately characterized and billed as toll traffic, but in reality is local or internet-related traffic.

3.14 Confidentiality. The terms and conditions of this Billing Settlement Agreement shall be confidential except as provided herein.

3.14.1 In the event either party receives from any regulatory body or court a request, subpoena or order commanding disclosure of the terms and conditions of this Billing Settlement Agreement, the party receiving the order or subpoena shall immediately notify the other party in writing of the nature, source, and scope of such request, subpoena or order so as to enable the other party, at its option, to take such action as may be legally permissible so as to protect the confidentiality provided for in this paragraph 3.14

3.14.2 The Parties may have ex parte discussions with the FCC respecting the general nature of the Billing Settlement Agreement, but may not disclose the terms of the settlement, except for reciprocal compensation rates and DTT treatment, provided, however, that if either party discloses to the FCC the reciprocal compensation rates and/or DTT treatment contained in this Billing Settlement Agreement, that party shall

also immediately expressly disclose to the FCC that this Billing Settlement Agreement is the compromise of disputed and liquidated billing claims and that the terms and conditions contained herein, including reciprocal compensation rates and DTT treatment, do not represent the Parties' positions on these issues and may not be used by one party against the other in any forum. In the event either party anticipates an ex parte contact with the FCC in which the existence of the Billing Settlement Agreement or any of its terms and conditions are revealed to the FCC, as outlined in this paragraph, that party will provide three-business day advance notice to the other party of such anticipated ex parte contact.

3.14.3 To the extent a party is required to make a disclosure to the SEC, including the issuance of a press release regarding this Billing Settlement Agreement, the party shall provide only such information that is required to be provided and shall provide notice of such planned disclosure by providing a copy of the information to be disclosed, at least five business days prior to such disclosure. To the extent such disclosure is required, the Parties will work together to produce a joint document. In the event the Parties do not agree upon a joint document, the party issuing the document will work with the other party to assure that it contains only necessary information.

3.15 Choice of Law. This Billing Settlement Agreement is to be construed and interpreted in accordance with the laws of the State of Washington.

3.16 Dismissal. The dismissals and withdrawals set forth in paragraph 3.1 hereof shall be filed or submitted by the respective Parties as soon as is practicable after execution of this Billing Settlement Agreement, and in no event later than 15 business days after such execution. U S WEST's obligation to make the $3.5 million payment provided for by paragraph 3.3 January 14, 2000 shall become effective only after such time when ELI has made the necessary filings to obtain such dismissals.

3.17 Arbitration. Any claim, controversy, or dispute between ELI and U S WEST, whether sounding in contract, statute, tort, fraud, misrepresentation, discrimination, or any other legal theory, arising out of the interpretation of this Billing Settlement Agreement, whenever brought, shall be resolved by arbitration. **By signing this Billing Settlement Agreement, the Parties voluntarily knowingly and intelligently waive any right they may otherwise have to seek remedies in court or other forums, including the right to a jury trial and the right to recover damages.** The Federal Arbitration Act 9 U.S.C. 1-16 ("FAA"), shall govern the arbitrability of all claims, provided that they are enforceable under the FAA, as it may be amended from time to time. In the event the FAA does not govern, the arbitration provisions of the Revised Code of Washington 7.04.010, et seq. shall apply. Additionally, the substantive law of Washington, only to the extent it is consistent with the terms stated in this Billing Settlement Agreement for arbitration, shall apply to any common law claims. This Billing Settlement Agreement for arbitration supersedes any other arbitration agreement between the Parties to the extent they are inconsistent. The location of the arbitration proceeding shall be in Seattle,

Washington. A single arbitrator engaged in the practice of law shall conduct the arbitration under the applicable rules and procedures of the American Arbitration Association ("AAA"). Other than as set forth herein, the arbitrator shall have no authority to add to, detract from, change, amend, or modify the terms of this Billing Settlement Agreement and shall apply existing law. All arbitration proceedings, including settlements and awards, under this Billing Settlement Agreement will be confidential. The Parties shall pay equally the hourly fees and expenses of the arbitrator. The prevailing party in any arbitration shall be entitled to receive reasonable attorneys' fees. The arbitrator's decision and award shall be final and binding as to all claims that were or could have been raised in the arbitration, and judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. If any party hereto files a judicial or administrative action asserting claims subject to this arbitration provision, and another party successfully stays such action or compels arbitration of such claims, the party filing said action shall pay the other party's costs and expenses incurred in seeking such stay or compelling arbitration, including reasonable attorneys' fees.

3.18 Enforceability. If any aspect of this Billing Settlement Agreement is found illegal or unenforceable, all remaining provisions of the Billing Settlement Agreement shall remain enforceable. The Parties agree that the arbitrator or court should sever or revise any illegal or unenforceable provision and interpret and enforce that provision and all remaining provisions of this Billing Settlement Agreement in a manner that gives effect to the intent of the Parties.

3.19 Voluntariness and Finality. THE PARTIES HAVE READ THIS BILLING SETTLEMENT AGREEMENT, FULLY UNDERSTAND ITS TERMS, AND SIGN IT FREELY AND VOLUNTARILY. The Parties acknowledge that they have had the opportunity to discuss the terms of this Billing Settlement Agreement with their attorneys and represent that this Billing Settlement Agreement is executed with the knowledge, consent and approval of their attorneys.

3.20 Indemnification. ELI agrees to indemnify U S WEST for any amounts U S WEST becomes obligated to pay as a result of lawsuits brought by ELI shareholders concerning this Billing Settlement Agreement and it will assume the defense thereof or pay U S WEST's fees and costs. U S WEST will cooperate in defense of any such lawsuits. U S WEST agrees to indemnify ELI for any amounts ELI becomes obligated to pay as a result of lawsuits brought by U S WEST shareholders concerning this Billing Settlement Agreement and it will assume the defense thereof or pay ELI's fees and costs. ELI will cooperate in defense of any such lawsuits.

3.21 Billing Settlement Agreement not Limiting Parties' Advocacy Rights. The Parties agree that they are free to pursue before the FCC, any state commission, before any judicial or quasi-judicial body, or in any arbitration, any position regarding the payment of reciprocal compensation for internet-related traffic, provided, however, that the Parties shall not assert the invalidity of this Billing Settlement Agreement and, except as

provided for in paragraph 3.6 of this Billing Settlement Agreement, shall not seek payment from each other of reciprocal compensation for internet-related traffic for the time periods covered by this Billing Settlement Agreement, other than at the rates, and under the terms and conditions provided for in this Billing Settlement Agreement.

3.22 Amendment of this Billing Settlement Agreement. This Billing Settlement Agreement may not be amended or modified except through a written agreement, signed by the Parties hereto.

3.23 Facsimile Signature Pages. The Parties agree that this Billing Settlement Agreement may be executed by signatures transmitted via facsimile with the original to follow by overnight delivery within 24 hours, and that such facsimile signature shall be valid as if an original.

Signature page to Billing Settlement Agreement between U S WEST Communications, Inc. and Electric Lightwave, Inc.

Electric Lightwave, Inc	U S WEST Communications, Inc
Signature	Signature
	Chairman, President and Chief Executive Officer
Name Printed or Typed	Name Printed or Typed
	Solomon D. Trujillo
Title	Title
	1/3/2000
Date	Date

Signature page to Billing Settlement Agreement between U S WEST Communications, Inc. and Electric Lightwave, Inc.

Electric Lightwave, Inc.	U S WEST Communications, Inc
Signature	Signature
RJ GRAF	
Name Printed or Typed	Name Printed or Typed
PRESIDENT	
Title	Title
12/30/99	
Date	Date

EXHIBIT A

ARIZONA

Before the Arizona Corporation Commission
In the Matter of the Petition of Electric Lightwave, Inc. to Establish an Interconnection Agreement with U S WEST Communications, Inc.
Docket No. T-01051B-98-0689

OREGON

Before the Public Utility Commission of Oregon
Electric Lightwave, Inc. v. U S WEST Communications, Inc.
Docket No. UC 377

Before the Public Utility Commission of Oregon
In the Matter of the Interconnection Agreement Between Electric Lightwave, Inc. and U S WEST Communications, Inc. adopting the Terms of ARB 85 Agreement, Submitted for Commission Approval Pursuant to the Telecommunications Act of 1996
ARB 164

IDAHO

Before the Public Utilities Commission of Idaho
Docket No. T-99-16

UTAH

Before the Utah Public Service Commission
In the Matter of a Complaint against U S WEST Communications, Inc.
By Electric Lightwave, Inc. Requesting the Utah Public Service Commission
Enforce an Interconnection Agreement between Electric Lightwave, Inc. and U S WEST Communications, Inc. Docket No. 98-049-36

19. <u>Electric Lightwave</u>
Amendment No. 1 to Confidential Billing Settlement Agreement and release with US WEST dated 6/21/00

Amendment No. 1
to the Confidential Billing Settlement Agreement and Release
between
U S WEST Communications, Inc.
and
Electric Lightwave, Inc.

This is Amendment No. 1 ("Amendment") to the Confidential Billing Settlement Agreement and Release between U S WEST Communications, Inc. and its subsidiaries, agents, affiliates, employees, principals, officers, directors, successors and assigns ("U S WEST") and Electric Lightwave, Inc., and all of its agents, affiliates, employees, principals, officers, directors, successors, assigns, parents and subsidiaries ("ELI") (together, the "Parties").

RECITALS

WHEREAS, U S WEST and ELI entered into a Confidential Billing and Settlement Agreement and Release ("Agreement") on December 30, 1998, and:

WHEREAS, the Parties wish to amend the Agreement to settle past disputes and further clarify the rights and obligations of the Parties,

AGREEMENT

NOW THEREFORE, in consideration of the mutual terms, covenants and conditions contained in this Amendment and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

Amendment Terms

Modify 2.7 to read:

In light of the Parties' desire to resolve their current billing dispute over the payment of reciprocal compensation, compensation for LIS Two Way Direct Trunk Transport and LIS Entrance Facilities, and Switched Access and Market Expansion Line ("MEL") Charges related to Interim Number Portability ("INP"), and in order to avoid the uncertainty, expense, and delay associated with pending and anticipated litigation, and because a settlement of the ELI Complaints, the Utah Appeals, the Idaho Arbitration, the Oregon Appeals, the Arizona Petition for Reconsideration, the Opt-in Proceeding, and ELI's potential claims for reciprocal compensation under the agreements it has selected to opt-into (collectively referred to as the "Existing Disputes") as hereinafter described, is in the best interest of the Parties, the Parties desire to resolve the Existing Disputes pursuant to this Billing Settlement Agreement.

Modify Paragraph 3.2 to read:

Billing Settlement and Release. For and in consideration of one dollar ($1.00) and other good and valuable consideration, and except as provided in this Billing Settlement Agreement, ELI releases, acquits, and forever discharges U S WEST from any amounts owed as a result of the ELI Complaints and for all claims, demands, causes of action, and liability, of any kind or nature whatsoever, including attorney fees and costs, whether known or unknown, equitable or legal, arising from any of the allegations forming the basis of the ELI Complaints, together with all claims, demands, causes of action and liability of any kind or nature whatsoever, whether known or unknown, arising from or relating to:

(a) the applicability of reciprocal compensation for Internet related traffic, including the rate element(s) for reciprocal compensation for Internet related traffic, and compensation for LIS Two Way Direct Trunk Transport and LIS Entrance Facilities between the Parties through and including the month of June 2001 or December, 2001, as applicable per Paragraph 3.6; and
(b) the payment of Switched Access and MEL charges related to INP for the period set forth in Paragraph 3.3.3.

For and in consideration of the dismissal of the ELI Complaints in Oregon and Idaho with prejudice and ELI's further agreements as set forth herein, and except as provided herein, U S WEST releases, acquits, and forever discharges ELI from any and all claims, demands, causes of action and liability of any kind or nature whatsoever, whether known or unknown, arising from any of the allegations forming the basis of the ELI Complaints, or arising from or relating to;

(c) the rate element(s) for reciprocal compensation for Internet related traffic, and compensation for LIS Two Way Direct Trunk Transport and LIS Entrance Facilities between the Parties through and including the month of June 2001 or December, 2001, as applicable per Paragraph 3.6; and
(d) the payment of Switched Access and MEL charges related to INP for the period set forth in Paragraph 3.3.3.

Except for Switched Access related to INP, this relief does not apply to intra-LATA toll traffic exchanged between U S WEST and ELI.

Modify Paragraph 3.3 to read:

Settlement Amounts. In order to avoid any future disputes and litigation and the costs associated with such litigation on the issues of reciprocal compensation between the Parties as it applies, or doesn't apply to Internet related traffic, compensation for LIS Two Way Direct Trunk Transport and LIS Entrance Facilities, and the payment of Switched Access and MEL charges related to INP, the Parties agree to the following provisions:

3.3.1 Respecting the payment of reciprocal compensation and LIS Two Way Direct Trunk Transport: U S WEST agrees to pay $15.5 million to ELI. The payment will be made as follows: $12 million shall be paid within three business days (excluding December 31, 1999 and excluding the date of execution) of execution of this Billing Settlement Agreement. The balance shall be paid on or before January 14, 2000. Further,

notwithstanding anything to the contrary in the Parties' existing interconnection agreements, or in any new interconnection agreements entered into between the Parties covering the time period ending December 31, 2001 (collectively hereafter, the Interconnection Agreements"), the Parties agree that they will pay each other reciprocal compensation, to the extent applicable, and on the basis set forth in the chart below. The Parties' agreement to pay reciprocal compensation at the below-listed rates is based upon the comprehensive settlement of their Existing Disputes, as well as future disputes, as described in paragraphs 2.1 through 2.7, and 3.1 hereof, and such rates are agreed to in consideration of the settlement of all such disputes. The rates to be applied are as follows:

Add to Paragraph 3.3 (following the Rate Chart):

3.3.2 Because at least 90% of the traffic delivered to ELI from U S WEST is currently Internet related traffic, the Parties further agree that for purposes of determining reciprocal compensation payments for non-Internet related traffic, ELI's switch will be treated as a tandem, and U S WEST shall pay ELI reciprocal compensation on non-Internet related traffic accordingly under the effective contractual rates. The Parties agree that U S WEST will not be obligated to pay tandem rates for such non-Internet related traffic to the extent the minutes exceed 15% of the total traffic delivered to ELI by U S WEST.

3.3.3 The Parties agreement to pay for Switched Access and MEL charges related to INP as set forth below is based upon the comprehensive settlement of their Existing Dispute regarding the same, as well as future disputes, and such payments are agreed to in consideration of the settlement of all such disputes.

The Parties agree to use the formula set forth on Exhibit B to determine revenue to be passed through to ELI as inter-and intrastate Switched Access compensation under the applicable provisions for INP in the Interconnection Agreements between the Parties. Notwithstanding the terms of these Interconnection Agreements or this Agreement, the provisions contained in Paragraph 3.3.3 of this Agreement relating to the payment for Switched Access and MEL charges related to INP will terminate two years from the date a signed copy of this Amendment is received by U S WEST (the "Effective Date" for 3.3.3). ELI may request a final True Up thirty days prior to the termination of this Paragraph 3.3.3, based upon the agreed to formula in Exhibit B, for any numbers ported in end offices that have not converted to LNP as of the Effective date of this Paragraph.

The Switched Access rate elements are identified in the U S WEST Switched Access Tariff.

U S WEST will use ARMIS data to determine the average MOU by jurisdiction. ARMIS data is updated on a yearly basis.

The number of lines to be used in the formula is extracted from the U S WEST corporate data warehouse and the calculation is done on a monthly basis to arrive at the total true up dollars. This database contains billed information for posted orders.

Internet service provider traffic has been excluded based upon a number provided by ELI to U S WEST.

U S WEST and ELI have met and have agreed to true up the outstanding balance that ELI currently owes U S WEST for MEL charges, which will be offset by the amount owed by U S WEST for Switched Access on the lines that have been ported. ELI and U S WEST agree that the Access Charges owed to ELI are $98,351.00, and the outstanding MEL charge balance owed to U S WEST, as of May 25, 2000 are $171,121.83. U S WEST will, upon receipt of this Amendment, credit ELI's account in the amount of $98,531.00, and ELI agrees to make immediate payment to U S WEST of the amount of $72,770.83 ($171,121.83 less $98,351.00). ELI agrees to pay all future MEL charges when properly billed on a timely basis.

Modify Paragraph 3.5 by inserting a new paragraph break before the last sentence and adding a new sentence:

The Parties agree to commence good faith negotiations, no later than 60 days prior to the termination of this Billing Settlement Agreement, regarding appropriate rates terms and conditions, consistent with federal and state law as it exists at that time, to govern reciprocal compensation arrangements between the Parties immediately following the termination of this Billing Settlement Agreement. The Parties further agree that, in the event the Parties cannot agree upon a resolution to the issues consistent with federal and state law as it exists at that time prior to termination of this Billing Settlement Agreement, the Parties will seek to resolve the dispute in accordance with the Dispute Resolution provisions of the Interconnection Agreements between the Parties in effect at the time.

Replace the last sentence of Paragraph 3.6 to read:

The Parties agree that payment at an interim rate of 0.00065 per minute for Internet Related Traffic will be applied for a six (6) month period following either June 30, 2001 if either party elects to terminate this Agreement as set forth in this Paragraph or at the expiration of this Agreement on December 31, 2001. This interim rate for the period following either July 1, 2001 or January 1, 2002, as applicable, is subject to any effective action, ruling or determination by the FCC, state commissions, Congress, state legislatures, arbitrator, or court. Such interim payments will be subject to true up based upon the Dispute Resolution provisions of the Interconnection Agreements and/or any effective action, ruling or determination by the FCC, state commissions, Congress, state legislatures, arbitrator, or court. During this period the prevailing Party in a true up will be entitled to interest which will be calculated at an annual percentage rate of 12%.

Modify Paragraphs 3.7.1 and 3.7.2 to read:

The provider of the LIS Two-Way Direct Trunk Transport or LIS Entrance Facility will share the cost charged at the contract transport rate of the LIS Two-Way Direct Trunk Transport or LIS Entrance Facility through relative use factors as follows:

Billing Period	Relative Use Factor for U S WEST	Relative Use Factor for ELI
October 1, 1999 to June 30, 2000	Fifty (50) %	Fifty (50) %
July 1, 2000 to December 31, 2000	Seventy (70) %	Thirty (30) %
January 1, 2001 to June 30, 2001	Sixty five (65)%	Thirty five (35) %
July 1, 2001 to December 31, 2001	Fifty (50) %	Fifty (50) %

These percentages are only effective for LIS Entrance Facilities as of the Effective Dates of the new Interconnection Agreements entered into after June 1, 2000.

Delete Paragraph 3.7.4

Modify the first sentence in Paragraph 3.10 to read:

Limitation on Liability for Payment of Reciprocal Compensation. The Parties' agreement to pay reciprocal compensation under the Interconnection Agreements shall not be construed as an agreement to pay reciprocal compensation for Internet related traffic after June 30, 2001 or December 31, 2001, as applicable per Paragraph 3.6, and shall not be deemed to be an admission of liability to pay such compensation.

Modify Paragraph 3.11.2 to read:

ELI may not exercise its "pick and choose" rights to alter, change, or modify the LIS Two Way DTT or LIS Entrance Facility compensation provisions established by this Billing Settlement Agreement with respect to existing and future interconnection agreements prior to December 31, 2001.

ELI may not exercise its "pick and choose" rights to alter, change or modify the Switched Access or MEL charges related to INP provision prior to the expiration of Paragraph 3.3.3.

Modify Paragraph 3.12 to read:

Compromise. The Parties acknowledge and agree that they have a legitimate billing dispute about whether and/or the amounts of reciprocal compensation and Switched Access and MEL charges related to INP owed to each of them under their prior, existing and potential future interconnection agreements covering the period through December 31, 2001. The terms and conditions contained in this Billing Settlement Agreement for Internet related traffic as it applies to reciprocal compensation, the provision of trunks for carrying such traffic, and Switched Access and MEL charges related to INP do not represent the Parties' position on these issues and may not be used by one party against the other party in any forum. The Parties agree that this Billing Settlement Agreement is the compromise of disputed and liquidated billing and other claims and that payment by

U S WEST or ELI is not a concession that the claims of either party are less or other than completely meritorious.

Modify the first sentence of Paragraph 3.17 to read:

Except as otherwise provided in this Billing Settlement Agreement, any claim, controversy, or dispute between ELI and U S WEST, whether sounding in contract, statute, tort, fraud, misrepresentation, discrimination, or any other legal theory, arising out of the interpretation of this Billing Settlement Agreement, whenever brought, shall be resolved by arbitration.

Add a new Paragraph 24 to read:

If ELI files for, or is involuntarily the subject of, any form of bankruptcy, U S WEST will be relieved of its obligation to pay any interim compensation for Internet related traffic after June 30, 2001 or December 31, 2001, as applicable per Paragraph 3.6

Effective Date

This Amendment shall be deemed effective on June 20, 2000.

Further Amendments.

Except as modified herein, the provisions of the Agreement shall remain in full force and effect. Neither the Agreement nor this Amendment may be further amended or altered except by written instrument executed by an authorized representative of both Parties.

The Parties intending to be legally bound have executed this Amendment as of the dates set forth below, in multiple counterparts, each of which is deemed an original, but all of which shall constitute one and the same instrument.

Electric Lightwave Inc.	U S WEST Communications, Inc.
Signature	J. M. Tinkham Signature
RUDY J GRAF Name Printed/Typed	Judy Tinkham Name Printed/Typed
CEO Title	Vice President-WEDM Title
6/21/00 Date	June 12, 2000 Date

20. <u>Electric Lightwave</u>
Binding Letter Agreement with Qwest dated 7/19/01

BINDING LETTER AGREEMENT
July 19, 2001

1. This binding letter agreement ("Letter Agreement"), entered into on this 19th day of July, 2001, is to confirm an understanding by and between Electric Lightwave, Inc. ("ELI") and Qwest Corporation ("Qwest") (hereinafter jointly referred to as the "Parties" or singularly as the "Party") regarding issues and disputes arising from and related to the Parties business relationship as of June 30, 2001 . When executed by both Parties, this document shall be a fully effective and enforceable contract. The Parties acknowledge that in consideration for resolving all disputes, known and unknown, and which are related to the subject matter of this Letter Agreement and which exist as of June 30, 2001, and in order to establish a good business relationship, they have freely executed this Letter Agreement.

2. In order for the Parties to settle all outstanding known and unknown billing disputes as of June 30, 2001 between them, the Parties shall make the following wire transfer payments within 15 calendar days of execution of this Letter Agreement: (1) Qwest shall make a payment of $3,000,000; and (2) ELI shall make a payment of $1,041,494. The parties will resolve all the outstanding disputes as detailed in Attachment 1. Further, to settle all outstanding billing disputes between them, the Parties agree to issue the necessary billing credits and to resolve all billing disputes as of June 30, 2001 (i.e. to bring both Parties billing account balances to zero) as outlined in Attachment 1. The Parties agree to coordinate the application of payments and credits made by both Parties to ensure the outstanding balances on all appropriate billing account numbers ("BANs") are brought to zero as outlined in Attachment 1. Such bill credits shall be applied to accounts within the first billing cycle or as soon as practicable after execution of this Letter Agreement and shall be completed no later than 60 calendar days following execution of this Letter Agreement.

3. The Parties agree that the payments and bill credits outlined above shall satisfy all claims known or unknown, including Qwest waiving its claim for amounts paid in protest of $5,400,000 of switched access billing through June 30, 2001, and for the disputes identified in Attachment 1.

4. As detailed in Attachment 2, both Qwest and ELI shall provide to each other all information necessary to identify the jurisdiction and originating carrier for all traffic sent by both parties over all trunks groups between an ELI switch and a Qwest end office or tandem. Both parties shall provide all available call records in sufficient detail to allow each party to determine the jurisdiction and bill the carrier responsible for payment of any terminating local or access charges ("Intercarrier Compensation"). Both parties agree to review and develop a process to resolve unidentified call records (no CPN, blank OCN, etc.) to arrive at appropriate billing methods no later than September 30, 2001. The Parties are in dispute regarding the actual switched access minutes that ELI can appropriately charge to Qwest. While the Parties work together to resolve this dispute and determine an appropriate methodology, the Parties agree that Qwest shall pay

ELI $50,000 per month for intraLATA switched access charges, beginning July 1, 2001 and continuing each month thereafter through September 30, 2001 or sooner if both Parties agree upon an appropriate billing process. Beginning no later than October 1, 2001, Qwest and ELI will bill and pay each other for Intercarrier Compensation for terminating local or access charges based on actual call records. The billing methodology developed pursuant to this paragraph will determine the treatment of call records which do not have adequate details for identifying and billing the appropriate carrier. Qwest and ELI agree to cooperate on any regulatory or legal action necessary to identify unidentified call records.

5. ELI has opted into new interconnection agreements for Oregon, Utah, and Washington pursuant to letters ELI sent Qwest on May 7, 2001. Qwest agrees to meet with ELI and to amend those agreements to be consistent with the previous agreement by September 30, 2001, in a manner which is mutually agreeable to both Parties, to address ELI's concerns which exist in the currently effective interconnection agreements (i.e., the opted into agreements).

6. ELI agrees to notify, within five calendar days after executing this Letter Agreement, the Federal Communications Commission ("FCC") that ELI and Qwest have entered into settlement discussions with the purpose of resolving the existing complaint filed on April 12, 2001, related to the conversion of existing private line circuits to unbundled network element pricing under the Accelerated Docket Procedures. Further, the Parties will work together to present a joint stipulation to request that the FCC not to take any action for a period not to exceed 60 days from the execution of this Letter Agreement. During the 60 day period following execution of this Letter Agreement, the Parties will negotiate in good faith the resolution of all issues concerning the conversion of private line circuits to unbundled network element pricing and the development of the appropriate process for the conversion of private line circuits in the future. Further, Qwest is released from any retroactive claims for monetary relief through June 30, 2001. Qwest and ELI also agree to explore a private line discount program during this 60-day period. Should the Parties not reach a mutually agreeable resolution within 60 days of the signing of this Letter Agreement, ELI is free to continue pursuing the existing filed complaint or to implement any new complaints in the appropriate state or federal jurisdiction. however, any claims ELI asserts or relief ELI requests in its existing FCC complaint or in future complaints must only request relief for issues arising after June 30, 2001.

7. ELI and Qwest agree to implement immediately upon execution of this Letter Agreement the escalation process attached hereto as Attachment 3.

8. The parties agree to work together in good faith to reduce the principles of this Letter Agreement to a binding confidential billing settlement agreement within 30 calendar days of its execution. The Parties agree that they have entered into this Letter Agreement after consulting with legal counsel. Further, the Parties agree that they will treat this Letter Agreement as confidential and will treat it pursuant to the terms and conditions of the Non-Disclosure Agreement signed between the Parties.

9. Any claim, controversy or dispute between the Parties related to or in connection with this Letter Agreement shall be resolved by private and confidential arbitration conducted under the then current rules of the American Arbitration Association. The Federal Arbitration Act, not state law, shall govern the arbitrability of all disputes. The arbitrator shall not have the authority to award punitive damages. The arbitrator's decision shall be final and binding and may be entered in any court having jurisdiction thereof. Each Party shall bear its own costs and attorneys' fees and shall share equally in the fees and expenses of the arbitrator.

10. This Letter Agreement may be executed in duplicate and facsimile signatures shall have the same effect as originals.

Electric Lightwave Corporation	Qwest Corporation
Signature	Signature
Robert Braden	Audrey McKenney
Name	Name
President	SVP - Wholesale
Title	Title
7/19/01	7/19/01
Date	Date

Attachment 1
Billing Disputes

This attachment describes the disputed issues between the Parties which are being resolved pursuant to the terms and conditions contained in the Letter Agreement, and are part of the billing credits and payment amounts described therein. The bill credit amounts are estimates and are subject to change based upon what is necessary to completely resolve these disputes and bring such balances to zero as outlined below.

1. The disputes being resolved include, but are not limited to ELI IntraLATA CABS billings to Qwest for the states of Arizona, Idaho, Oregon, Utah and Washington. These issues relate, however not solely to, the quantity of intraLATA switched access minutes which have or will be billed to Qwest by ELI for usage through June 30, 2001. The Parties agree that this amount is $6,722,342. This amount is an estimate and is subject to change based upon what is necessary to completely resolve these disputes.

2. The items being resolved include past known disputes for local interconnection and other charges to ELI for the invoiced amounts through June 25, 2001. Issues being resolved relate to, but are not limited to, assessments of access charges on local trunks, LIS BAN's., Collocation, Resale, INP, Administrative Lines. To resolve this dispute the Parties agree to the following. Qwest shall receive from ELI, as part of the cash payment described in the Letter Agreement, a cash payment of $1,041,494 thus paying all outstanding balances. The Parties agree that the obligations set forth in this paragraph require ELI to pay all charges for services provided by Qwest through June 30, 2001.

3. As part of the resolution of disputes, ELI agrees to waive all claims known and unknown for reciprocal compensation and direct trunk transport and related charges from Qwest for usage through June 30, 2001 for all states. As part of the resolution of disputes the Parties agree as follows: (1) ELI agrees for the state of Utah, to credit Qwest $278,796; (2) ELI agrees for the states of Arizona, Idaho, Oregon, Utah and Washington, to credit Qwest's account in the amount of $2,513,533; and (3) Qwest agrees to pay ELI $2,500,000. The credit amounts are estimated and are subject to change regarding what is necessary to completely resolve these disputes and bring the reciprocal compensation billing from ELI to Qwest to zero.

Attachment 2
Billing Information Exchange

Qwest will provide the following information to ELI to facilitate resolution of the correct billing of Intercarrier Compensation for traffic exchanges between the Parties' networks on a going forward basis.

1. Qwest will provide to ELI no later than August 15, 2001 a copy of the most recent month's TUT or equivalent reports showing that month's usage data for the states of Oregon, Utah, Idaho, Washington and Arizona, including all available call detail records related to that month's usage.

2. Qwest will provide to ELI no later than August 15, 2001 call detail records and any other supporting information used by Qwest to calculate the ILEC additive. The ILEC additive is used by Qwest to approximate the number of minutes it carries in its role as designated carrier for other ILECs.

3. Qwest will provide to ELI, on an ongoing basis, with the initial reports beginning no later than August 15, 2001, available call detail records for originating wireless and CLEC traffic that terminates to ELI.

4. Both parties agree to review and develop a process to resolve unidentified call records (no CPN, blank OCN, etc..) to arrive at appropriate billing methods, no later than August 15, 2001. If either party is not provided complete call records from originating carrier, or agreement between the parties cannot be reached, this traffic will be excluded from compensation methods. Qwest and ELI agree to cooperate on any regulatory or legal action necessary to identify unidentified call records related to third parties.

Attachment 3
Escalation Process

The Parties wish to develop a business-to-business relationship and agree to establish the following binding escalation process to resolve any and all business issues that may arise between them. The escalation process is the following:

Level	Participants	Time frame for discussions
LEVEL 1	Directors (or designated rep)	10 business days
LEVEL 2	Vice Presidents/Senior Vice Presidents (or designated rep)	10 business days
LEVEL 3	Business Unit Presidents (or designated rep)	10 business days
LEVEL 4	If a dispute is not resolved in Levels 1 through 3, either party may resort to the regulatory or legal process.	

The Parties agree, subject to any subsequent written agreement between the Parties, to: (1) utilize the established escalation process and time frames to resolve such disputes; (2) commit the time, resources and good faith necessary to meaningful dispute resolution; (3) not proceed to a higher level of dispute resolution until either a response is received or expiration of the time frame for the prior level of dispute resolution; (4) grant to one another, at the request of the other Party, one reasonable extension of time in the dispute resolution process not to exceed 10 business days; and (5) complete Levels 1, 2, and 3 of dispute resolution before seeking resolution through regulatory processes, arbitration or the courts.

By no later than August 31, the Parties agree to identify and catalogue all open issues and until such time, the Parties agree to refrain from pursuing any additional disputes through the legal and regulatory process.

21. <u>Allegiance</u>
Internetwork Calling Name Delivery Service Agreement with US West dated 3/23/00

Conformed Copy

LAW OFFICES
FENNEMORE CRAIG
A PROFESSIONAL CORPORATION

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AZ CORP COMMISSION
DOCUMENT CONTROL

TIMOTHY BERG
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FAX: (602) 916-5999

May 23, 2003

BY HAND DELIVERY

Docket Control
Arizona Corporation Commission
1200 West Washington
Phoenix, Arizona 85007

Re: In the Matter of the Application of Qwest Corporation for Approval of a Internetwork Calling Name Delivery Service Agreement as an Amendment to the Interconnection Agreement with Allegiance Telecom of Arizona, Inc.

Dear Madam or Sir:

Pursuant to Section 252(e)(2) of the Telecommunications Act of 1996 and A.A.C. R14-2-1508 of the Arizona Administration Code, Qwest hereby submits the enclosed negotiated Internetwork Calling Name Delivery Service Agreement ("ICNAM") dated March 23, 2000 between Qwest Corporation ("Qwest") and Allegiance Telecom of Arizona, Inc. ("Allegiance") as an Amendment for filing with and approval by the Arizona Corporation Commission ("Commission"). The Arizona Corporation Commission approved the underlying Agreement between Qwest and Allegiance on March 06, 2000 in Docket No. T-01051A-99-0685, Decision No. 62345. Enclosed is a service list for these dockets.

This and 12 other amendments that we are filing today have been part of the documentation in the investigation into Qwest's compliance Section 252(e). This amendment was among the approximately one hundred agreements that the Staff has had in its possession to review and consider whether any such agreement is within the Section 252(e) filing requirement.

In her February 21, 2003 testimony Commission witness Marta Kalleberg identified two of the 12 amendments being filed today. Qwest has identified and is filing today another ten amendments that are substantially similar ancillary service agreements involving as those identified by Ms. Kalleberg.

Qwest has applied a very broad standard to determine whether any provision has a relationship to a service provided under Section 251(b) or (c). Qwest then evaluated whether provisions meeting this broad standard are still effective today and have not been terminated or superseded by agreement, commission order, or otherwise. The agreement attached to this letter for filing is one of those agreements. In filing these amendments, Qwest seeks to remove one issue of contention between itself and Staff in the pending 252(e) docket and to remove any ongoing issue relating to these amendments from that docket and the 271 docket before this Commission or the FCC.

The agreements that Qwest is filing today reflect form, standard provisions that are and have been available to all CLECs through other approved agreements and the SGAT, and they are also available for review and request from Qwest's website. As such, these very well may not be agreements subject to the filing requirement under the FCC's October 4, 2002 Order; however, the FCC's subsequent order granting Section 271 relief to Qwest's 9-state application suggested the contrary. In order to resolve this issue, Qwest has no objection to filing these formally under Section 252(e), and is hereby doing so.

The enclosed amendment does not discriminate against non-party carriers. It is consistent with the public interest, convenience, and necessity. It is also consistent with applicable state law requirements, including Commission orders regarding interconnection issues.

Please contact me at (602) 916-5421 if you have any questions concerning the enclosed. Thank you for your assistance in this matter.

Sincerely,

FENNEMORE CRAIG

Timothy Berg

Enclosures

SERVICE LIST:
Qwest Corporation Docket No: T-01051A-99-0865

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INTERNETWORK CALLING NAME DELIVERY SERVICE AGREEMENT

("ICNAM SERVICE")

This Agreement is entered into between U S WEST Communications, Inc., a Colorado corporation (hereinafter referred to as "USWC"), and Allegiance Telecom of Arizona, Inc. ("ALLEGIANCE"). The service(s) described in this Agreement shall be performed in the State(s) of Arizona.

WHEREAS, USWC provides intrastate, basic local exchange telephone services such as Internetwork Calling Name Delivery Service (hereinafter "ICNAM" service), to subscribers in the following states: Arizona, Colorado, Idaho, Iowa, Minnesota, Montana, Nebraska, New Mexico, North Dakota, Oregon, South Dakota, Utah, Washington, and Wyoming; and

WHEREAS, ALLEGIANCE desires to purchase USWC's ICNAM service, and USWC wishes to provide ICNAM service to ALLEGIANCE, under terms and conditions prescribed in this Agreement.

NOW THEREFORE, in consideration of the mutual promises contained herein, USWC and ALLEGIANCE agree as follows:

SECTION 1. DEFINITIONS

A. Subscribers mean end users of ALLEGIANCE's telecommunications services who wish to have callers identified prior to answering calls.

B. A-Links mean a diverse pair of facilities connecting local end office switching centers with USWC Signaling Transfer Points (STPs).

C. ICNAM service is a USWC service that allows ALLEGIANCE to query USWC's ICNAM database and secure the listed name information for the requested telephone number (calling number), in order to deliver that information to ALLEGIANCE's subscribers.

D. ICNAM database is the USWC database which contains current listed name data by working telephone number served or administered by USWC, including listed name data provided by other local exchange carriers participating in the Calling Name Delivery Service arrangement.

E. Service Control Point (SCP) is a control point in an SS7 network.

F. Service Point (SP) is an SS7 network interface element capable of initiating and/or terminating SS7 Messages. SPs may be end offices, access tandem switches, operator service systems, database managers, or other SPs.

G. Service Switching Point (SSP) is the software capability within an SP, and the SSP provides the SP with the SS7 message preparation/interpretation capability, plus SS7 transmission/reception access ability.

H. Signaling Transfer Point (STP) is the point where ALLEGIANCE interconnects with USWC's SS7 network. In order to connect to USWC's SS7 network, ALLEGIANCE or other third party initiating ALLEGIANCE's ICNAM queries must connect with a USWC STP in order to connect to USWC's SCP.

SECTION 2. DESCRIPTION

A. Under this Agreement, in response to proper signaling queries, USWC will provide ALLEGIANCE with ICNAM database subscriber information if the calling party's subscriber information is stored in the USWC ICNAM database. The effect being that the called party subscriber can identify the calling party listed name prior to receiving the call, except in those cases where the calling party subscriber has its ICNAM information blocked.

B. During the term of this Agreement, USWC will allow ALLEGIANCE to query USWC's ICNAM database in order to obtain ICNAM information which identifies the calling party subscriber.

C. The ICNAM service provided under this Agreement shall include the database dip and transport from USWC's regional STP to USWC's SCP where the database is located. Transport from ALLEGIANCE's network to USWC's local STP is provided via A-Links which are described and priced in the Interconnection Agreement between ALLEGIANCE and USWC. Transport from USWC's local STP to USWC's regional STP is not included as a part of this Agreement, nor in the pricing for the ICNAM service provided under this Agreement. In the event that transport from USWC's local STP to USWC's regional STP is added to the ICNAM pricing provided hereunder, USWC will provide sixty (60) days prior written notice of any resulting change in the pricing for the ICNAM service.

SECTION 3. TERM OF AGREEMENT

This Agreement arises out of an Interconnection Agreement between the Parties which was approved by the Corporation Commission in the state of Arizona. This Agreement shall become effective upon the latest signature date, and shall terminate at the same time as the said Interconnection Agreement. Provided, however, either Party may terminate this Agreement upon thirty (30) days prior written notice to the other.

SECTION 4. RESPONSIBILITIES OF THE PARTIES

A. Upon queries by ALLEGIANCE's end users, USWC will provide ICNAM information attached hereto as Exhibit A.

B. USWC will provide information that is currently in its ICNAM Database accessed by ALLEGIANCE.

C. ALLEGIANCE warrants that it shall send queries conforming to the American National Standards Institute's (ANSI) approved standards for SS7 protocol and per specification standard documents identified in Exhibit B. ALLEGIANCE acknowledges that transmission in said protocol is necessary

for USWC to provision its ICNAM services. ALLEGIANCE will adhere to other applicable standards, which include Bellcore specifications defining service applications, message types and formats. USWC reserves the right to modify its network pursuant to other specification standards that may become necessary to meet the prevailing demands within the United States telecommunications industry. All such changes shall be announced in advance and coordinated with ALLEGIANCE.

D. All queries to USWC's ICNAM database shall use a subsystem number (the designation of application) value of 250 with a translation type value of 5. ALLEGIANCE acknowledges that such subsystem number and translation type values are necessary for USWC to properly process queries to USWC's ICNAM database.

E. ALLEGIANCE acknowledges and agrees that SS7 network overload due to extraordinary volumes of queries and/or other SS7 network messages can and will have a detrimental effect on the performance of USWC's SS7 network. ALLEGIANCE further agrees that USWC, in its sole discretion, shall employ certain automatic and/or manual overload controls within USWC SS7 network to safeguard against any detrimental effects. USWC shall report to ALLEGIANCE any instances where overload controls are invoked due to ALLEGIANCE's SS7 network, and ALLEGIANCE agrees in such cases to take immediate corrective actions as necessary to cure the conditions causing the overload situation.

F. ALLEGIANCE agrees to comply, at its own expense, with the provision of all state, local and federal laws, regulations, ordinances, requirements and codes which are applicable to the performance of the services hereunder which include the satisfaction of all tax and other governmentally imposed responsibilities as a Local Exchange Carrier customer, including but not limited to, payment of federal, state, or local sales use, excise, or other taxes or tax-like fees, imposed on or with respect to USWC's Caller Name Services and ALLEGIANCE's subscriber services (hereinafter referred to as "Tax(es)", including Taxes imposed directly on USWC and relating to ALLEGIANCE's (or ALLEGIANCE's subscriber) services. ALLEGIANCE shall, where permissible by law, file returns or reports relating to such Taxes, and pay or remit all such Taxes and other items to the appropriate taxing authority.

G. USWC shall exercise best efforts to provide ALLEGIANCE accurate and complete ICNAM information. USWC does not warrant or guarantee the correctness or the completeness of such information; however, USWC will access the same ICNAM database for ALLEGIANCE's queries as USWC accesses for its own queries. In no event shall USWC have any liability for system outage or inaccessibility or for losses arising from the authorized use of the ICNAM data by ALLEGIANCE.

H. ALLEGIANCE must arrange its Calling Party Number based services in such a manner that when a calling party requests privacy, ALLEGIANCE will not reveal that caller's name or number to the called party (ALLEGIANCE's end user). ALLEGIANCE will comply with all Federal Communications Commission guidelines and, if applicable, the appropriate state Commission rules, with regard to honoring the privacy indicator. ALLEGIANCE agrees to indemnify and hold

USWC harmless for any claims by third parties resulting from ALLEGIANCE's failure to comply with this provision.

SECTION 5. OWNERSHIP OF ICNAM INFORMATION

USWC retains full and complete ownership and control over the ICNAM database and all information in its database. ALLEGIANCE agrees not to copy, store, maintain or create any table or database of any kind from any response received after initiating an ICNAM query to USWC's database.

SECTION 6. PROVISION OF ICNAM SERVICES

A. USWC services shall be provided in accordance with the terms and conditions of this Agreement.

B. If at any time during the term of this Agreement a tariff for ICNAM service becomes effective, the tariff and all terms and conditions, including all rates, will supersede this Agreement.

SECTION 7. CHARGES AND PAYMENT

A. ALLEGIANCE agrees to pay USWC for each and every query initiated into USWC's ICNAM database for any information at the rate of $.016 per query, whether or not any information is actually provided.

B. ICNAM rates will be billed to ALLEGIANCE monthly by USWC for the previous month. ALLEGIANCE agrees to pay the bill within thirty (30) days of the bill date. If payment is not received within thirty (30) days of the bill date, ALLEGIANCE agrees to pay a late charge of one and one half percent (1 1/2 %) per month, or the maximum percentage allowed by law, whichever is lower, on the unpaid balance.

SECTION 8. LIMITATION OF LIABILITY

Under no circumstances shall either party be liable to the other for any indirect, incidental, special, or consequential damages, including but not limited to, loss of business, loss of use, or loss of profits which arise in any way, in whole or in part, as a result of any action, error, mistake, or omission, whether or not negligence on the part of either party occurs. One party's liability to the other party for direct, actual damages shall not exceed the amount required to correct the error, mistake, or omission under this Agreement.

SECTION 9. INDEMNIFICATION

To the extent not prohibited by law, each party shall indemnify and hold harmless the other party, its officers, agents and employees from and against any loss, cost, claim, actions, damages or expense (including attorney fees), brought by a person not a party under this Agreement which relates to or arises out of the negligent or intentional acts, errors or omissions of the indemnifying party in connection with action or inaction under this Agreement. Notwithstanding the foregoing, it is understood that USWC shall

not be liable under any theory whatsoever to ALLEGIANCE's end users on account of any errors, omissions, deficiencies, or defects in the information provided pursuant to this Agreement.

SECTION 10. LAWFULNESS OF AGREEMENT

This Agreement and the parties' actions under this Agreement shall comply with all applicable federal, state, and local laws, rules, regulations, court orders, and governmental agency and regulatory orders. If a court or a governmental agency with proper jurisdiction determines that this Agreement, or a provision of this Agreement, is unlawful, this Agreement, or that provision of this Agreement to the extent it is unlawful, shall terminate. If a provision of this Agreement is so terminated but the parties legally, commercially, and practicably can continue this Agreement without the terminated provision, the remainder of this Agreement shall continue in effect.

SECTION 11. FORCE MAJEURE

Neither party shall be held responsible for any delay in performance or failure to perform under this Agreement if such delay is caused by fires, strikes or other labor disputes, embargoes, explosion, power blackout, war, civil disturbance, governmental requirements, acts of God, or other causes beyond its control rendering performance impossible or commercially impracticable: If such contingency occurs, this Agreement will be suspended for the duration of the delaying cause and shall be resumed once the delaying cause ceases, provided such cause does not exist beyond 180 days, in which case, this Agreement, at the option of the injured party, shall be deemed terminated.

SECTION 12. DISPUTE RESOLUTION

Other than those claims over which a regulatory agency has exclusive jurisdiction, all disputes between the Parties shall be resolved by arbitration in accordance with the then current rules of the American Arbitration Association. The arbitration shall be conducted by a single arbitrator engaged in the practice of law. The arbitrator's decision and award shall be final and binding and may be entered in any court with jurisdiction. Federal law, not state law, shall govern the arbitrability of all claims.

SECTION 13. NOTICES.

All notices required by or relating to this Agreement shall be in writing and shall be sent to the Parties to this Agreement at their addresses set forth below, unless the same is changed from time to time, in which event each party shall notify the other in writing of such change. All such notices shall be deemed duly given if mailed, postage prepaid, and directed to the addresses then prevailing. If any questions arise about dates of notices, postmark dates control.

Allegiance Telecom of Arizona, Inc.

Robert McCausland
VP Regulatory
1950 North Stemmons Freeway, Suite 3026
Dallas, TX 75207

U S WEST Communications, Inc.

Elizabeth Stamp
Director – Interconnect Negotiations
1801 California St., Rm 2410
Denver, CO 80202

SECTION 14. ASSIGNMENT

ALLEGIANCE may not assign this Agreement to a third party without the prior written consent of USWC. A change in control, defined as a change in a party's controlling interest, whether by acquisition of voting stock, receipt of profits or otherwise, shall be deemed an assignment.

SECTION 15. SEVERABILITY

If any provision of the Agreement is determined by a court of competent jurisdiction to be invalid or unenforceable, such determination shall not affect the validity or enforceability or any other part or provision of this Agreement.

SECTION 16. NON-WAIVER

No course of dealing or failure of a party to enforce strictly any term, right, obligation or provision of this Agreement or to exercise any option provided hereunder shall be construed as a waiver of such provision.

SECTION 17. MISCELLANEOUS

USWC makes no representations nor does this Agreement imply that USWC will provide a service or a product beyond the term of this Agreement irrespective of the outcome. Notwithstanding any other provision of this Agreement, USWC reserves the right to discontinue the ICNAM service herein if incoming calls are so excessive as determined by USWC that the ICNAM database cannot operate in a quality manner.

SECTION 18. GOVERNING LAW

This Agreement and the obligations of the parties hereunder shall be construed and governed in accordance with the laws of the State in which services are provided under this Agreement.

SECTION 19. ENTIRE AGREEMENT

This Agreement contains the entire expression of the parties' bargain. No other documents or communications may be relied upon in interpreting this Agreement.

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be duly executed for and on its behalf on the day and year indicated below:

ALLEGIANCE Telecom of Arizona, Inc.

Robert W. McCausland

SIGNATURE – Robert W. McCausland

Vice-President - Regulatory

TITLE

3-15-00

DATE

U S WEST Communications, Inc.

Elizabeth Stamp

SIGNATURE – Elizabeth Stamp

Director – Interconnect Negotiations

TITLE

03/23/00

DATE

EXHIBIT A

INFORMATION TO BE PROVIDED

In response to queries properly received at USWC's databases, USWC will provide the following information that relates to the calling telephone number (where the information is actually available in USWC's database(s) and the delivery thereof is not blocked or otherwise limited by the end user, calling party or other appropriate request). ALLEGIANCE is responsible for properly and accurately launching and transmitting the query from its serving office to the USWC database(s).

Information:

1. Listed Name of the Calling Party

EXHIBIT B

SPECIFICATIONS AND STANDARDS

Issuing Organization		Document Number
A.	Bellcore-SS7 Specification	TR-NPL-000246
B.	ANSI-SS7 Specifications	
	-Message Transfer Part	T1.111
	-Signaling Connection Control Part	T1.112
	-Transaction Capabilities Application Part	T1.114
C.	Bellcore-CLASS Calling Name Delivery Generic Requirements	TR-NWT-001188
D.	Bellcore-CCS Network Interface Specifications	TR-TSV-000905

22. <u>Allegiance</u>
Directory Assistance Agreement with US West dated 6/29/00.

Conformed Copy

LAW OFFICES
FENNEMORE CRAIG
A PROFESSIONAL CORPORATION

RECEIVED

2003 MAY 23 A 11:57

AZ CORP COMMISSION
DOCUMENT CONTROL

TIMOTHY BERG
Direct Phone: (602) 916-5421
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May 23, 2003

BY HAND DELIVERY

Docket Control
Arizona Corporation Commission
1200 West Washington
Phoenix, Arizona 85007

Re: In the Matter of the Application of Qwest Corporation for Approval of a Directory Assistance Agreement as an Amendment to the Interconnection Agreement with Allegiance Telecom of Arizona, Inc.

Dear Madam or Sir:

Pursuant to Section 252(e)(2) of the Telecommunications Act of 1996 and A.A.C. R14-2-1508 of the Arizona Administration Code, Qwest hereby submits the enclosed negotiated Directory Assistance Agreement dated June 29, 2000, between Qwest Corporation ("Qwest") and Allegiance Telecom of Arizona, Inc. ("Allegiance") as an Amendment for filing with and approval by the Arizona Corporation Commission ("Commission"). The Arizona Corporation Commission approved the underlying Agreement between Qwest and Allegiance on March 06, 2000 in Docket No. T-01051A-99-0685, Decision No. 62345. Enclosed is a service list for these dockets.

This and 12 other amendments that we are filing today have been part of the documentation in the investigation into Qwest's compliance Section 252(e). This amendment was among the approximately one hundred agreements that the Staff has had in its possession to review and consider whether any such agreement is within the Section 252(e) filing requirement.

In her February 21, 2003 testimony Commission witness Marta Kalleberg identified two of the 12 amendments being filed today. Qwest has identified and is filing today another ten amendments that are substantially similar ancillary service agreements involving as those identified by Ms. Kalleberg.

Qwest has applied a very broad standard to determine whether any provision has a relationship to a service provided under Section 251(b) or (c). Qwest then evaluated whether

provisions meeting this broad standard are still effective today and have not been terminated or superseded by agreement, commission order, or otherwise. The agreement attached to this letter for filing is one of those agreements. In filing these amendments, Qwest seeks to remove one issue of contention between itself and Staff in the pending 252(e) docket and to remove any ongoing issue relating to these amendments from that docket and the 271 docket before this Commission or the FCC.

The agreements that Qwest is filing today reflect form, standard provisions that are and have been available to all CLECs through other approved agreements and the SGAT, and they are also available for review and request from Qwest's website. As such, these very well may not be agreements subject to the filing requirement under the FCC's October 4, 2002 Order; however, the FCC's subsequent order granting Section 271 relief to Qwest's 9-state application suggested the contrary. In order to resolve this issue, Qwest has no objection to filing these formally under Section 252(e), and is hereby doing so.

The enclosed amendment does not discriminate against non-party carriers. It is consistent with the public interest, convenience, and necessity. It is also consistent with applicable state law requirements, including Commission orders regarding interconnection issues.

Please contact me at (602) 916-5421 if you have any questions concerning the enclosed. Thank you for your assistance in this matter.

Sincerely,

FENNEMORE CRAIG

Timothy Berg

Enclosures

SERVICE LIST:
Qwest Corporation Docket No: T-01051A-99-0865

Timothy Berg
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Fennemore Craig
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1200 West Washington
Phoenix, AZ 85007

Ernest G. Johnson, Director
Utilities Division
ARIZONA CORPORATION COMMISSION
1200 West Washington
Phoenix, AZ 85007

DIRECTORY ASSISTANCE AGREEMENT

This Directory Assistance Agreement ("Agreement") is made and entered into by and between U S WEST Communications, Inc. ("USWC") and Allegiance Telecom of Arizona, Inc, ("Allegiance"). This Agreement may refer to Allegiance or to USWC as a Party ("Party") to this Agreement. The Directory Assistance service(s) provided in this Agreement (the "Services") will be delivered in the state of Arizona.

WHEREAS, USWC desires to provide the Services as described herein.

NOW THEREFORE, in consideration of the promises, mutual covenants, and agreements contained herein, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. SCOPE OF AGREEMENT

1.1 The Directory Assistance service is a telephone number, voice information service that USWC provides to other telecommunications carriers and its own end users. The published and non-listed telephone numbers provided within the relevant geographic area are only those contained in USWC's current Directory Assistance database. USWC offers the following five separate options:

1.1.1 Local Directory Assistance Service - Permits Allegiance's end users to receive published and non-listed telephone numbers for their own NPA/LATA, whichever is greater.

1.1.2 National Directory Assistance Service - Permits Allegiance's end users to receive listings for the entire United States database.

1.1.3 Branding - Permits Allegiance's end users to receive the service options in 1.1.1 and 1.1.2 branded with the brand of Allegiance, where technically feasible. Call Branding provides the announcement of Allegiance's name to Allegiance's end user during the introduction of the call, and at the completion of the call. USWC will record the Brand.

1.1.4 Directory Assistance Call Completion Service - Permits Allegiance's end users to connect to the requested local or intraLATA telephone number directly, where available, without having to dial another call, using the USWC intraLATA toll network. Call Completion is not available in the states of Iowa, Montana, Nebraska, South Dakota and Wyoming.

1.1.5 Directory Assistance Call Completion Link Service - Permits Allegiance's end user to connect to the requested interLATA telephone number directly, where available, without having to dial another call. USWC will return the end user to Allegiance for completion. Call Completion Link is not available in the states of Iowa, Montana, Nebraska, South Dakota and Wyoming.

2. TERMS AND CONDITIONS

2.1 Allegiance elects to receive the following Directory Assistance service options:

Local Directory Assistance	✓
National Directory Assistance	✓
Branding	___
Directory Assistance Call Completion	___
Directory Assistance Call Completion Link	___

2.2 Allegiance will complete the *"USWC Operator Services/Directory Assistance Questionnaire for Local Service Providers"* to request Services, and Allegiance represents that the information completed is true and correct to the best of its knowledge and belief.

2.3 USWC's Directory Assistance database contains only those published and non-listed telephone numbers provided to USWC by its own end users and other telecommunications carriers.

2.4 USWC will provide access to the Services via dedicated multi-frequency (MF) operator service trunks purchased from USWC or provided by Allegiance. These operator service trunks will be connected directly to USWC's Directory Assistance host switch or directly to a remote Directory Assistance switch via the trunk side. Allegiance will be required to order or provide an operator service trunk for each NPA served.

2.5 USWC will provide and maintain the equipment and personnel necessary to perform the Directory Assistance services specified in this Agreement. Allegiance will provide and maintain the equipment, facilities, lines and materials necessary to connect its telecommunication facilities to an agreed upon USWC's Operator Services switch.

3. TERM AND TERMINATION

This Agreement arises out of an Interconnection Agreement between the Parties which was approved by the Public Utilities Commission in the state of Arizona. This Agreement will become effective upon latest signature date, and will terminate at the same time as the said Interconnection Agreement.

4. RATE ELEMENTS

4.1 The following per call rate is applicable for Local Directory Assistance service and National Directory Assistance service, where selected by Allegiance.

Local Directory Assistance	$ 0.28
National Directory Assistance	$0.385

4.2 A non-recurring charge for studio set-up and recording will apply. The non-recurring studio/recording charge will be assessed each time the brand message is changed. The non-recurring charge to load the switches will be assessed each time there is any type of change to the switch. (CLECs offering service in more than one state will be assessed a one time only non-recurring charge for studio set-up and recording.) The non-recurring charge(s) must be paid prior to commencement of Service.

Branding – Studio Set-up and Record Brand: (Includes both front-end and back-end Brand)	$10,500.00

Branding – Load brand into Switch: (Per Switch)	$175.00

4.3 A per call rate for Directory Assistance Call Completion and Directory Assistance Call Completion Link will be applicable. Additional charges for USWC IntraLATA Toll services also apply for completed intraLATA toll calls. Additional charges for interLATA may apply from the interLATA toll carrier.

Directory Assistance Call Completion	$.06
Directory Assistance Call Completion Link	$.085

5. BILLING

5.1 USWC will track and bill Allegiance on a monthly basis for the number of calls placed to USWC's Directory Assistance service by Allegiance's end users. USWC will also track and bill monthly the number of Call Completion requests.

5.2 For purposes of determining when Allegiance is obligated to pay the per call rate, the call will be deemed made and Allegiance will be obligated to pay when the call is answered. An end user may request and receive no more than two telephone numbers per Directory Assistance call. USWC will not credit, rebate or waive the per call charge due to any failure to provide a telephone number, or due to any incorrect information.

5.3 Allegiance alone and independently establishes all prices it charges its end users for the Directory Assistance and Call Completion Services provided by means of this Agreement.

6. PAYMENT

6.1 Amounts payable under this Agreement are due and payable within thirty (30) days after the date of invoice.

6.2 Unless prohibited by law, any amount due and not paid by the due date stated above will be subject to a late charge equal to either i) 0.03 percent per day compounded daily for the number of calendar days from the payment due date to and including, the date of payment, that would result in an annual percentage rate of 12% or ii) the highest lawful rate, whichever is less.

6.3 Should Allegiance dispute any portion of the monthly billing under this Agreement, Allegiance will notify USWC in writing within thirty (30) days of the receipt of such billing, identifying the amount and details of such dispute. Allegiance will pay all amounts due. Both Allegiance and USWC agree to expedite the investigation of any disputed amounts in an effort to resolve and settle the dispute prior to initiating any other rights or remedies.

7. CONFIDENTIAL INFORMATION

7.1 "Confidential Information" means all documentation and technical and business information, whether oral, written or visual, which is legally entitled to be protected from disclosure, which a Party to this Agreement may furnish to the other Party or has furnished in contemplation of this Agreement to such other Party. Each Party agrees (1) to treat all such Confidential Information strictly as confidential and (2) to use such Confidential Information only for purposes of performance under this Agreement or for related purposes.

7.2 The Parties shall not disclose Confidential Information to any person outside their respective organizations unless disclosure is made in response to, or because of an obligation to, or in connection with any proceeding before any federal, state, or local governmental agency or court with appropriate jurisdiction, or to any person properly seeking discovery before any such agency or court. The Parties' obligations under this Section shall continue for one (1) year following termination or expiration of this Agreement.

8. FORCE MAJEURE

With the exception of payment of charges due under this Agreement, a Party shall be excused from performance if its performance is prevented by acts or events beyond the Party's reasonable control, including but not limited to, severe weather and storms; earthquakes or other natural occurrences; strikes or other labor unrest; power failures; computer failures; nuclear or other civil or military emergencies; or acts of legislative, judicial, executive, or administrative authorities.

9. LIMITATION OF LIABILITY

USWC SHALL BE LIABLE TO Allegiance, AND Allegiance ONLY, FOR THE ACTS OR OMISSIONS OF USWC, EXPRESSLY INCLUDING THE NEGLIGENT ACTS OR OMISSIONS OF USWC OR THOSE ATTRIBUTABLE TO USWC, IN CONNECTION WITH USWC'S SUPPLYING OR Allegiance'S USING THE DIRECTORY ASSISTANCE SERVICE, BUT STRICTLY IN ACCORDANCE WITH AND SUBJECT TO THE TERMS OF THIS AGREEMENT. IT IS EXPRESSLY AGREED THAT USWC'S LIABILITY TO

Allegiance, AND Allegiance'S SOLE AND ONLY REMEDY FOR ANY DAMAGES ARISING IN CONNECTION WITH THE SERVICES AND THIS AGREEMENT SHALL BE A REFUND TO Allegiance OF THE AMOUNT OF THE CHARGES BILLED AND PAID BY Allegiance TO USWC FOR FAILED OR DEFECTIVE SERVICES. UNDER NO CIRCUMSTANCES OR THEORY, WHETHER BREACH OF AGREEMENT, PRODUCT LIABILITY, TORT, OR OTHERWISE, SHALL USWC BE LIABLE FOR LOSS OF REVENUE, LOSS OF PROFIT, CONSEQUENTIAL DAMAGES, INDIRECT DAMAGES OR INCIDENTAL DAMAGES, AND ANY CLAIM FOR DIRECT DAMAGES SHALL BE LIMITED AS SET FORTH ABOVE. UNDER NO CIRCUMSTANCES SHALL USWC EVER BE LIABLE TO Allegiance'S END USERS FOR ANY DAMAGES WHATSOEVER.

10. INDEMNIFICATION

Each Party to this Agreement hereby indemnifies and holds harmless the other Party with respect to any third-party claims, lawsuits, damages or court actions arising from performance under this Agreement to the extent that the indemnifying Party is liable or responsible for said third-party claims, losses, damages, or court actions. Allegiance is indemnifying USWC from any claim made against it by a Allegiance end user on account of Allegiance's end user's use or attempted use of the Directory Assistance service. Whenever any claim shall arise for indemnification hereunder, the Party entitled to indemnification shall promptly notify the other Party of the claim and, when known, the facts constituting the basis for such claim. In the event that one Party to this Agreement disputes the other Party's right to indemnification hereunder, the Party disputing indemnification shall promptly notify the other Party of the factual basis for disputing indemnification. Indemnification shall include, but is not limited to, costs and attorneys' fees.

11. LAWFULNESS OF AGREEMENT

11.1 This Agreement and the Parties' actions under this Agreement shall comply with all applicable federal, state, and local laws, rules, regulations, court orders, and governmental agency orders. This Agreement shall only be effective when mandatory regulatory filing requirements are met, if applicable. If a court or a governmental agency with proper jurisdiction determines that this Agreement, or a provision of this Agreement, is unlawful, this Agreement, or that provision of this Agreement shall terminate on written notice to Allegiance to that effect.

11.2 If a provision of this Agreement is so terminated, the Parties will negotiate in good faith for replacement language. If replacement language cannot be agreed upon, either Party may terminate this Agreement.

12. GOVERNING LAW

This Agreement shall be governed by and construed in accordance with the laws of the state in which the Directory Assistance service is delivered to the end user.

13. DISPUTE RESOLUTION

Any claim, controversy or dispute between the Parties shall be resolved by arbitration in accordance with the then current rules of the American Arbitration Association. The arbitration shall be conducted by a single arbitrator engaged in the practice of law and knowledgeable about telecommunications. The arbitrator's decision and award shall be final and binding and may be entered in any court with jurisdiction.

14. DEFAULT

If a Party defaults in the performance of any substantial obligation herein, and such default continues, uncured and uncorrected, for thirty (30) days after written notice to cure or correct such default, then the non-defaulting Party may immediately terminate this Agreement. Subject to Section 9 (Limitation of Liability) above, the non-defaulting Party may also pursue other permitted remedies by arbitration as set forth above.

15. SUCCESSORS, ASSIGNMENT

This Agreement binds the Parties, their successors, and their assigns. Either Party may assign its rights and delegate its duties under this Agreement with the express, written permission of the other Party, which permission shall not unreasonably be withheld; provided, however, that USWC may assign its rights and delegate its duties under this Agreement to its parent, its subsidiaries, or its affiliates without prior, written permission.

16. AMENDMENTS TO AGREEMENT

The Parties may by mutual agreement and execution of a written amendment to this Agreement amend, modify, or add to the provisions of this Agreement.

17. NOTICES

All notices required or appropriate in connection with this Agreement shall be in writing and shall be deemed effective and given upon deposit in the United States Mail, postage pre-paid, addressed as follows:

Allegiance
Robert McCausland
1950 North Stemmons Freeway,Suite 3026
Dallas, TX 75207

USWC
Director - Interconnection Compliance
1801 California Street, Suite 2410
Denver, CO 80202

Copy to:
U S WEST Law Department
General Counsel - Interconnection
1801 California Street, Suite 4900
Denver, CO 80202

18. ENTIRE AGREEMENT

This Agreement, together with any jointly-executed written amendments, constitutes the entire agreement and the complete understanding between the Parties. No other verbal or written representation of any kind affects the rights or the obligations of the Parties regarding any of the provisions in this Agreement.

IN WITNESS WHEREOF, each of the Parties has caused this Agreement to be duly executed for and on its behalf on the day and year indicated below:

Allegiance Telecom of Arizona, Inc.	**U S WEST Communications, Inc.**
Signature	Signature
Robert W. McCausland	Giuliana Brunner
Name Printed/Typed	Name Printed/Typed
Vice President	Account Manager
Title	Title
6/21/00	6/29/00
Date	Date

23. <u>Global Crossing</u>
Settlement Agreement and Release with Qwest
dated 9/18/00

SETTLEMENT AGREEMENT AND RELEASE

PURPOSE OF AGREEMENT

This Settlement Agreement and Release (hereafter "Settlement Agreement") is entered into as of this 14 day of September, 2000, by and between Qwest Corporation, formerly known as Qwest, and its subsidiaries, agents, affiliates, employees principals, officers, directors, successors and assigns, (hereafter "Qwest"), and Global Crossing Local Services, Inc., Global Crossing Telemanagement, Inc., and all of agents, affiliates, employees, principals, officers, directors, successors, assigns, parents and subsidiaries (hereafter "Global Crossing") (together the "Parties") to effect a complete and final settlement of all disputes, claims or causes of action existing between Qwest and Global Crossing as set forth herein.

DESCRIPTION OF DISPUTE

1. On March 8, 2000, Global Crossing submitted to Qwest a request for conversion of certain resale and other lines purchased from Qwest to Unbundled Network Element platform (UNE-P). Subsequent requests were submitted by Global Crossing to Qwest on March 10, 2000 and April 15, 2000.

2. Qwest maintains that an amendment to Global Crossing's interconnection agreements with Qwest is necessary to convert resale service offerings to UNE-P. Global Crossing maintains that no such amendment is necessary.

3. Although Global Crossing continues to maintain that no amendment is necessary to convert resale service offerings to UNE-P, the Parties have been negotiating in good faith to produce an executable amendment to the interconnection agreements between the Parties governing the rates, terms and conditions for UNE-P (the "Amendment").

4. The Parties have also been negotiating the proper charges for lines that have not yet been converted during the period from March 8, 2000, until such time as all requested lines are converted to UNE-P, and the proper assessment of access charges with respect to access services provided over such lines.

5. In order to avoid the uncertainty, expense, and delay associated with litigation, and because a settlement of the UNE-P conversion billing disputes described above is in the best interest of the Parties and the Parties desire to resolve the disputes pursuant to this Settlement Agreement, the Parties hereby agree as follows.

Terms of Settlement and Release

6. <u>Billing Credits</u>:

   (a) While the Amendment is deemed effective upon its execution, the rates and charges for UNE-P (as that UNE-P is defined in the Amendment) as requested for resale lines by Global Crossing on March 8, March 10, and April 15, 2000, (the "Affected Lines") shall be applicable for the Affected Lines retroactive to April 15, 2000. These rates shall continue in effect as to the Affected Lines for the remaining term of the Agreement and any extension periods thereof, except as otherwise provided for under the terms of the

Amendment. In addition, Qwest shall not collect interstate and intrastate access charges from interexchange carriers with respect to access services provided over the Affected Lines, retroactive to April 15, 2000. The effect of the retroactive billing as provided for in this paragraph 6(a) shall be to provide Global Crossing a monthly credit equal to five hundred seventeen thousand five hundred eighty-five dollars ($517,585) with respect to the Affected Lines for the period prior to July 1, 2000 and a monthly credit equal to five hundred thirty-three thousand eight hundred forty-seven dollars ($533,847) for the period after July 1, 2000, as more fully set forth on Exhibit A annexed hereto.

(b) In addition, Qwest shall provide a switched access credit and a preferred interexchange carrier charge ("PICC") credit (collectively, the "Access Credit") to Global Crossing in an amount equal to five hundred twenty-four thousand six hundred fifty-five dollars ($524,655) with respect to the Affected Lines for the period April 15, 2000 through September 15, 2000. The Access Credit shall be provided by Qwest at the completion of the next full Qwest billing cycle that follows execution of this Settlement Agreement.

7. Installation Intervals for Subsequent UNE-P Requests through IMA: Notwithstanding anything to the contrary in the interconnection agreements between Global Crossing and Qwest, Global Crossing and Qwest agree to work in good faith, on all issues, including, if necessary, extending standard provisioning intervals if Global Crossing orders and/or projects orders for more than Two Thousand (2000) UNE-P lines in any one month in any one state. The Parties agree that this provision applies only to those UNE-P orders placed, or projected to be placed, using IMA.

8. Installation Intervals for Subsequent Manual UNE-P Requests for Design Circuits (Non-IMA orders). Notwithstanding anything to the contrary in the interconnection agreements between Global Crossing and Qwest, in the event the Parties anticipate significant delay past normal intervals due to high volumes or other issues, Global Crossing and Qwest shall agree upon an appropriate implementation schedule for UNE-P orders placed manually for design circuits. The effective billing date for such orders shall be the first day following the standard interval, notwithstanding the implementation schedule agreed to by the Parties.

9. Mutual Release: For and in consideration of one dollar ($1.00) and other good and valuable consideration, Global Crossing releases, acquits, and forever discharges Qwest from any amounts owed as a result of the Dispute described in this Settlement Agreement and for all claims, demands, causes of action, and liability, of any kind or nature whatsoever, including attorney fees and costs, whether known or unknown, equitable or legal, arising from any of the allegations forming the basis of the Dispute. For and in consideration of one dollar ($1.00) and other good and valuable consideration, Qwest releases, acquits, and forever discharges Global Crossing from any and all claims, demands, causes of action and liability of any kind or nature whatsoever, whether known or unknown, arising from any of the allegations forming the basis of the Dispute described in this Settlement Agreement, and for all claims, demands, causes of action, and liability, of any kind or nature whatsoever, including attorney fees and costs, whether known or unknown, equitable or legal, arising from any of the allegations forming the basis of the Dispute.

General Terms and Conditions

10. Compromise. The Parties agree that this Settlement Agreement is the compromise of disputed and unliquidated claims and that payment by Qwest is not an admission of liability or wrongdoing and that receipt of payment by Global Crossing is not a concession that the claims of either party are less or other than completely meritorious.

11. Existing and Future Damages. The Parties understand and agree that, in order to avoid the uncertainty, expense, and delay of potential litigation, the amounts paid and received pursuant to the terms of this Settlement Agreement are given and accepted not only for damages that are now known to exist, but also for any damages that may arise or develop in the future and which are currently unknown arising from the factual allegations forming the basis of the Dispute described in this Settlement Agreement; provided, however, that the Parties do not hereby waive the right to dispute the accuracy of billings rendered based upon errors unrelated to the Dispute.

12. Confidentiality. The Parties agree to treat all aspects of this Settlement Agreement as confidential, and shall not disclose to any party the terms hereof, except as may be required by law.

13. Choice of Law. This Settlement Agreement is to be construed and interpreted in accordance with the laws of the State of Washington.

14. Authorization. The Parties covenant and represent that they are fully authorized to enter into and execute this Settlement Agreement.

15. Dispute Resolution. Any claim, controversy, or dispute between Global Crossing and Qwest, whether sounding in contract, statute, tort, fraud, misrepresentation, discrimination, or any other legal theory, arising out of the interpretation of this Settlement Agreement, whenever brought, may be resolved by arbitration, if mutually agreed by the Parties. The Federal Arbitration Act 9 U.S.C. 1-16 (FAA"), shall govern the arbitrability of all claims, provided that they are enforceable under the FAA, as it may be amended from time to time. In the event the FAA does not govern, the arbitration provisions of the Revised Code of Washington 7.04.010, et seq. shall apply. Additionally, the substantive law of Washington, only to the extent it is consistent with the terms stated in this agreement for arbitration, shall apply to any common law claims. This agreement for arbitration supersedes any other arbitration agreement between the Parties to the extent they are inconsistent. The location of the arbitration proceeding shall be in Seattle, Washington. A single arbitrator engaged in the practice of law shall conduct the arbitration under the applicable rules and procedures of the American Arbitration Association ("AAA"). Other than as set forth herein, the arbitrator shall have no authority to add to, detract from, change, amend, or modify the terms of this agreement and shall apply existing law. All arbitration proceedings, including settlements and awards, under this Settlement Agreement will be confidential. The Parties shall pay equally the hourly fees and expenses of the arbitrator. The prevailing party in any arbitration shall be entitled to receive reasonable attorneys' fees. The arbitrator's decision and award shall be final and binding as to all claims that were or could have been raised in the arbitration, and judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof.

16. Execution. This Settlement Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together constitute one and the same instrument, binding on the Parties.

17. Entire Agreement. The Parties acknowledge that no promise, inducement or agreement not expressed herein has been made to them, that this Settlement Agreement contains the entire agreement between the Parties, and that the terms of this Settlement Agreement are contractual and not a mere recital. Any modification to this Settlement Agreement must be in writing and signed by both Parties to be effective.

18. Voluntariness and Finality. THE PARTIES HAVE READ THIS SETTLEMENT AGREEMENT, FULLY UNDERSTAND ITS TERMS, AND SIGN IT FREELY AND VOLUNTARILY. The Parties acknowledge that they have had the opportunity to discuss the terms of this Settlement Agreement with their attorneys and represent that this Settlement Agreement is executed with the knowledge, consent and approval of their attorneys.

19. Indemnification. Global Crossing agrees to indemnify Qwest for any amounts Qwest becomes obligated to pay as a result of lawsuits brought by Global Crossing shareholders concerning this Settlement Agreement and it will assume the defense thereof or pay Qwest's fees and costs. Qwest will cooperate in defense of any such lawsuits. Qwest agrees to indemnify Global Crossing for any amounts Global Crossing becomes obligated to pay as a result of lawsuits brought by Qwest shareholders concerning this Settlement Agreement and it will assume the defense thereof or pay Global Crossing's fees and costs. Global Crossing will cooperate in defense of any such lawsuits.

Signature Page to Confidential Settlement Agreement and Release between Qwest and Global Crossing Local Services, Inc. and Global Crossing Telemanagement, Inc.

Global Crossing Local Services, Inc. Global Crossing Telemanagement, Inc.	Qwest Corporation
Signature	Signature
James G Cole	Judy Tinkham
Name Printed or Typed	Name Printed or Typed
Vice President	VP · WEOM
Title	Title
Sept 18 2000	09/21/00
Date	Date

GLOBAL CROSSING REFUND SUMMARY

	ARIZONA		COLORADO		MINNESOTA		OREGON		WASHINGTON		TOTAL REVENUE	
	Pre-7/1	Post 6/1	Pre-7/1	Post 6/1	Pre-7/1	Post 6/1	Pre-7/1	Post 6/1	Pre-7/1	Post 6/1	Pre-7/1	Post 6/1
Centrex Volumes	-	-	-	-	6,305	6,305	3,413	3,413	6,050	6,050	15,777	15,777
Centrex Revenue												
Line	-	-	-	-	34,779	34,779	57,166	57,166	107,123	107,123	199,070	199,070
CALC	-	-	-	-	46,037	43,820	38,398	30,444	44,473	48,108	132,908	122,372
CUD/C2U	-	-	-	-	10,214	10,214	23,730	23,730	63,883	63,883	97,817	97,817
1DT	-	-	-	-	158,571	158,571	-	-	-	-	158,571	158,571
LNP	-	-	-	-	2,711	2,711	1,469	1,469	2,605	2,605	6,784	6,784
Features	-	-	-	-	25,348	25,348	653	653	3,030	3,030	29,229	29,229
PICC	-	-	-	-	2,622	1,068	1,386	1,038	2,424	1,875	6,311	4,001
Total	-	-	-	-	284,189	267,309	112,870	114,718	213,337	219,637	630,497	618,993
IFB Volumes	1,207	1,207	2,083	2,083	3,880	3,880	2,192	2,192	3,819	3,819	12,987	12,987
IFB Revenue												
Line	34,330	34,330	60,301	60,301	124,430	124,430	59,748	59,748	79,579	79,579	358,408	358,408
CALC	9,934	18,098	18,548	18,880	23,408	25,610	18,237	19,563	25,830	27,941	96,955	102,749
LNP	519	519	887	887	1,586	1,585	943	943	1,313	1,313	6,447	6,447
Features	13,615	13,615	3,416	6,816	10,100	10,100	4,382	4,382	4,499	4,499	36,383	38,983
PICC	6,383	3,356	7,200	6,738	13,417	10,147	7,879	6,054	12,809	9,783	40,108	35,214
Total	63,980	69,498	93,352	91,721	172,941	171,969	90,207	88,690	123,990	122,865	542,270	538,193
UNE-P Volumes	1,207	1,207	2,083	2,083	9,991	9,991	5,905	5,905	9,578	9,578	28,444	28,444
UNE-P Revenue												
Line	20,530	20,530	40,530	40,530	178,530	178,530	84,078	84,078	108,519	108,519	436,201	436,201
LNP	519	519	887	887	4,298	4,298	2,410	2,410	4,119	4,119	12,231	12,231
Features	60	60	2,125	2,125	300	300	260	260	479	479	3,444	3,444
Port	1,843	1,843	2,372	2,372	14,887	14,887	6,300	6,300	9,991	9,991	35,553	35,553
Total	22,952	22,952	45,922	45,922	198,221	198,221	93,168	93,168	123,077	123,077	487,429	487,429
Net Revenue												
Line/CUD/C2U/1DT	(7,800)	(7,802)	(19,764)	(19,764)	(139,464)	(139,464)	(56,350)	(56,350)	(136,888)	(136,888)	(363,467)	(363,467)
CALC	(9,954)	(18,098)	(18,548)	(19,880)	(93,445)	(99,437)	(49,834)	(49,997)	(79,303)	(79,649)	(300,986)	(226,921)
Features	(13,615)	(13,656)	(3,893)	(3,893)	(34,948)	(34,948)	(4,939)	(4,939)	(7,979)	(7,979)	(64,148)	(64,148)
LNP	-	-	-	-	-	-	-	-	-	-	-	-
Flat Port	1,843	1,843	2,372	2,372	14,887	14,887	6,300	6,300	9,991	9,991	35,553	35,553
Total	(29,524)	(36,870)	(39,634)	(40,857)	(223,968)	(238,961)	(100,739)	(104,105)	(156,228)	(203,974)	(530,094)	(607,170)
UNE-P Debit	3,740	3,740	6,682	6,682	34,813	34,813	9,670	9,670	18,827	18,827	73,331	73,331
Net PICC	(4,383)	(3,355)	(7,200)	(6,738)	(16,530)	(12,202)	(9,349)	(7,152)	(15,233)	(11,661)	(52,695)	(40,105)
SWACC Credit	(2,463)	(1,979)	(9,204)	(4,262)	(14,563)	(12,760)	(14,739)	(12,299)	(20,661)	(22,285)	(63,790)	(53,552)
Net SWACC	(6,796)	(5,334)	(16,713)	(10,960)	(30,862)	(24,961)	(24,078)	(19,451)	(42,134)	(31,629)	(116,583)	(90,337)
TOTAL 1-MONTH REFUND	(32,411)	(51,448)	(46,663)	(43,346)	(319,955)	(319,399)	(115,337)	(114,083)	(221,434)	(216,974)	(631,796)	(627,634)

NOTES:

1. Going forward, the switched access lump sum credit will be calculated using Global Crossing's current month's MOU generated by lines still on the resale platform. The credit will appear on the switched access bill.
2. All volumes exclude the 14 COs which are exempt from UNE-P
3. Refunds on flat elements will be processed and billed mechanically by EBDing the customer's bill retro to April 16, 2000 at the time of conversion
4. Local switching debit for lines converted will be calculated assuming 500 MOU / line / Month, with 40% of those minutes being intra switch which bills originating; and 60% being interswitch, billing originating, and shared transport with terminating Debits will appear on the summary bill
5. To prevent billing disputes, each month, Qwest will confirm the volumes with Global Crossing before issuing adjustments.

GLOBAL CROSSING REFUND SUMMARY

	ARIZONA		COLORADO		MINNESOTA		OREGON		WASHINGTON		TOTAL REVENUE	
	Pre-7/1	Post 8/1	Pre-7/1	Post 8/1	Pre-7/1	Post 8/1	Pre-7/1	Post 8/1	Pre-7/1	Post 8/1	Pre-7/1	Post 8/1
Centrex Volumes	-	-			8,305	8,305	3,413	3,413	8,056	8,056	16,777	16,777
Centrex Monthly Rates												
Line					3.93	3.93	16.76	16.76	17.86	17.86		
CALC					8.36	8.96	8.92	8.92	7.34	7.34		
CUD/C2U					1.82	1.82	6.95	6.95	6.88	6.88		
1DT					25.15	25.15	-	-	-	-		
LNP					0.43	0.43	0.43	0.43	0.43	0.43		
Features					4.02	4.02	0.25	0.25	0.50	0.50		
PICC					0.40	0.31	0.40	0.31	0.40	0.31		
					41.20	42.41	33.10	33.81	36.21	36.72		
Centrex Revenue												
Line	-	-	-	-	34,776	34,776	57,188	57,188	107,123	107,123	189,070	189,070
CALC	-	-	-	-	43,837	43,830	29,288	30,444	44,473	48,108	122,372	122,372
CUD/C2U	-	-	-	-	10,114	10,114	23,720	23,720	53,883	53,883	87,917	87,917
1DT	-	-	-	-	[illegible]	[illegible]	-	-	-	-	158,571	158,571
LNP	-	-	-	-	2,711	2,711	1,468	1,468	2,908	2,908	8,784	8,784
Features	-	-	-	-	28,346	28,346	853	853	3,030	3,030	29,229	29,229
PICC	-	-	-	-	2,522	1,888	1,369	1,058	2,424	1,878	6,311	4,881
Total	-	-	-	-	294,188	287,286	112,878	114,711	213,337	218,487	598,487	588,433
1FB Volumes	1,207	1,207	2,083	2,083	3,088	3,088	2,182	2,182	3,518	3,518	12,667	12,667
1FB Monthly Rates												
Line	28.45	28.45	28.23	28.23	33.76	33.76	28.80	28.80	22.33	22.33		
CALC	8.23	8.83	8.98	9.20	8.38	8.95	8.32	8.92	7.34	7.34		
LNP	0.43	0.43	0.43	0.43	0.43	0.43	0.43	0.43	0.43	0.43		
Features	11.28	11.28	2.83	2.82	2.74	2.74	1.99	1.99	1.27	1.27		
PICC	3.84	2.78	3.84	2.78	3.84	2.78	3.84	2.78	3.84	2.78		
Total Flat Charges	52.03	51.77	45.11	44.46	48.82	48.69	41.18	40.92	36.01	34.75		
1FB Revenue												
Line	34,339	34,339	60,301	60,301	124,439	124,439	58,746	58,746	78,579	78,579	356,405	356,405
CALC	9,934	10,660	18,646	18,980	28,408	28,818	18,237	19,553	26,829	27,841	102,749	102,749
LNP	519	519	887	887	1,586	1,586	943	943	1,513	1,513	5,447	5,447
Features	13,615	13,615	5,818	5,818	10,188	10,188	4,362	4,362	4,468	4,468	38,383	38,383
PICC	4,383	3,353	7,909	5,735	13,417	10,247	7,979	6,084	12,809	9,765	46,109	35,214
Total	62,800	62,486	93,561	91,721	178,047	175,998	90,267	89,687	123,298	122,166	548,973	536,178
UNE-P Volumes	1,207	1,207	2,083	2,083	6,991	6,991	3,600	3,600	8,578	8,578	28,444	28,444
UNE-P Rates												
Line	21.98	21.98	19.66	19.66	17.67	17.67	18.00	18.00	11.33	11.33		
LNP	0.43	0.43	0.43	0.43	0.43	0.43	0.43	0.43	0.43	0.43		
Features	0.05	0.05	1.05	1.05	0.05	0.05	0.05	0.05	0.05	0.05		
Port	1.61	1.61	1.16	1.16	1.49	1.49	1.14	1.14	1.04	1.04		
Total Flat Charges	24.07	24.07	22.30	22.30	19.64	19.64	19.62	19.62	12.85	12.85		
UNE-P Revenue												
Line	26,530	26,530	40,932	40,932	123,530	123,530	64,075	64,075	100,919	100,919	436,201	436,201
LNP	519	519	887	887	4,288	4,288	2,410	2,410	4,116	4,116	12,221	12,221
Features	60	60	2,126	2,126	500	500	280	280	476	476	3,444	3,444
Port	1,943	1,943	2,372	2,372	14,687	14,687	8,380	8,380	9,991	9,991	36,983	36,983
Total	29,052	29,052	46,322	46,322	138,221	138,221	83,186	83,186	123,977	123,977	488,838	488,838
Net Revenue												
Line/CUD/C2U/1DT	(7,889)	(7,889)	(19,794)	(19,794)	(138,464)	(138,464)	(55,889)	(56,889)	(138,889)	(138,889)	(363,402)	(366,402)
CALC	(8,934)	(10,660)	(18,646)	(18,980)	(69,443)	(69,437)	(48,834)	(49,997)	(79,303)	(79,849)	(206,356)	(228,121)
Features	(13,555)	(13,555)	(3,692)	(3,692)	(34,348)	(34,348)	(4,938)	(4,938)	(7,939)	(7,939)	(54,148)	(54,148)
LNP	-	-	-	-	-	-	-	-	-	-	-	-
Flat Port	1,943	1,943	2,372	2,372	14,687	14,687	8,380	8,380	9,991	9,991	36,983	36,983
Total	(28,435)	(29,675)	(39,530)	(40,094)	(222,568)	(223,561)	(100,730)	(104,161)	(196,239)	(203,574)	(588,510)	(607,170)
UNE-P Data												
MOU / Line / Month	600	600	600	600	600	600	600	600	600	600		
% Intrawatch	40%	40%	40%	40%	40%	40%	40%	40%	40%	40%		
% Interwatch	60%	60%	60%	60%	60%	60%	60%	60%	60%	60%		
Intrawatch MOU	240	240	240	240	240	240	240	240	240	240		
Interwatch MOU	360	360	360	360	360	360	360	360	360	360		
MOU Rates												
Intrawatch Originating	0.00280	0.00280	0.00280	0.00280	0.00280	0.00280	0.00140	0.00140	0.00180	0.00180		
Interwatch Originating	0.00280	0.00280	0.00280	0.00280	0.00280	0.00280	0.00140	0.00140	0.00180	0.00180		
Intrawatch Shared Xpon	0.00114	0.00114	0.00148	0.00148	0.00188	0.00188	0.00088	0.00088	0.00088	0.00088		
Interwatch Terminating	0.00280	0.00280	0.00280	0.00280	0.00280	0.00280	0.00140	0.00140	0.00180	0.00180		
Revenue												
Intrawatch	911	911	1,401	1,401	6,854	6,854	1,883	1,883	4,138	4,138	13,187	13,187
Interwatch	2,839	2,839	5,280	5,280	27,659	27,659	7,587	7,587	14,889	14,889	58,144	58,144
Total UNE-P Data	3,749	3,749	6,682	6,682	34,513	34,513	9,470	9,470	19,027	19,027	73,331	73,331
Net PICC	(4,686)	(3,926)	(7,509)	(5,736)	(13,555)	(12,202)	(8,344)	(7,188)	(15,233)	(11,881)	(52,419)	(40,105)

GLOBAL CROSSING REFUND SUMMARY

SWACC Credit												
Total Minutes of Use	222,751	222,751	501,859	501,859	1,234,282	1,234,282	1,391,334	1,391,334	2,766,879	2,766,879		
PIU	89%	89%	67%	67%	67%	67%	80%	80%	77%	77%		
Interstate MOU	198,021	198,021	436,443	436,443	828,986	828,986	1,113,087	1,113,087	2,122,104	2,122,104		
Intrastate MOU	28,730	28,730	65,216	65,216	407,305	407,305	278,287	278,287	633,875	633,875		
Interstate Rate	0.00871	0.004630	0.008710	0.004630	0.008710	0.004630	0.008710	0.004630	0.008710	0.004630		
Intrastate Rate	0.04068	0.040680	0.034890	0.034890	0.022130	0.022130	0.028080	0.028080	0.019980	0.019980		
Interstate Revenue	(1,315)	(689)	(2,929)	(1,977)	(5,546)	(3,746)	(7,499)	(5,042)	(14,239)	(9,613)	(31,501)	(21,266)
Intrastate Revenue	(1,087)	(1,087)	(2,275)	(2,275)	(9,014)	(9,014)	(7,257)	(7,257)	(12,852)	(12,852)	(32,288)	(32,288)
Total SWACC Credit	(2,403)	(1,975)	(5,204)	(4,252)	(14,583)	(12,760)	(14,726)	(12,299)	(26,891)	(22,268)	(63,789)	(53,562)
Net SWACC	(6,798)	(6,331)	(12,713)	(9,966)	(33,882)	(24,881)	(24,879)	(19,481)	(42,134)	(35,929)	(118,284)	(93,867)
TOTAL 1-MONTH REFUND	(32,411)	(31,888)	(46,643)	(43,388)	(21[illegible])	(218,388)	(118,337)	(114,082)	(221,835)	(218,074)	(533,798)	(627,584)

	Pre 7/1	7/1 - 8/1	Post 8/1	7/1 Chg	8/1 Chg	Line Volumes	Refund for July
AZ	8.23	8.59	8.83	0.36	0.24	1,207	435
CO	8.99	9.2	9.2	0.21	0	2,063	433
MN	8.35	8.71	8.95	0.36	0.24	9,991	3,597
OR	8.32	8.68	8.92	0.36	0.24	5,605	2,018
WA	7.34	7.7	7.94	0.36	0.24	9,578	3,446
							9,930

24. <u>GST</u>

Confidential Billing Dispute Settlement Agreement and Release with US WEST dated 1/7/00

CONFIDENTIAL BILLING DISPUTE SETTLEMENT AGREEMENT AND RELEASE

I. Purpose of Agreement

1.1 This Confidential Billing Dispute Settlement Agreement and Release (hereafter,) "Billing Settlement Agreement") is entered into as of this 7th day of JANUARY, 2000, by and between U S WEST Communications, Inc., and its subsidiaries, agents, affiliates, employees, principals, officers, directors, successors and assigns (hereafter, "U S WEST"), and GST Telecom, Inc., and all of its agents, affiliates, employees, principals, officers, directors, successors, assigns, parents and subsidiaries (hereafter,"GST") (together the "Parties") to effect a complete and final settlement of those certain disputes, claims or causes of action existing between U S WEST and GST as set forth herein.

II. Description of Disputes

2.1 The Parties previously entered interconnection agreements in Arizona, Idaho, New Mexico, Oregon and Washington. Pursuant to the terms of the interconnection agreements in Idaho, New Mexico, Oregon, and Washington, U S WEST notified GST that it was terminating the interconnection agreements in these states by letter dated June 28, 1999. Pursuant to the terms of the interconnection agreement in Arizona, GST notified U S WEST that it was terminating the interconnection agreement in that state by letter dated July 8, 1999. Meanwhile, the Parties began negotiations for new interconnection agreements in Arizona, Idaho, New Mexico, Oregon, and Washington in November 1998 or thereafter. GST has filed petitions for arbitration of open issues pursuant to Section 252 of the Telecommunications Act of 1996 in the states of Arizona, Idaho, New Mexico and Oregon (hereafter, the "Arbitration Proceedings"). GST intends to file such a petition in Washington. The Parties have continued negotiations for new interconnection agreements during the pendency of the Arbitration Proceedings.

2.2 GST has asserted the position that Internet-related Traffic which is delivered by one local exchange provider to another local exchange provider is subject to reciprocal compensation, both under the Parties' existing interconnection agreements and under future interconnection agreements.

2.3 For purposes of this agreement, "Internet Related Traffic" refers to dial-up access through an entity which combines computer processing, information storage, protocol conversion, and routing with transmission to enable users to access internet content or data services.

2.4 U S WEST has denied any responsibility to compensate GST for such Internet-related Traffic as local traffic under the reciprocal compensation provisions in the Parties'

existing interconnection agreements because US WEST maintains that the traffic is interstate in nature and the reciprocal compensation provisions of the agreements only apply to local traffic.

2.5 U S WEST also has denied any obligation to compensate GST for Internet-related Traffic as local traffic under the reciprocal compensation provisions of future interconnection agreements.

2.6 The issue of reciprocal compensation obligations as related to Internet-related Traffic is being litigated by the Parties both in a complaint filed by GST against U S WEST with the New Mexico Public Regulatory Commission hereafter, ("New Mexico Complaint") and in the Arbitration Proceedings. U S WEST has also taken various appeals of orders entered by the New Mexico Public Regulatory Commission in the proceeding filed by GST (the "New Mexico Appeals"). The New Mexico Complaint, the New Mexico Appeals, and the Arbitration Proceedings are in various procedural stages and are listed on the attached Exhibit A.

2.7 In light of the Parties' desire to resolve their current billing dispute over the payment of reciprocal compensation and in order to avoid the uncertainty, expense, and delay associated with pending and anticipated litigation it is in the best interest of the Parties and the Parties desire to resolve the disputed issues reflected in Paragraphs 2.2, 2.3, 2.4, 2.5, and 2.6 above pursuant to this Billing Settlement Agreement. It is the Parties' intent through this Billing Settlement Agreement to resolve and avoid billing disputes relating to reciprocal compensation brought by either party arising out of the expired, existing or future interconnection agreements.

III. Terms of Billing Settlement and Release

3.1. Dismissal of Pending Proceedings. GST will obtain the dismissal with prejudice of the New Mexico Complaint and U S WEST will obtain a dismissal of the New Mexico Appeals. The Parties shall jointly ask the New Mexico District Court in Civil No. D0101-CV-9901776 (N.M. 1st Judicial Dist. Ct.) to vacate the judgment that was the subject, in part, of the New Mexico Appeals. The Parties will jointly advise the state Commissions in New Mexico, Oregon, Idaho, and Arizona that Issue 24 in the Arbitration Proceedings has been resolved and will submit a revised interconnection agreement reflecting terms and conditions that do not conflict with this Billing Settlement Agreement. The Parties also will enter into an interconnection agreement for the State of Washington reflecting terms and conditions that do not conflict with this Billing Settlement Agreement. (Such interconnection agreement for the State of Washington may be the subject of arbitration pursuant to Section 252 of the Telecommunications Act of 1996 with regard to other unresolved issues.)

3.2 Billing Settlement and Release. For and in consideration of one dollar ($1.00) and other good and valuable consideration, and except as provided in this Billing Settlement Agreement, GST releases, acquits, and forever discharges U S WEST from any amounts owed as a result of the New Mexico Complaint and Issue 24 of the Arbitration Proceedings and for all claims, demands, causes of action, and liability, of any kind or nature whatsoever, including attorney fees and costs, whether known or unknown, equitable or legal, arising from any of the allegations forming the basis of the New Mexico Complaint, together with all claims, demands, causes of action and liability of any kind or nature whatsoever, whether known or unknown, arising from or relating to the applicability of reciprocal compensation to Internet-related Traffic, including the rate element and factor for reciprocal compensation for Internet-related Traffic between the Parties in the states of Arizona, New Mexico, Oregon, Idaho, and Washington through and including the month of December 2001. For and in consideration of the dismissal of the New Mexico Complaint with prejudice and the withdrawal of Issue 24 from the Arbitration Proceedings, and except as provided herein, U S WEST releases, acquits, and forever discharges GST from any and all claims, demands, causes of action and liability of any kind or nature whatsoever, whether known or unknown, arising from any of the allegations forming the basis of the New Mexico Complaint, or arising from or relating to the rate element and factor for reciprocal compensation for Internet-related Traffic between the Parties in the states of Arizona, New Mexico, Oregon, Idaho, and Washington through and including the month of December 2001. Notwithstanding the foregoing releases, the Parties agree to provide each other with reciprocal compensation in the future, through and including the month of December 2001, for Internet-related Traffic in accordance with the provisions of this Billing Settlement Agreement.

3.3 Net Payment of $ 2.867 Million by U S WEST to GST for Reciprocal Compensation. U S WEST agrees to pay $2.867 million to GST, within three business days of execution of this Billing Settlement Agreement, as full payment and satisfaction of reciprocal compensation owed or that might be claimed by GST from U S WEST under its existing interconnection agreements with U S WEST, net of all reciprocal compensation owed or claimed, or which might be claimed by U S WEST from GST under its existing interconnection agreements with GST in the states of Washington, Oregon, Arizona, Idaho, and New Mexico, for traffic usage terminated through December 31, 1999.

3.4 Agreement beginning January 1, 2000. In order to avoid any future disputes and litigation and the costs associated with such litigation on the issue of reciprocal compensation, the Parties agree to the following provisions respecting the payment of reciprocal compensation for Internet-related Traffic: Notwithstanding anything to the contrary in the Parties' existing interconnection agreements, or in any new interconnection agreements entered into between the Parties covering the time period of January 1, 2000 to December 31, 2001 (collectively, the "Interconnection Agreements"), the Parties agree that they will pay each other reciprocal compensation, to the extent applicable, on the following basis:

Usage for Time Period	Non-internet Related Traffic	Internet-related Traffic
2000	Effective contractual rates as modified by state commission order	$.001 per minute
January 1, 2001 to June 30, 2001	Effective contractual rates as modified by state commission order	$.00075 per minute
July 1, 2001 to December 31, 2001	Effective contractual rates as modified by state commission order	$.00065 per minute

3.5 Factors for Payment of Internet-related Traffic. The Parties agree to apply the following factors for the payment of Internet-related Traffic:

3.5.1 Factor for payment from U S WEST to GST. Payment of Internet-related Traffic by U S WEST to GST will be set at a factor of 90% of the total non-toll U S WEST traffic delivered to GST for the period January 1, 2000 through June 30, 2000. U S WEST and GST will adjust this factor semiannually thereafter based upon mutually agreed upon traffic studies. In the event that an agreement is not reached, the Parties will continue to pay reciprocal compensation at the existing factor until agreement is reached or until such dispute is resolved pursuant to Paragraph 3.16 hereof. When a factor is adjusted, such adjustment shall be effective retroactive to the first date of each respective semiannual period and the Parties agree to true up any differences between what has been paid and what is owed under such adjusted rate. The initial six-month period of January 1, 2000 to June 30, 2000 shall not be subject to true up.

3.5.2 Factor for payment from GST to U S WEST. Payment of Internet-related Traffic by GST to U S WEST will be set at a factor of 32% of the total non-toll GST traffic delivered to U S WEST for the period January 1, 2000 through June 30, 2000. U S WEST and GST will adjust this factor semiannually thereafter based upon mutually agreed upon traffic studies. In the event that an agreement is not reached on a timely basis, the Parties will continue to pay reciprocal compensation at the existing factor until agreement is reached or until such dispute is resolved pursuant to Paragraph 3.16 hereof. When a factor is adjusted, such adjustment shall be effective retroactive to the first date of each respective semiannual period and the Parties agree to true up any differences

between what has been paid and what is owed under such adjusted rate. The initial six-month period of January 1, 2000 to June 30, 2000 shall not be subject to true up.

3.6 Reciprocal Compensation Rates Guaranteed. The Parties agree that the reciprocal compensation rates for Internet-related Traffic shall be at the rates set forth herein, notwithstanding any action, ruling, or determination by the FCC, state commission, arbitrator, or court. The Parties further agree that they are free to pursue any position regarding the payment of reciprocal compensation for Internet-related Traffic, provided, however, that the Parties shall not assert the invalidity of the Interconnection Agreements, or the terms related to reciprocal compensation for Internet-related Traffic provided for by this Billing Settlement Agreement, and shall not seek payment from each other of reciprocal compensation for Internet-related Traffic for the time periods covered by this Billing Settlement Agreement, other than at the rates, and under the terms and conditions provided for in this Billing Settlement Agreement.

3.7 Other States. In order to avoid future billing disputes and litigation regarding reciprocal compensation, should the Parties enter into any interconnection agreements pursuant to Sections 251 and 252 of the Telecommunications Act of 1996 for states other than Arizona, New Mexico, Oregon, Idaho, and Washington having an effective date earlier than January 1, 2002, such interconnection agreements will contain provisions regarding reciprocal compensation during the period prior to January 1, 2002 that do not conflict with the terms of this Billing Settlement Agreement.

3.8 Limitation on Liability for Payment of Reciprocal Compensation. The Parties' agreement to pay reciprocal compensation under the Interconnection Agreements shall not be construed as an agreement to pay reciprocal compensation for usage after December 31, 2001, and shall not be deemed to be an admission of liability to pay such compensation, nor shall it be deemed an admission that reciprocal compensation at rates greater than those provided herein shall be not paid for usage after December 31, 2001. In addition, the fact that the Parties have settled pending and future anticipated billing disputes pursuant to this Billing Settlement Agreement shall not be used in any administrative, legislative or court proceeding as an admission by either party that the terms of this Billing Settlement Agreement are acceptable. In any administrative or judicial proceeding, both Parties may advocate, propose and support positions different than those offered in this Billing Settlement Agreement.

3.9 Pick and Choose Rights. After the effective date of this Billing Settlement Agreement, each Party may continue to exercise its "pick and choose" rights, as set forth in Section 252(i) of the Telecommunications Act of 1996, except, however, neither Party may exercise its Pick and Choose rights to alter, change, or modify the reciprocal compensation provisions established by this Billing Settlement Agreement with respect to existing and future interconnection agreements through December 31, 2001.

3.10 Compromise. The Parties acknowledge and agree that they have a legitimate billing

dispute about whether any amounts are owed to each of them under the Interconnection Agreements, with respect to the payment of reciprocal compensation for Internet-related Traffic for usage through December 31, 2001. The terms and conditions contained in this Billing Settlement Agreement as it applies to reciprocal compensation for Internet-related Traffic do not represent the Parties' position on these issues and may not be used by one party against the other party in any forum. The Parties agree that this Billing Settlement Agreement is the compromise of disputed and liquidated billing and other claims and that payment or the receipt of payment by U S WEST or GST is not a concession that the claims of either party are less or other than completely meritorious.

3.11 Effect of Interconnection Agreements on Obligation to Pay Reciprocal Compensation. The Parties acknowledge and agree that they have a legitimate billing dispute about whether any amounts are owed to each of them for reciprocal compensation under the Interconnection Agreements. The obligations to pay reciprocal compensation set forth in this Billing Settlement Agreement reflect a settlement and compromise and this Billing Settlement Agreement is intended to govern the Parties' obligations to pay reciprocal compensation through December 31, 2001.

3.12 Existing and Future Damages. The Parties understand and agree that, in order to avoid the uncertainty, expense, and delay of continued litigation, the amount paid and received pursuant to the terms of this Billing Settlement Agreement is given and accepted not only for damages that are now known to exist, but also for any damages that may arise or develop in the future and which are currently unknown, arising from the factual allegations forming the basis of the New Mexico Complaint and the Arbitration Proceedings; provided, however, that the Parties do not waive the right to dispute the accuracy of billing rendered, for periods after January 1, 2000, based upon errors in the measurement or recording of traffic and agree that any such disputes shall be decided in accordance with the dispute resolution procedures of the interconnection agreements that the parties will enter into. The settlement amount provided for by paragraph 3.3 of this Billing Settlement Agreement includes full payment and satisfaction of all amounts owed or claimed, known or unknown, or which might be claimed by either party as reciprocal compensation through December 31, 1999, under their prior or existing interconnection agreements in the states of Washington, Arizona, Idaho, Oregon and New Mexico.

3.13 Confidentiality. The terms and conditions of this Billing Settlement Agreement shall be confidential except as provided herein.

3.13.1 In the event either party receives from any regulatory body or court a request, subpoena or order commanding disclosure of the terms and conditions of this Billing Settlement Agreement, the party receiving the order or subpoena shall immediately notify the other party in writing of the nature, source, and scope of such request, subpoena or order so as

to enable the other party, at its option, to take such action as may be legally permissible so as to protect the confidentiality provided for in this paragraph 3.13.

3.13.2 The Parties may have ex parte discussions with the FCC respecting the general nature of the Billing Settlement Agreement, but may not disclose the terms of the settlement, except for reciprocal compensation rates, provided, however, that neither party shall disclose the identity of the other party, except as may be required by paragraph 3.13.1.

3.13.3 To the extent a party is required to make a disclosure to the SEC, including the issuance of a press release regarding this Billing Settlement Agreement, the party shall provide only such information that is required to be provided and shall provide notice of such planned disclosure by providing a copy of the information to be disclosed, at least five business days prior to such disclosure. To the extent such disclosure is required, the Parties will work together to produce a joint document. In the event the Parties do not agree upon a joint document, the party issuing the document will work with the other party to assure that it contains only necessary information.

3.14 Choice of Law. This Billing Settlement Agreement is to be construed and interpreted in accordance with the laws of the State of Washington.

3.15 Dismissal. The dismissal of the New Mexico Complaint, New Mexico Appeals, and the withdrawal of Issue 24 set forth in Paragraph 3.1 hereof shall be filed or submitted by the respective Parties as soon as is practicable after execution of this Billing Settlement Agreement, and in no event later than 15 business days after such execution. The Parties' obligations to make payments hereunder to pay reciprocal compensation for usage beginning January 1, 2000, at the rates set forth herein, shall become binding only after the other party has made the necessary filings to obtain such dismissals.

3.16 Arbitration. Any claim, controversy, or dispute between GST and U S WEST, whether sounding in contract, statute, tort, fraud, misrepresentation, discrimination, or any other legal theory, arising out of the interpretation of this Billing Settlement Agreement, and a request for appropriate damages as a result thereof, whenever brought, shall be resolved by arbitration. **By signing this Billing Settlement Agreement, the Parties voluntarily knowingly and intelligently waive any right they may otherwise have to seek remedies in court or other forums, including the right to a jury trial and the right to recover damages.** The Federal Arbitration Act 9 U.S.C. 1-16 ("FAA"), shall govern the arbitrability of all claims, provided that they are enforceable under the FAA, as it may be amended from time to time. In the event the FAA does not govern, the arbitration provisions of the Revised Code of Washington 7.04.010, et seq. shall apply. Additionally, the substantive law of Washington, only to the extent it is consistent with the terms stated in this Billing Settlement Agreement for arbitration, shall apply to any common law claims. This Billing Settlement Agreement for arbitration supersedes any other arbitration agreement between the Parties to the extent they are inconsistent. The location of the arbitration proceeding shall be in Seattle, Washington. A single arbitrator

engaged in the practice of law and knowledgeable about the local telephone industry shall conduct the arbitration under the applicable rules and procedures of the American Arbitration Association ("AAA"). Other than as set forth herein, the arbitrator shall have no authority to add to, detract from, change, amend, or modify the terms of this Billing Settlement Agreement and shall apply existing law. All arbitration proceedings, including settlements and awards, under this Billing Settlement Agreement will be confidential. The Parties shall pay equally the hourly fees and expenses of the arbitrator. The prevailing party in any arbitration shall be entitled to receive reasonable attorneys' fees. The arbitrator's decision and award shall be final and binding as to all claims that were or could have been raised in the arbitration, and judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. If any party hereto files a judicial or administrative action asserting claims subject to this arbitration provision, and another party successfully stays such action or compels arbitration of such claims, the party filing said action shall pay the other party's costs and expenses incurred in seeking such stay or compelling arbitration, including reasonable attorneys' fees; provided, however, that the Parties do not waive the right to dispute the accuracy of billing rendered, for periods after January 1, 2000, based upon errors in the measurement or recording of traffic.

3.17 Enforceability. If any aspect of this Billing Settlement Agreement is found illegal or unenforceable, all remaining provisions of the Billing Settlement Agreement shall remain enforceable. The Parties agree that the arbitrator or court should sever or revise any illegal or unenforceable provision and interpret and enforce that provision and all remaining provisions of this Billing Settlement Agreement in a manner that gives effect to the intent of the Parties.

3.18 Voluntariness and Finality. THE PARTIES HAVE READ THIS BILLING SETTLEMENT AGREEMENT, FULLY UNDERSTAND ITS TERMS, AND SIGN IT FREELY AND VOLUNTARILY. The Parties acknowledge that they have had the opportunity to discuss the terms of this Billing Settlement Agreement with their attorneys and represent that this Billing Settlement Agreement is executed with the knowledge, consent and approval of their attorneys.

3.19 Indemnification. GST agrees to indemnify U S WEST for any amounts U S WEST becomes obligated to pay as a result of any lawsuits filed by GST shareholders concerning this Billing Settlement Agreement and it will assume the defense thereof or pay U S WEST's fees and costs. U S WEST will cooperate in defense of any such lawsuits. U S WEST agrees to indemnify GST for any amounts GST becomes obligated to pay as a result of any lawsuits filed by U S WEST shareholders concerning this Billing Settlement Agreement and it will assume the defense thereof or pay GST's fees and costs. GST will cooperate in defense of any such lawsuits.

3.20 Billing Settlement Agreement not Limiting Parties' Advocacy Rights. The Parties agree that they are free to pursue before the FCC, any state commission, before any judicial or quasi-judicial body, or in any arbitration, any position regarding the payment of reciprocal compensation for Internet-related Traffic, provided, however, that the Parties shall not assert the invalidity of this Billing Settlement Agreement and shall not seek payment from each other of reciprocal compensation for Internet-related Traffic for the time periods covered by this Billing Settlement Agreement, other than at the rates, and under the terms and conditions provided for in this Billing Settlement Agreement.

3.21 Amendment of this Billing Settlement Agreement. This Billing Settlement Agreement may not be amended or modified except through a written agreement, signed by the Parties hereto.

3.22 Facsimile Signature Pages. The Parties agree that this Billing Settlement Agreement may be executed by signatures transmitted via facsimile with the original to follow by overnight delivery within 24 hours, and that such facsimile signature shall be valid as if an original.

Signature Page to U S WEST and GST Confidential Billing Dispute Settlement Agreement and Release

GST Telecom, Inc.	U S WEST Communications, Inc
Signature	Signature
Daniel C Trampush Name Printed or Typed	Name Printed or Typed
Chief Financial Officer Title	Title
January 7, 2000 Date	Date

Signature Page to U S WEST and GST Confidential Billing Dispute Settlement Agreement and Release

GST Telecom, Inc.	U S WEST Communications, Inc
	[illegible]
Signature	Signature
	Aubrey McKenney
Name Printed or Typed	Name Printed or Typed
	Vice President - Wholesale Markets Finance
Title	Title
	1/07/00
Date	Date

EXHIBIT A

List of pending proceedings between GST Inc. and U S WEST:

Arizona

In the Matter of GST Net (Az), Inc. Petition for Arbitration Against US WEST Communications, Inc. Under U.S.C. §252(b) (Docket Nos. T-03155A-99-0480, T-01051B-99-0480)

Oregon

Petition for Arbitration of GST Telecom Oregon, Inc. Against U S West Communications, Inc. Under 47 U.S.C. § 252(b) (Or. P.U.C., Arb 154);

Idaho

Petition for Arbitration of GST Telecom Idaho, Inc. Against U S West Communications, Inc. Under 47 U.S.C. § 252(b) (Id. P.U.C., Case No. GST-T-99-1)

New Mexico

Petition of GST Telecom New Mexico, Inc. For Arbitration Against U S West Communications, Inc. Under 47 U.S.C. § 252(b) (N.M. P.R.C., Case No. 3131)

In the Matter of the Complaint by GST Telecom, Inc., and GST Telecom New Mexico, Inc., against U S WEST Communications, Inc., Regarding Reciprocal Compensation Pursuant to the Interconnection Agreement Between the Parties, Utility Case No. 2949 (N.M. Pub. Regulation Comm'n).

U S WEST Communications, Inc., Appellant, v. New Mexico Pub. Regulation Comm'n, No. 25,997 (N.M. Sup. Ct.), *on appeal from* Utility Case No. 2949 (N.M. Pub. Regulation Comm'n).

GST Telecom, Inc., and GST Telecom New Mexico, Inc., Plaintiffs-Appellees, v. U S WEST Communications, Inc., Defendant-Appellant, No. 26,100 (N.M. Sup. Ct.), *on appeal from* Civil No. D0101-CV-9901776 (N.M. 1st Judicial Dist. Ct.).

25. Paging Network

Confidential Billing Statement Agreement with Qwest dated 04/23/01

CONFIDENTIAL BILLING SETTLEMENT AGREEMENT

THIS CONFIDENTIAL BILLING SETTLEMENT AGREEMENT ("Confidential Billing Settlement Agreement"), by and between Qwest Corporation formerly known as Qwest Communications, Inc. ("Qwest") and Paging Network, Inc. (together with its direct and indirect subsidiaries, "PageNet"), a wholly owned subsidiary of Arch Wireless Holdings, Inc. ("Arch"), is a complete and final settlement of the disputes described herein. Qwest and PageNet are referred to herein jointly as the "Parties" or individually as a "Party."

1. **DESCRIPTION OF THE RELATIONSHIP OF THE PARTIES AND DISPUTES.**

   a. PageNet and Qwest have entered into various interconnection arrangements, identified by the account information set forth on Exhibit 1 hereto, pursuant to which the Parties' respective communications networks are interconnected in the states of Arizona, Colorado, Idaho, Minnesota, Nebraska, New Mexico, Oregon, Utah, and Washington (collectively, the "Previous Interconnection Arrangements").

   b. In connection with the Previous Interconnection Arrangements, (i) PageNet asserts that Qwest must refund certain amounts paid by PageNet to Qwest for interconnection facilities, (ii) Qwest asserts that PageNet must pay Qwest for interconnection facilities provided by Qwest to PageNet, and (iii) PageNet has also claimed the right to receive reciprocal compensation payments from Qwest. These billing disputes, which cover only the period from November 1, 1996 through December 31, 2000, along with any and all other billing and payment issues related to the accounts listed on Exhibit 1 hereto arising or occurring during such period, are referred to herein as the "Billing Disputes."

2. **PURPOSE OF CONFIDENTIAL BILLING SETTLEMENT AGREEMENT.** The Parties desire to resolve permanently and unalterably their differences and settle all their disagreements regarding the Billing Disputes. The Parties also desire to operate under the existing Arch Interconnection Agreements (as defined below) to govern the interconnection of the Parties' networks on a going forward basis. The Parties intend that this Confidential Billing Settlement Agreement settle, resolve and extinguish any and all claims by the Parties relating to or arising out of the Billing Disputes as established in 1b. above.

3. **FINAL SETTLEMENT.** The Parties hereby fully, completely, and unalterably settle any and all claims by the Parties relating to or arising out of the Billing Disputes.

4. **CREDIT OF ACCOUNTS.** In exchange for the covenants and agreements set forth herein, within sixty (60) days from execution of this Confidential Billing Settlement Agreement, Qwest agrees to provide PageNet with bill credits totaling $ 1,517,260.57 U.S. dollars. These bill credits, will settle all billing and payment issues for the accounts listed on Exhibit 1 for the period from November 1, 1996 through December 31, 2000; and Qwest agrees not to take any action, whether before a court, regulatory agency, or other adjudicatory body, to collect any

amounts it later claims are owed by PageNet under the account numbers listed in Exhibit 1 through December 31, 2000.

5. **ARCH INTERCONNECTION AGREEMENTS.** The Parties hereto acknowledge that (i) Arch and Mobile Communications Corporation of America ("MCCA") are parties to certain interconnection agreements with Qwest, each effective as of July 1, 2000, pursuant to which the respective communications networks of the parties thereto are interconnected in the states of Arizona, Colorado, Idaho, Iowa, Minnesota, Montana, Nebraska, New Mexico, North Dakota, Oregon, South Dakota, Utah, Washington and Wyoming (the "Arch Interconnection Agreements"), and (ii) the Parties desire to operate under the Arch Interconnection Agreements to govern the interconnection of the Parties' communications networks on a going forward basis. Accordingly, the Parties' agree to use commercially reasonable efforts to enter into amendments with Arch and MCCA to the Arch Interconnection Agreements in order to make PageNet a party thereto (the "Arch Amendments") with an effective date of January 1, 2001. The rights and obligations of the Parties with respect to the Parties' network interconnection will then be governed by such Arch Interconnection Agreements. PageNet agrees to continue paying appropriate charges for non-interconnection facilities and services, including, but not limited to, Wide Area Calling services and private lines, provided it continues to obtain such facilities and services from Qwest. PageNet may also bill Qwest for reciprocal compensation according the terms of the Arch Interconnection Agreements retroactive to January 1, 2001.

6. **RELEASE.** PageNet and Qwest do hereby release and forever discharge the other and the other's past, present and future officers, stockholders, corporate affiliates, directors, employees, representatives, attorneys, agents, assigns, successors, divisions, companies, direct and indirect parents and subsidiaries (and the past, present and future officers, stockholders, directors, employees, representatives, attorneys and agents of such direct and indirect parents and subsidiaries), from any and all manner of action or actions, cause or causes of action, in law, under statute, or in equity, suits, appeals, petitions, debts, liens, contracts, agreements, promises, liabilities, claims, affirmative defenses, offsets, demands, damages, losses, costs, claims for restitution, and expenses, of any nature whatsoever, fixed or contingent, known or unknown, past and present, asserted or that could have been asserted, in any way relating to or arising out of the Billing Disputes.

7. **COMPROMISE.** The Parties agree that this Confidential Billing Settlement Agreement is the compromise of disputed billing claims and all issues raised in the Billing Dispute.

8. **NO ADMISSIONS.** This Confidential Billing Settlement Agreement does not constitute an admission by either Party of the truth or merit of any fact, any asserted principle of law, any matter, claim, or cause of action alleged or asserted in any legal regulatory or other forum, past, present or future, relating to the matters addressed in this Confidential Billing Settlement Agreement. This Confidential Billing Settlement Agreement also does not constitute an admission with respect to the appropriateness or legality of any charges, billed or unbilled, whether paid or unpaid.

9. **ARBITRATION.** In the event that either Party asserts that the other Party has breached its obligations under this Confidential Billing Settlement Agreement, the Parties agree to submit the dispute to binding arbitration, closed to the public, and conducted by the Rules of the American Arbitration Association. Each Party shall be responsible for its own fees and costs. The Parties shall equally share the fees and expenses of the arbitrator. Any arbitration proceedings shall be held in a location mutually agreed to by the Parties. The Parties agree that the arbitrator only shall have authority to award compensatory damages, but that the arbitrator shall not have authority to award punitive, special, consequential, or similar damages. Notwithstanding the foregoing, this provision shall not restrict either Party from seeking injunctive relief from a court of competent jurisdiction to enforce the terms hereof.

10. **ENTIRE AGREEMENT REGARDING BILLING DISPUTES; NO EFFECT ON INTERCONNECTION ARRANGEMENTS.** This Confidential Billing Settlement Agreement is the entire agreement between PageNet and Qwest regarding the Billing Disputes and replaces any previous understanding or agreement regarding these matters. This Confidential Billing Settlement Agreement relates only to settlement of the Billing Disputes. Any modification to this Confidential Billing Settlement Agreement must be in writing and signed by both Parties to be effective.

11. **CONFIDENTIALITY.** The Parties agree that this Confidential Billing Settlement Agreement is confidential. Each Party agrees not to disclose the terms and conditions herein, unless: (1) the other Party invokes the dispute resolution procedures set forth in Section 9 above in connection with the Billing Disputes; or (2) the Party is required by a properly issued subpoena or other legal process to produce a copy of this Confidential Billing Settlement Agreement or otherwise is required to reveal the terms of this Confidential Billing Settlement Agreement. In either case, prior to making disclosure, the Party shall provide the other Party written notice and shall use its best efforts to obtain an appropriate protective order or nondisclosure agreement to protect the confidentiality of this Confidential Billing Settlement Agreement and the terms hereof. Notwithstanding the foregoing, the Parties hereto agree that the Arch Amendments may be filed with the necessary regulatory bodies without violation of this provision.

12. **APPLICABLE LAW.** The laws of the state of Colorado shall govern the interpretation of this Confidential Billing Settlement Agreement.

13. **MULTIPLE COUNTERPARTS.** This Confidential Billing Settlement Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which shall together constitute but one and the same document.

14. **NOTICES.** Any notice to a Party required or permitted under this Confidential Billing Settlement Agreement shall be in writing and shall be served personally, delivered by a national courier service. Upon prior agreement of the Parties' designated recipients identified below, notice may also be provided by facsimile, Internet or electronic messaging system (e-mail), followed by mailing a copy of

the fax/e-mail via first class U.S. mail. 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 14:

If to Qwest: Qwest Communications, Inc.
Attention: Legal Department
1801 California Street, Suite 5100
Denver, Colorado 80202
Phone: (303) 672-2700
Fax: (303) 295-7046

If to PageNet: Paging Network, Inc.
Attention: Dennis M. Doyle
Vice President, Telecommunications
Arch Wireless Holdings, Inc.
1800 West Park Drive
Suite 250
Westborough, MA 01581-3912
Phone: (508) 870-6812
Fax: (508) 870-8012
mike.doyle@arch.com

15. **NO WAIVER OF POSITIONS.** The Parties agree that their entering into this Confidential Billing Settlement Agreement and the other agreements contemplated herein is without prejudice to, and does not waive, any positions they may have taken previously, or may take in the future, in any legislative, regulatory, judicial, or other forum addressing any matters, including matters related to interconnection arrangements and/or matters related to interconnection cost recovery generally.

16. **EFFECTIVE DATE.** The Effective Date of this Confidential Billing Settlement is the last date signed below.

THE UNDERSIGNED DECLARE THAT THE TERMS OF THIS CONFIDENTIAL BILLING SETTLEMENT AGREEMENT HAVE BEEN COMPLETELY READ AND ARE FULLY UNDERSTOOD AND ARE VOLUNTARILY ACCEPTED FOR THE PURPOSE OF MAKING A FULL AND FINAL COMPROMISE OF THE DISPUTES BETWEEN THE PARTIES.

Qwest Corporation

By: Audrey McKenney
Audrey McKenney

Title: Senior Vice President

4/23/01
Date

Paging Network, Inc.

By: Paul Kuzia
Paul Kuzia,

Title: Executive Vice President, Technology and Regulatory Affairs

Date 4/3/01

EXHIBIT 1
ACCOUNTS UNDER DISPUTE

PageNet Accounts:		
206-R51-0018-018	$ 83,349.10	78,424.94
206-R54-2510-510	$ [illegible]	23,577.55
206-R54-6004-004	$ 61,830.79	46 037.55
206-R55-2365-365	$ 1,759.32	NB
206-R55-5004-004	$ 2,937.67	2380.64
206-R56-7012-012	$ 1,837.63	
208-R51-0388-388	$ 12,975.30	
208-R54-5063-063	$ 5,523.34	
208-R55-0004-004	$ 858.37	NB
208-R55-5054-054	$ (187.22)	
216-R54-0004-004	$ 644.11	
216-R54-5052-052	$ 2,771.34	
303-R61-0000-000	$ 20,471.84	
303-R51-0169-169	$ 189,428.30	
303-R54-5005-005	$ 20,015.11	
320-R54-0002-002	$ 1,128.69	
320-R54-5079-079	$ 477.63	
402-R54-5080-080	$ -	
503-R51-0115-115	$ 18,193.35	
503-R51-0142-142	$ 50,592.73	
503-R54-2526-525	$ (4,113.00)	
503-R54-5014-014	$ 13,774.00	
503-R54-5013-013	$ 8,754.00	
503-R56-5825-025	$ 8,340.89	
503-R55-7701-701	$ 4,362.70	
503-Z08-0086-276-86	$ 977.00	
505-R54-2500-500	$ 35,026.41	
506-R54-5058-058	$ 71,872.92	
507-R54-5078-078	$ 3,519.96	
509-R51-0010-010	$ 5,117.27	
509-R54-2448-448	$ 5,781.89	
509-R55-3105-305	$ 3,084.36	
520-R54-5064-064	$ 20,432.51	
602-R51-0033-033	$ 398,683.52	
602-R51-0316-316	$ 86,197.86	
602-R54-5050-050	$ 113,916.77	
602-R55-2327-237	$ 12,705.45	
612-R54-2589-589	$ 9,841.30	
612-R54-5053-053	$ 79,927.83	
719-R51-0188-188	$ 87,863.14	
719-R54-5006-006	$ 6,093.45	
801-R54-5009-009	$ 44,378.27	
801-R55-5115-115	$ 3,020.71	
Total December Balance	**$ 1,517,280.57**	

26. <u>SBC & NAS</u>
Confidential Consent to Assignment & Collocation Change of Responsibility Agreement with Qwest dated 6/1/01

CONFIDENTIAL CONSENT TO ASSIGNMENT AND COLLOCATION CHANGE OF RESPONSIBILITY AGREEMENT

This Confidential Consent to Assignment and Collocation Change of Responsibility Agreement, dated this 1st day of June, 2001, is entered into by Qwest Corporation ("Qwest"), Network Access Solutions Corporation ("NAS"), and SBC Telecom, Inc. ("SBC") (the "Agreement"). Qwest, NAS and SBC are referenced in this Agreement, collectively, as the "Parties."

RECITALS

WHEREAS, Qwest is an incumbent local exchange carrier ("ILEC") operating in the states of Arizona, Colorado, Idaho, Iowa, Minnesota, Nebraska, New Mexico, North Dakota, Oregon, South Dakota, Utah, Washington and Wyoming ("Qwest's ILEC region").

WHEREAS, NAS is a competitive local exchange carrier ("CLEC") certified to operate in several states in Qwest's ILEC region, including Arizona, Minnesota and Utah.

WHEREAS, SBC is certified to operate as a CLEC in several states in Qwest's ILEC region, including Arizona, Minnesota and Utah.

WHEREAS, Qwest and NAS have entered into interconnection agreements pursuant to sections 251 and 252 of the federal Telecommunications Act of 1996 (the "Act") that govern their relationship in several states in Qwest's ILEC region, including Arizona, Minnesota and Utah, and those agreements have been approved by the appropriate state commissions where those agreements were filed pursuant to the Act.

WHEREAS, Qwest and SBC have entered into interconnection agreements pursuant to sections 251 and 252 of the Act that govern their relationship in several states in Qwest's ILEC region, including Arizona, Minnesota and Utah, and those agreements have been approved by the appropriate state commissions where those agreements were filed pursuant to the Act.

WHEREAS, under the terms of its interconnection agreements with Qwest, NAS has ordered 146 collocation facilities from Qwest at many different central offices within Qwest's ILEC region.

WHEREAS, NAS desires to assign to SBC, and SBC desires to assume, all of NAS' rights, title and interest in thirteen (13) of NAS' collocations. The thirteen (13) collocations to be assigned by NAS to SBC are caged physical and cageless physical collocation arrangements in Arizona, Minnesota and Utah and are specifically identified in Exhibit A to this Agreement. The thirteen (13) collocations identified in Exhibit A to this Agreement shall be referenced in this Agreement as the "Subject Collocations."

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WHEREAS, NAS obtained rights and obligations to the Subject Collocations pursuant to the approved Arizona, Minnesota and Utah interconnection agreements between NAS and Qwest.

WHEREAS, in April 2001, NAS paid Qwest $404,697.05 for the recurring and nonrecurring charges associated with the Subject Collocations and $35,035.00 in transfer fees.

WHEREAS, SBC's interconnection agreements with Qwest currently in effect in the states of Arizona, Minnesota and Utah, include terms and conditions governing caged physical and cageless physical collocations.

WHEREAS, NAS and SBC executed an Assignment and Assumption Agreement, dated December 22, 2000, whereby NAS and SBC agreed to NAS' assignment to SBC of the Subject Collocations. An executed copy of the Assignment and Assumption Agreement is attached hereto as Exhibit B.

WHEREAS, in December 2000, NAS requested Qwest's consent to assignment of the Subject Collocations to SBC.

WHEREAS, in May 2001, Qwest provided SBC with an opportunity to physically inspect the Subject Collocations and SBC did so prior to the execution of this Agreement.

WHEREAS, in March 2001, upon publication of Qwest's Collocation Change of Responsibility Policy ("COR Policy"), a copy of which is attached hereto as Exhibit C, and at Qwest's request, NAS submitted change of responsibility orders to Qwest pursuant to the procedures identified in the COR Policy.

WHEREAS, NAS is seeking to promptly assign to SBC its rights and obligations to the Subject Collocations. And, whereas, NAS desires to transfer the Subject Collocations for reasons relating to market conditions and its business operations. And, whereas, NAS and Qwest dispute whether the change of responsibility (or assignment) from NAS to SBC of the Subject Collocations is addressed in the Parties' interconnection agreements with one another or is subject to the COR Policy.

WHEREAS, the Federal Communications Commission (the "FCC") has acknowledged that the Parties dispute whether the change of responsibility addressed in this Agreement is addressed in their interconnection agreements or is subject to the COR Policy, but also has determined that time is of the essence. Based upon the unique circumstances of this matter, the FCC has expressed a desire for the Parties to negotiate an agreement that would permit NAS to assign to SBC the Subject Collocations, irrespective of the Parties' interconnection agreements and Qwest policy.

WHEREAS, to accommodate the Parties' desires and the FCC's input regarding the Subject Collocations, and for valuable consideration, the Parties voluntarily enter into this Agreement.

AGREEMENT

1. NAS hereby agrees:

   a. to pay Qwest the sum of $439,732.05 (which is inclusive of recurring and nonrecurring charges and transfer fees payable by the assignor and assignee under the COR Policy), which payment was made immediately prior to the execution of this Agreement.

   b. to assign to SBC all of NAS' rights, title and interest in the Subject Collocations.

   c. to relinquish all claims, known or unknown, relating to the Subject Collocations.

2. SBC hereby agrees:

   a. to accept and assume responsibility for, and to pay all recurring and nonrecurring charges associated with, the Subject Collocations that accrue after the execution of this Agreement.

   b. except as otherwise provided in this Agreement, to accept and assume responsibility for the Subject Collocations on an "as is" basis, with no warranties, express or implied.

   c. that the Subject Collocations are subject to, and governed by, the interconnection agreements between SBC and Qwest that are currently in effect for the states of Arizona, Minnesota and Utah.

   d. that the change of responsibility and assignment of the Subject Collocations will become effective upon the Parties' execution of this Agreement.

3. Qwest hereby agrees:

   a. that it has received payment from NAS in the amount of $439,732.05 (which is inclusive of recurring and nonrecurring charges and transfer fees payable by the assignor and assignee under the COR Policy) and that, subject to the Parties' execution of this Agreement, such payment satisfies all outstanding amounts that were or are due and owing by NAS for the Subject Collocations through the date of execution of this Agreement. NAS' payment of $439,732.05 resolves all claims by Qwest for amounts owed for the Subject Collocations through the date of

execution of this Agreement, including recurring and nonrecurring charges and transfer fees.

b. That NAS, and not SBC, shall be responsible for any charges or expenses that were incurred or are due and payable in connection with the Subject Collocations prior to the execution of this Agreement, and that SBC shall be responsible only for those charges and expenses that arise in connection with the Subject Collocations after the execution of this Agreement.

c. to provide any non-confidential documentation to the Arizona, Minnesota and Utah telecommunications regulatory commissions that those agencies may require regarding the change of responsibility for the Subject Collocations from NAS to SBC.

d. subject to the terms and conditions of this Agreement, to the assignment by NAS to SBC of NAS's rights and obligations with respect to the Subject Collocations.

e. that the Subject Collocations are subject to, and governed by, the interconnection agreements between SBC and Qwest that are currently in effect for the states of Arizona, Minnesota and Utah.

4. For valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Qwest does hereby release and forever discharge NAS and its associates, owners, stockholders, predecessors, successors, agents, directors, officers, partners, employees, representatives, employees of affiliates, employees of parents, employees of subsidiaries, affiliates, parents, subsidiaries, insurance carriers, bonding companies and attorneys, from any and all manner of action or actions, cause or causes of action, in law, under statute, or in equity, suits, appeals, petitions, debts, liens, contracts, agreements, promises, liability, claims, affirmative defenses, offsets, demands, damages, losses, costs, claims for restitution, and expenses, of any nature whatsoever, fixed or contingent, known or unknown, past and present asserted or that could have been asserted, or could be asserted in any way relating to: (a) claims for any recurring and nonrecurring charges for the Subject Collocations incurred prior to the execution date of this Agreement, (b) claims for any nonrecurring transfer charges for the Subject Collocations under the attached COR Policy, and (c) claims regarding the Subject Collocations that arise after the execution of this Agreement.

5. For valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Qwest does hereby release and forever discharge SBC and its associates, owners, stockholders, predecessors, successors, agents, directors, officers, partners, employees, representatives, employees of affiliates, employees of parents, employees of subsidiaries, affiliates, parents, subsidiaries, insurance carriers, bonding companies and attorneys, from any and all manner of action or actions, cause or causes of action, in law, under statute, or in equity, suits, appeals, petitions, debts, liens, contracts, agreements,

promises, liability, claims, affirmative defenses, offsets, demands, damages, losses, costs, claims for restitution, and expenses, of any nature whatsoever, fixed or contingent, known or unknown, past and present asserted or that could have been asserted, or could be asserted in any way relating to claims regarding the Subject Collocations that arose prior to the execution date of this Agreement.

6. This Agreement does not address, release or discharge any claims that Qwest may have against NAS, or payments owed by NAS to Qwest, for (a) NAS' collocations other than the Subject Collocations and (b) any other services, products or purchases that NAS has purchased or obtained, or may purchase or obtain, from Qwest; and Qwest does not waive, release or discharge NAS from any such liabilities.

7. For valuable consideration, the receipt and sufficiency of which are hereby acknowledged, NAS does hereby release and forever discharge Qwest and Qwest's associates, owners, stockholders, predecessors, successors, agents, directors, officers, partners, employees, representatives, employees of affiliates, employees of parents, employees of subsidiaries, affiliates, parents, subsidiaries, insurance carriers, bonding companies and attorneys, from any and all manner of action or actions, cause or causes of action, in law, under statute, or in equity, suits, appeals, petitions, debts, liens, contracts, agreements, promises, liability, claims, affirmative defenses, offsets, demands, damages, losses, costs, claims for restitution, and expenses, of any nature whatsoever, fixed or contingent, known or unknown, past and present asserted or that could have been asserted or could be asserted in any way relating to or arising out of the Subject Collocations.

8. For valuable consideration, the receipt and sufficiency of which are hereby acknowledged, SBC does hereby release and forever discharge Qwest and Qwest's associates, owners, stockholders, predecessors, successors, agents, directors, officers, partners, employees, representatives, employees of affiliates, employees of parents, employees of subsidiaries, affiliates, parents, subsidiaries, insurance carriers, bonding companies and attorneys, from any and all manner of action or actions, cause or causes of action, in law, under statute, or in equity, suits, appeals, petitions, debts, liens, contracts, agreements, promises, liability, claims, affirmative defenses, offsets, demands, damages, losses, costs, claims for restitution, and expenses, of any nature whatsoever, fixed or contingent, known or unknown, past and present asserted or that could have been asserted or could be asserted in any way relating to or arising out of the Subject Collocations prior to the execution of this Agreement.

9. The terms and conditions in this Agreement shall inure to the benefit of, and be binding upon, the respective successors, affiliates and assigns of the Parties.

10. Each Party hereby covenants and warrants that it has not assigned or transferred to any person any claim, or portion of any claim which is released or discharged by this Agreement.

11. This Agreement constitutes the entire agreement between the Parties and can only be changed in a writing or writings executed by all of the Parties. Each of the

Parties agrees that they have had a fair and reasonable opportunity to identify, assess and understand the facts and law relevant to this Agreement.

12. This Agreement shall be interpreted and construed in accordance with the laws of the state of Colorado, and shall not be interpreted in favor or against any Party to this Agreement except as expressly provided herein.

13. The Parties have entered into this Agreement after conferring with legal counsel.

14. The Parties agree that they will keep the existence of this Agreement, the substance of the negotiations for this Agreement, and the terms and substance of this Agreement strictly confidential. The Parties further agree that they will not communicate (orally or in writing) or in any way disclose the substance of the negotiations and/or existence and terms and conditions of this Agreement to any person, judicial or administrative agency or body, business, entity or association or anyone else for any reason whatsoever, without the prior express written consent of the other Parties unless compelled to do so by law. It is expressly agreed that this confidentiality provision is an essential element of this Agreement and negotiations. Further, all matters related to this Agreement shall be subject to Rule 408 of the Rules of Evidence, at the federal and state level.

15. In the event any of the Parties initiates arbitration or litigation regarding the terms of this Agreement or has a legal obligation that requires disclosure of the terms and conditions of this Agreement, the Party having the obligation shall immediately notify all of the other Parties in writing of the nature, scope and source of such obligation so as to enable the other Parties, at their option, to take such action as may be legally permissible so as to protect the confidentiality provided in this Agreement.

16. The Parties agree that if NAS or SBC materially breaches any part of the confidentiality and nondisclosure provisions of this Agreement, the breaching Party shall be liable to Qwest for monetary damages. Because the actual damages that would most likely result from the breach of this Agreement may be difficult to ascertain, the Parties agree that upon a finding of breach by an arbitrator, pursuant to paragraph 17, the breaching Party shall be liable to Qwest for $25,000.00, attorneys' fees and costs, and the amount of any proven actual damages in excess of $25,000.00. For purposes of this provision, a material breach includes disclosure of: (a) the existence of this Agreement, (b) the terms and conditions negotiated in connection with this Agreement, and (c) the terms and conditions documented in this Agreement. It shall not be deemed a material breach of the confidentiality and nondisclosure provisions of this Agreement for any Party to disclose: (d) that the Subject Collocations were assigned by NAS to SBC with Qwest's consent and the date on which such transfer occurred, (e) that NAS has paid, in full, any amounts due and owing for the Subject Collocations and that no further charges have been, or will be, incurred by NAS for the Subject Collocations, and (f) to any FCC or state telecommunications regulatory official, upon their request, the fact that a collocation change of responsibility agreement between the Parties exists. If, after

execution of this Agreement, circumstances arise whereby a Party desires to disclose information other than the information authorized for disclosure in this paragraph, that Party may request, in writing, the consent of the other Parties to make such disclosure and the other Parties shall not unreasonably withhold such consent where disclosure would not materially breach the confidentiality and nondisclosure provisions of this Agreement.

17. Any claim, controversy or dispute between any of the Parties to this Agreement shall be resolved by private and confidential arbitration conducted by a single arbitrator engaged in the practice of law, under the then current rules of the American Arbitration Association ("AAA"). The Federal Arbitration Act, 9 U.S.C. §§ 1 – 16, not state law, shall govern the arbitrability of all disputes. The arbitrator shall only have the authority to determine breach of this Agreement and to award the liquidated damages as provided for in paragraph 16 of this Agreement, but shall not have the authority to award punitive damages. The arbitrator's decision shall be final and binding and may be entered in any court having jurisdiction thereof. Each Party shall bear its own costs and attorneys' fees and shall share equally in the fees and expenses of the arbitrator.

18. This Agreement may be executed in counterparts and by facsimile.

[remainder of page left blank intentionally]

IN WITNESS THEREOF, the Parties have caused this Confidential Consent to Assignment and Collocation Change of Responsibility Agreement to be executed as of this 1st day of June, 2001.

Qwest Corporation

By: Aubrey McKenney

Name: Aubrey McKenney

Title: SVP - Wholesale Mkts

Date: 6-6-01

Network Access Solutions Corporation

By: [signature]

Name: Jon Aust

Title: CEO

Date: 6/4/01

SBC Telecom, Inc.

By: _____

Name: _____

Title: _____

Date: _____

IN WITNESS THEREOF, the Parties have caused this Confidential Consent to Assignment and Collocation Change of Responsibility Agreement to be executed as of this ___ day of May, 2001.

Qwest Corporation

By: Audrey McKenney

Name: Audrey McKenney / SVP - Wholesale Mkts

Title: _____

Date: 6-6-01

Network Access Solutions Corporation

By: _____

Name: _____

Title: _____

Date: _____

SBC Telecom, Inc.

By: T S Harden

Name: Timothy Harden

Title: President

Date: June 1, 2001

Exhibit A

Arizona

Collocation Arrangements
by CLLI Code

TCSNAZEA	100 SQ FT
TCSNAZFW	100 SQ FT
TCSNAZMA	100 SQ FT
TCSNAZRN	100 SQ FT
TCSNAZCO	6 BAYS
TCSNAZCR	6 BAYS
TCSNAZSO	100 SQ FT
TCSNAZSW	100 SQ FT
PHNXAZNO	6 BAYS
SCDLAZTH	6 BAYS
TCSNAZCA	100 SQ FT

Minnesota

Collocation Arrangements

by CLLI Code	Size
MPLSMNDT*	100 SQ FT

Utah

Collocation Arrangements

by CLLI Code	Size
MAGNUTNM*	6 BAYS

Exhibit C

Collocation Change of Responsibility Policy

March 9, 2001

Due to changing economic conditions and revisions of Co-Providers' network strategies, Qwest is distributing the following policy for the transfer of a collocation site from one Co-Provider to another Co-Provider. Qwest refers to this policy and associated processes as a Change of Responsibility. This policy announcement is a revision of the Change of Responsibility policy dated January 16, 2001. This policy was revised based on comments and suggestions from the industry. As previously indicated in the previous Change of Responsibility notification, this service is available beginning March 15, 2001. Qwest Communications reserves the right to modify this, and any other collocation policy, as necessary.

This policy addresses the applicable requirements for a Co-Provider to submit an order to transfer the lease of its collocation site to another Co-Provider. This policy is available to all Co-Providers regardless of whether collocation change of responsibility is specifically addressed in the Co-Provider's Interconnection Agreement. If terms and conditions for collocation change of responsibility are included in the Co-Provider's Interconnection Agreement, and those terms differ from those set forth in this policy, then the terms of the Interconnection Agreement will prevail.

Change of Responsibility, for the purpose of this policy, refers to the authorized transfer of a leased collocation space and its associated payment obligations from one Co-Provider to another Co-Provider with a commission approved Interconnection Agreement. However, this policy does not address the transfer of collocation sites, which are part of a network and have active end-users, nor does it address requirements if two Co-Providers merge their corporations. Two options for a Change of Responsibility are available:

1) Cancellation Avoidance Request (CAR)
   - A Cancellation Avoidance Request (CAR) permits a Co-Provider to stop work on a collocation site in progress, as well as, transfer the responsibility of the collocation site to a new Co-Provider in good standing, who agrees to take on the legal and financial responsibilities of occupying the collocation site.
   - CAR is submitted in lieu of a Cancellation Request.

2) Decommission Avoidance Request (DAR)
   - A Decommission Avoidance Request (DAR) permits a Co-Provider to vacate and transfer responsibility for a completed collocation site to another commission approved Co-Provider who is in good standing with Qwest. The Co-Provider to whom the collocation is being transferred to agrees to take on the legal and financial responsibilities of the collocation site.
   - DAR is submitted in lieu of a Decommission Request.

Change of Responsibility Terms and Conditions

Cancellation Avoidance Request (CAR) Terms and Conditions

A Cancellation Avoidance Request can be requested if:

1) Qwest has not completed the construction of the collocation site as indicated by Qwest's distribution of notification of completion.
2) A collocation site has been accepted through the quote acceptance[1] procedures, but is prior to notification of completion.
   a) Any financial obligations owed to Qwest for the collocation site must be paid in full.
3) Qwest has not taken action to cancel an order due to expiration.
   a) Expiration is defined as an existing collocation request that terminates by lack of customer action.
      i) To avoid cancellation the following actions must be taken by the Co-Provider prior to expiration:
         (1) Accept the quote and pay the initial 50% and QPF (if applicable), in accordance with the 30 day quote acceptance time frame or as specified in the Co-Provider's Interconnection Agreement.
4) A Cancellation Avoidance Request is not permitted if the Co-Provider has previously submitted a cancellation request or its original collocation order has expired.
5) All general terms and requirements associated with a Change of Responsibility have been complied to and met.

Cancellation Avoidance Request (CAR) Charges

Payments Owed to Qwest by the Vacating Co-Provider

Financial obligations for the original collocation request:

1) Quote Preparation Fee (QPF) (if applicable)
2) Charges associated with the constructed elements[2] of the original collocation request.

Change of Responsibility – CAR Rate Elements:

1) CAR Assessment Fee
   - Nonrecurring
   - Fee assessed applies to the project, order and support management associated with the administrative function of processing the Change of Responsibility application and request.
2) Entrance Facility Splice Removal
   - Nonrecurring

[1] Quote acceptance is defined as the receipt of the first 50% payment and written acceptance of the quote.
[2] Elements for which construction is in progress will be charged in full.

- Charges associated with the removal of the splice at the POI, which is required per the terms and conditions of the Change of Responsibility policy.

3) Temporary Power Down
   - Nonrecurring
   - Charges associated with removal of the BDFB fuse to temporarily down power.

Payments Owed to Qwest by the Assuming (New) Co-Provider

Change of Responsibility – CAR Rate Elements:

1) Network Administration Fee
   - Nonrecurring
   - Covers the cost associated with updating Network systems to transfer reusable elements to the new Co-Provider.
2) Security Charges (if applicable)[3]
   - Nonrecurring
   - This charge applies to the keys/cards and card readers required for Co-Provider access to the Qwest Premise for the purpose of collocation.
3) Restoration of Temporary Power Down
   - Nonrecurring
   - Charges associated with the restoration of the BDFB fuse that has temporarily been powered down while Change of Responsibility requirements were met.

Decommission Avoidance Request (DAR) Terms and Conditions

A Decommission Avoidance Request can be requested only if:

1) The collocation site's construction has been completed and Qwest has sent notification of completion.
2) All financial obligations of the specific site are paid in full, including payment of the initial and final 50% owed on all applicable recurring charges.
3) Qwest has not taken action to decommission an order due to expiration.
   a) Expiration is defined as an existing collocation request that is terminated by lack of customer action.
      i) To avoid decommissioning a Co-Provider must take the following actions prior to expiration of the collocation request:
         (1) Accept the quote and pay the initial 50% by the 30-day quote acceptance timeframe (if terms of a Co-Provider's Interconnection Agreement differ, the Interconnection Agreement's terms are applied).

[3] Additional security charges will not be applied if the assuming (new) Co-Provider already possesses the number of access cards they require to maintain or modify the collocation site.

(2) Payment of the final 50% must be made within 30 days of the Ready for Service (RFS) date (if terms of a Co-Provider's Interconnection Agreement differ, the Interconnection Agreement's terms are applied).

4) Co-Provider has not previously submitted a decommissioning request.

Decommission Avoidance Request (DAR) Charges

Payments Owed to Qwest by the Vacating Co-Provider

Financial obligations for the original collocation request:

1) Quote Preparation Fee (QPF) (if applicable)
2) First 50% of quoted charges
3) Final 50% of quoted charges
4) All applicable recurring charges

Change of Responsibility – DAR Rate Elements

1) DAR Assessment Fee
   - Nonrecurring
   - Fee assessed applies to the project, order and support management associated with the administrative function of processing the Change of Responsibility application and request.
2) Entrance Facility Splice Removal
   - Nonrecurring
   - Charges associated with the removal of the splice at the POI, which is required per the terms and conditions of the Change of Responsibility policy.
3) Temporary Power Down
   - Nonrecurring
   - Charges associated with removal of the BDFB fuse to temporarily down power.

Payments Owed to Qwest by the Assuming (New) Co-Provider

Change of Responsibility – DAR Rate Elements:

1) Network Administration Fee
   - Nonrecurring
   - Covers the cost associated with updating Network systems to transfer reusable elements to the new Co-Provider.
2) Security Charges (if applicable)[4]
   - Nonrecurring
   - This charge applies to the keys/cards and card readers required for Co-Provider access to the Qwest Premise for the purpose of collocation.

[4] Additional security charges will not be applied if the assuming (new) Co-Provider already possesses the number of access cards they require to maintain or modify the collocation site.

3) Restoration of Temporary Power Down
   - Nonrecurring
   - Charges associated with the restoration of the BDFB fuse that has temporarily been powered down while Change of Responsibility requirements were met.

Change of Responsibility General Terms and Conditions

1) Change of Responsibility is offered for Caged, Cageless and Virtual Collocation.
2) 100% of the Co-Provider's preexisting financial obligations must be met prior to a Change of Responsibility space investigation request or transfer application being accepted by Qwest.
3) The Co-Provider to whom the collocation site is being transferred, must be in good financial standing and have a commission approved Interconnection Agreement with Qwest.
   a) The terms of the Co-Provider's Interconnection Agreement to whom the collocation site is being transferred must have been negotiated with Qwest for the type of collocation for which it is accepting responsibility.
      i) If the terms and conditions for the specific collocation type are not included in the Interconnection Agreement, the Co-Provider must begin negotiation of its Interconnection Agreement with Qwest prior to the completion of the Change of Responsibility.
4) A submitted Change of Responsibility request is for the transfer of a collocation site, which includes all elements that exist as part of the collocation[5] site at the time the Change of Responsibility request is submitted.
   a) If a Co-Provider submits a Change of Responsibility request for a collocation site that also has a Splitter Collocation associated with it, for the purposes of the Change of Responsibility policy, Qwest considers this a part of the original collocation site and the Splitter Collocation must also be transferred with the leasing rights of the original collocation site.
   b) Qwest, however, requires the following elements and services be removed (disconnected) prior to Qwest accepting the Change of Responsibility-DAR application request and CAR space investigation request:
      - CLEC to CLEC
      - Unbundled Network Elements
      - Finished Services
      - Administrative Lines
      - Entrance Facilities
      - Line Sharing
      - Line Splitting

[5] If an augment to the collocation site was requested prior to the submission of the Change of Responsibility request, Qwest will complete the installation of the service or element(s) if installation is in progress. Qwest will then require the Co-Provider meet 100% of the financial responsibilities for these elements or services, and if applicable, require the Co-Provider to transfer the elements with the original elements installed as part of the collocation site. If the quote has not yet been accepted and the installation of the services/elements has begun, Qwest will bill the Co-Provider the appropriate charge for Engineering Analysis and Quote preparation. The collocation augmentation will then be permitted to expire.

c) Prior to submitting orders to disconnect Unbundled Network Elements, CLEC to CLEC, administrative lines, finished services, line splitting and line sharing, the vacating Co-Provider must notify all end users and partnering Co-Providers of the discontinuance of service.
   i) A copy of the notification letter must be sent to Qwest prior to Qwest accepting the:
      (1) Cancellation Avoidance Request (CAR) space investigation request.
      (2) Decommission Avoidance Request (DAR) Change of Responsibility transfer application.
   ii) For a CLEC to CLEC – Direct Connect arrangement, the vacating Co-Provider must submit a Letter of Authorization from the owner of the equipment cable authorizing Qwest to remove the equipment cable. Removal charges[6] will be applied accordingly.
   iii) All charges associated with the disconnection of these services, with the exception of CLEC to CLEC – Direct Connect[6], are in addition to the costs of transferred the collocation site and will be billed independently of the Change Responsibility request.
d) If a Co-Provider submits and Qwest accepts a Change of Responsibility space investigation request for a Cancellation Avoidance Request, Qwest will stop construction, at which time the site is subject to Qwest's cancellation policy if the transfer of collocation space is not successful.
e) If a Co-Provider submits and Qwest accepts a Change of Responsibility space investigation request for a Change of Responsibility transfer application for a Decommission Avoidance Request, the vacating Co-Provider is obligated to pay all recurring charges until the Change of Responsibility is complete and leasing responsibilities are transferred.

5) Upon receipt of payment of the quote for Change of Responsibility, Qwest will automatically pull the fuse to temporarily down power and remove Entrance Facility splice at the POI for the purposes of completing the Change of Responsibility order.
6) If a Co-Provider chooses to submit a Change of Responsibility space investigation request, the Co-Provider authorizes Qwest to release information about the collocation site and the Co-Provider's contact information to potentially interested parties on Qwest's queue lists.
7) The Co-Provider must submit its Change of Responsibility space investigation request and transfer application request to a Qwest Account Representative via certified mail. A completed Cancellation Order Form must be sent accompanied by a written request (Letter of Authorization) on company letterhead, and must be signed by an authorized Co-Provider agent.

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[6] To reduce removal expenses for both the vacating Co-Provider, partnering Co-Provider and Qwest for the purpose of the Change of Responsibility policy, Qwest will retain the Co-Provider's equipment cable in exchange for the costs of removal.

- If the Co-Provider requests that the cabling be removed, Qwest will add charges for the removal of this item to the vacating Co-Provider's Change of Responsibility quote.
  - Requests for CLEC to CLEC – Direct Connect cable removal must be received at the time of the space inquiry request.

8) The following information refers to the high level processes and associated policy requirements used in managing a Co-Provider's Change of Responsibility space investigation request. For more detailed information regarding the procedures used, please see Qwest's website at www.qwest.com.

a) Upon receipt of a Co-Provider's Change of Responsibility space investigation request and the appropriate documentation, the following actions will occur:

i) Qwest will review the Central Office queue list for which the Change of Responsibility space investigation was requested:

(1) If Co-Providers are in queue that require the same type of collocation, Qwest will notify the Co-Provider in queue that the vacating Co-Provider is offering to transfer its collocation space. The following information will be provided :

(a) Collocation specifications (i.e. quantities of elements installed, collocation site size, etc.).

(b) Change of Responsibility quotes (Indicates the payments owed to Qwest for the management of the Change of Responsibility Request).

(c) Vacating Co-Provider's contact information*

- Name of contact person
- Telephone number of contact person

*Qwest will not distribute the vacating Co-Provider's corporation name in the continued support of safe harbor requirements.

ii) All interested Co-Providers shall directly contact the vacating Co-Provider to begin negotiations for the available space.

(1) Negotiation of the terms and conditions between the vacating Co-Provider and the new Co-Provider are the responsibility of the two parties. Qwest does not participate in these discussions nor have any responsibility or liability for the management of the transfer of the collocation site, nor for any terms and conditions negotiated by the Co-Providers beyond those stated in the Change of Responsibility Policy.

iii) If there are no Co-Provider's in queue, the vacating Co-Provider will be notified.

(1) At any time before, during or after the space investigation process, the vacating Co-Provider may choose to identify a Co-Provider who has interest in the collocation site. Any discussions held and/or agreements made are at the sole discretion of the vacating Co-Provider.

iv) If the vacating Co-Provider was not able to reach an agreement with a Co-Provider in queue or another interested Co-Provider within 40 days from the submission of the Change of Responsibility request, one of the following will apply:

(1) If the Change of Responsibility space investigation request was for a Cancellation Avoidance Request (CAR) and no agreement was reached, the collocation site will revert to cancelled status and be subject to Qwest's cancellation procedures.

(2) If a Change of Responsibility was a Decommission Avoidance Request (DAR) and there was no agreement reached, the collocation would remain

active and the original Co-Provider would retain legal and financial responsibilities for the collocation site.

9) The following refers to the high level processes and associated policy requirements used in managing a Co-Provider's Change of Responsibility transfer application submission. For more detailed information regarding the procedures used, please see Qwest's website at www.qwest.com.
   a) Once an agreement has been reached between the vacating Co-Provider and the new (assuming) Co-Provider, the vacating Co-Provider must fill in the Change of Responsibility Submission of Agreement section of the Order From and resubmit the application. The vacating Co-Provider must also submit all supporting documentation (indicated in this policy) that is required to be submitted along with the resubmitted application.
      i) The resubmitted application and supporting documents must be received no later than 40 days after Qwest receives and accepts the initial Change of Responsibility application.
      ii) Required supporting documentation may include:
         (1) Letter of Authorization from the vacating Co-Provider indicating agreement with the terms and conditions of Qwest's Change of Responsibility policy, and approval for Qwest to proceed with the required steps to support the requested Change of Responsibility request.
         (2) A copy or copies of the Letter of Notification to any end-users and collocation partners indicating the discontinuance of services relating to the collocation space, Unbundled Network Elements, CLEC to CLEC, administrative lines, finished services, line sharing and line splitting.
         (3) Letter of Authorization indicating the vacating Co-Provider and the new Co-Provider have reached an agreement and authorize Qwest to proceed with the Change of Responsibility transfer request within the terms of the Change of Responsibility policy.
   b) Upon receipt of the Change of Responsibility transfer application and supporting documentation, Qwest reviews the documentation and validates its accuracy. In addition, Qwest verifies that 100% of the vacating and assuming Co-Provider's financial obligations with Qwest have been met prior to or at the time of application submission.
   c) Upon positive verification of the financial and documentation obligations, Qwest will proceed with the transfer.
   d) The Change of Responsibility is considered complete when:
      i) Network record changes are complete.
      ii) Billing is transferred to the new Co-Provider.
      iii) Appropriate documentation (as indicated in the Change of Responsibility policy) has been received by Qwest.
      iv) Notification of completion has been sent to the new Co-Provider.
   e) Upon completion of the Change of Responsibility, the new Co-Provider will be assessed ongoing and future charges for the collocation site based on the terms and conditions of its Interconnection Agreement.

10) Unless a shorter interval is agreed upon between the two Co-Providers, the vacating Co-Provider has 60 calendar days from the time they submit the Change of

Responsibility Request to remove its equipment, or Qwest will send notification to the Co-Provider that the equipment is considered abandoned.

a) Upon receiving notification of abandonment from Qwest, the vacating Co-Provider will have 15 calendar days to notify Qwest that the equipment is not abandoned. The Co-Provider will then have additional 15 calendar days to remove their equipment for it not to be considered abandoned.
b) Qwest will review the Co-Provider's responses and assess if the equipment has been abandoned. If abandoned, Qwest will send final notification and bill to the Co-Provider for the labor charges associated with the removal of the abandoned equipment. Qwest will then dispose of the abandoned equipment.
c) In the case of Virtual Collocation, Qwest will automatically remove all equipment within 60 days and return it to the Co-Provider. An additional charge will be assessed and billed for the removal of the Co-Provider's equipment.

11) Once the collocation site has been transferred, the new Co-Provider may modify the collocation site by submitting augment orders.
   a) Types of augment orders that may need immediate consideration are:
      i) Entrance Facility requirements
      ii) Finished Services or Unbundled Network Elements
      iii) Power Requirements
   b) Charges for augmentations to modify transferred collocation sites will be based upon the new Co-Provider's Interconnection Agreement.

12) The vacated Co-Provider must relinquish security access, if they do not currently lease another collocation site at the vacated Central Office. New Co-Providers without sufficient or existing access to the Central Office must submit access requests utilizing Qwest's security request procedures.

27. <u>Worldcom</u>
Confidential Billing Settlement Agreement with Qwest
dated 12/17/00

CONFIDENTIAL BILLING SETTLEMENT AGREEMENT

This Confidential Billing Settlement Agreement (hereinafter "Settlement Agreement") is made and entered into this __ day of November __ , 2000, by and between WorldCom, Inc., a corporation organized under the laws of the State of Georgia with its principal place of business located at 500 Clinton Center Drive, Clinton, Mississippi 39056, on behalf of its subsidiaries Brooks Fiber Communications ("BFP") and MCI Metro Access Transmission Services, Inc. (MCIm) and Qwest Corporation ("Qwest"). Qwest and WorldCom are referred to collectively herein as the "Parties."

PREAMBLE

1. WHEREAS, BFP is a competitive local exchange provider operating in the state of Arizona, Minnesota, New Mexico and Utah; and,
2. WHEREAS, MCIm is a competitive local exchange provider operating in the state of Arizona, Colorado, Minnesota, and Washington; and,
3. WHEREAS, Qwest is an incumbent local exchange provider operating in the states of Arizona, Colorado, Minnesota, New Mexico, Washington, and Utah ; and,
4. WHEREAS, both Qwest and WorldCom have entered into interconnection agreements pursuant to the federal Telecommunications Act of 1996 ("Act"), under Section 251 and 252 of that Act. and those agreements have been approved by the appropriate state commissions where those agreements were filed pursuant to the Act.; and
5. WHEREAS, disputes have arisen under the interconnection agreements in the above mentioned states relating to the appropriate amount of local and intraLATA toll traffic to be billed by WorldCom to Qwest; and
6. WHEREAS, disputes have arisen under the interconnection agreements in the above mentioned states relating to the appropriate rates and charges for local and intraLATA toll to be billed by WorldCom to Qwest; and
7. WHEREAS, disputes have arisen under the interconnection agreements in the above mentioned states as to the applicability of charges and the

traffic subject to Interim Number Portability; and

8. WHEREAS, disputes have arisen under the interconnection agreements in the above mentioned states as to the applicability of reciprocal compensation charges for Internet related traffic delivered to WorldCom by Qwest ; and

9. WHEREAS, the Parties desire to partially resolve their disputes regarding certain of these billing disputes under the interconnection agreements as set forth herein.

NOW, THEREFORE, in an attempt to resolve certain issues in dispute and avoid costly litigation, the parties voluntarily enter into this Settlement Agreement to resolve certain of these disputes, claims and controversies between the Parties as of the date of this Agreement in the aforementioned states as follows.

SETTLEMENT

1. Subject to the Reservation of Rights in Paragraph 3 of this Settlement Agreement, Qwest shall pay to WorldCom within ten (10) business days of the execution date of the Settlement Agreement the sum of $5,677,476.76. This sum shall apply as payment in full, for the amounts WorldCom claims it is owed in connection with the Billing Disputes listed in Paragraph 2 as of August 10, 2000, except for certain disputed items listed below:

- payment for Internet related traffic to MCIm in Arizona –section 2.B below
- disputes related to INP, that will continue to be discussed by the parties – section 2.D below

After this settlement agreement is executed and payment is received, WorldCom shall credit Qwest any remaining balance due on the next regular monthly invoice issued by WorldCom.

BILLING DISPUTES

2. The Parties enter into the following settlement in order to resolve issues regarding the billing disputes under the parties interconnection agreements for the states of Arizona, Colorado, Minnesota, New Mexico, Utah and Washington.

(A) Usage Disputes -

In order to calculate the appropriate local and intraLATA toll volumes to be billed by WorldCom to Qwest, WorldCom agrees to use the traffic split factors developed jointly with Qwest prospectively and to adjust the Qwest usage billing retroactively from the August, 10 in accordance with the factors ("Factor" or "Factors") in the Reciprocal Compensation Usage Charge Reconciliation document attached hereto, and by this reference, incorporated herein as Exhibit A.

The Factors were developed for purposes of segregating the total non-IXC related traffic delivered by Qwest to Worldcom into the three categories of Local, IntraLATA toll and "all other" noncompensible traffic. The Factors were developed jointly through comparison of WorldCom's call record data and Qwest's measurements from its CROSS7 Traffic Routing data & Toll Utilization and Tracking (TUT) data for each State listed above.

The Local Traffic and Internet-related Factor has been computed from CROSS7 Traffic Routing data using the universe of local traffic delivered to Worldcom which, for the sole purpose of calculating the local traffic split factor, includes internet related traffic volumes. In addition, billing for direct end office routed calls for which no calling party number ("No CPN") is supplied is addressed by the inclusion of the volume for this category of traffic in the computation of the Local Traffic and Internet-related Factor.

[illegible] Qwest requests the audit [illegible] procedures will be [illegible]

The Toll Traffic Factor was developed jointly through a comparison of WorldCom's call record data and measurements from Qwest's TUT data plus an additive for Independent Company ("ICO") originated toll where Qwest is either the designated Toll Carrier for the ICO's end users, or where Qwest has been chosen (by ballot or by default) by the ICO's end user as their presubscribed intraLATA Toll Carrier.

WorldCom agrees to apply these factors in lieu of specific measurement in order to avoid billing Qwest for residual usage, which includes, but is not limited to, the remaining portion of tandem routed "No CPN" traffic, transit traffic for both local and toll, and intraLATA toll for which Qwest is not the intraLATA Toll Carrier.

The Parties agree that applying these Factors against WorldCom's CABS interconnection volumes for invoices through August 10, 2000, for the states listed above, reflecting usage through July 31, 2000, as reflected in Exhibit A, will result in a total payment that Qwest will pay to WorldCom in order to resolve the disputes between the Parties on this issue.

The Parties agree to utilize the methodology set forth in Exhibit A. to issue invoices based on the application of the Factors against total CABS traffic volumes recorded by WorldCom from Qwest beginning with the August 2000 usage period and continuing until at least January 1, 2001. Qwest shall have the right to engage a Certified Public Accounting firm as an independent auditor to conduct audits of the WorldCom CABS volumes used for billing under this Settlement Agreement. Such audits will occur no more than once each year. Selection of the Audit firm will be subject to the approval of WorldCom, and such approval shall not be unreasonably withheld. Qwest agrees to pay all fees and expenses of the selected auditor, when Qwest requests the audit. Audit procedures will be subject to professional attestation engagement standards. Such

procedures will be reasonable and jointly agreed to by WorldCom and Qwest prior to performance of the audit, and both parties will work together in a commercially reasonable manner.

The Parties agree to meet at least forty-five (45) days prior to January 1, 2001 to reach agreement on what process, if any, will replace the use of the Factors by WorldCom to bill Qwest for local, EAS and intraLATA toll traffic. In the event the Parties do not reach agreement on the replacement of the use of Factors, the application of the billing factors contained in the Settlement Agreement will remain in effect, and amounts paid pursuant to those invoices will be final and not subject to change on future agreements.

After December 31, 2000, either Party may terminate the application of the Factors to volumes used for CABS billing by providing thirty (30) days written notice to the other Party. If either Party exercises its right to terminate the use of these factors without a subsequent agreement on the appropriate billing factors to be applied, the Parties will submit invoices based on terminating recordings and actual call detail measurements. Such termination shall not impact the continuing enforceability of the remainder of this Settlement Agreement. If either Party gives notice of termination, the Parties agree to initiate negotiations to address this issue.

Qwest agrees to provide to WorldCom detailed transit reports specifying transit traffic from identifiable carriers, starting with the October 2000 data month, and ending with the October 2001 data month.

(B) Internet RelatedTraffic Disputes

The Local Traffic and Internet-related Factors were calculated for each state including Internet related traffic delivered to WorldCom by Qwest.

Subject to the Reservation of Rights in Paragraph 3 of this Settlement Agreement;

Qwest agrees to pay to WorldCom the local usage charges for Internet related traffic pursuant to the MCIm interconnection agreements for the states of Minnesota and Colorado until new interconnection agreements between the parties has been executed, Notwithstanding the foregoing, if an appropriate state or federal regulatory agency or court issues an order, or if a legislative body enacts a law, altering the methodology by which reciprocal compensation is to be administered and/or calculated in Minnesota or Colorado, or if either party takes an action, by contract or otherwise, which under law would affect the appropriate methodology that applies to the interconnection arrangements for administering and/or calculating reciprocal compensation obligations, the Parties agree that the application of reciprocal compensation to Internet related traffic will be modified to the extent necessary to be consistent with such order,legislation, or action of a Party, subject to any appeal rights.

Qwest agrees to pay local usage charges for Internet related traffic pursuant to the BFP interconnection agreements for the states of Arizona and Minnesota until new interconnection agreements between the parties have been executed, Notwithstanding the foregoing, if an appropriate state or federal regulatory agency or court issues an order, or if a legislative body enacts a law, altering the methodology by which reciprocal compensation is to be
administered and/or calculated in Arizona or Minnesota, or if either party takes an action, by contract or otherwise, which under law would affect the appropriate methodology that applies to the interconnection arrangements for administering and/or calculating reciprocal compensation obligations, the Parties agree that the application of reciprocal compensation to Internet related traffic will be modified to the extent necessary to be consistent with such order, legislation, or action of a Party, subject to any appeal rights.

The Parties agree that Qwest will continue to dispute that portion of the local usage charges billed by WorldCom on behalf of MCIm in Arizona for traffic that is Internet related. Qwest will only pay that portion of the local usage charges which is not disputed, including but not limited to Internet related traffic, based upon factors shown in Exhibit A. This Settlement Agreement does not prohibit WorldCom from pursuing all available legal remedies to seek an Order directing that Qwest be required to pay local usage charges for Internet related traffic in Arizona.

The Parties agree that the amount of reciprocal compensation usage charges in dispute for Internet related traffic invoiced as of August 10, 2000 is shown on Exhibit A.

(C) Local Reciprocal Compensation Rate Disputes

The Parties agree that the appropriate reciprocal compensation rates for the states in which the parties have an interconnection agreement are as follows:

For the state of Minnesota, the reciprocal compensation charges will be calculated using the local interconnection rates, and specifically the tandem and end office rate elements, for traffic delivered to WorldCom by Qwest. Pursuant to the Minnesota Public Service Commission's Order in Docket CI-96-1540, Qwest shall compensate WorldCom at a rate of $0.00451 for all local minutes, including calls made to ISPs. The Parties recognize that this rate could be subject to change pending a final Order in this Docket and agree to true up billings should this occur.

For the state of Arizona, the reciprocal compensation charges, for traffic delivered to WorldCom by Qwest under the BFP interconnection agreement will be calculated using the local interconnection rates, specifically the tandem and end office rate elements, subject to future Commission orders addressing tandem element charges for local traffic. For traffic delivered to WorldCom by Qwest under the MCIm interconnection agreement, reciprocal compensation charges will be calculated using the local interconnection rates, specifically the end office rate elements, subject to future Commission orders addressing tandem element charges for local traffic.

For the state of Colorado, the reciprocal compensation charges for traffic delivered to WorldCom by Qwest under the MCIm interconnection agreement, will be calculated using the local interconnection rates, specifically the end office rate elements, subject to future Commission orders addressing tandem element charges for local traffic.

For the state of Washington, the reciprocal compensation charges for traffic delivered to WorldCom by Qwest under the MCIm interconnection agreement, will be calculated using the local interconnection rates, specifically the end office rate elements, subject to future Commission orders addressing tandem element charges for local traffic. The application of reciprocal compensation charges is contingent upon the conversion from the existing "bill and keep" arrangement, and these charges would apply only prospectively from the date of the conversion from "bill & keep".

For the state of New Mexico, the reciprocal compensation charges, for traffic delivered to WorldCom by Qwest under the BFP interconnection agreement, will be calculated using the local interconnection rates, specifically the end office rate elements. The application of reciprocal compensation charges is contingent upon the conversion from the existing "bill and keep" arrangement, and these charges would apply only prospectively from the date of the conversion from "bill & keep".

For the state of Utah, the reciprocal compensation charges, for traffic delivered to WorldCom by Qwest under the BFP interconnection agreement, will be calculated using the local interconnection rates, specifically the end office rate elements.

(D) Interim Number Portability (INP) Traffic Disputes

WorldCom has computed unpaid charges associated with Interexchange Carrier toll traffic delivered over INP facilities. These outstanding charges total $276,700.53 as of August 10, 2000. Qwest has taken the position that their liability for payment of switched access revenues associated with the INP service terminated in November 1999. Qwest has indicated that they are willing to pay $66,268.13 of the outstanding balance. WorldCom will agree to accept this payment while continuing to address the unpaid balance of $210,432.40 with Qwest.

RESERVATION OF RIGHTS

3. The Parties disagree with respect to whether calls to Internet Service Providers ("ISPs") constitute local traffic subject to reciprocal compensation obligations. By entering into this Settlement Agreement, neither party waives its right to advocate its view with respect to this issue, and the terms of this Settlement Agreement and Qwest's payment to WorldCom under those terms shall not be construed as agreement by Qwest that calls to ISPs constitute local traffic subject to reciprocal compensation obligations with regard to any period of time,. Specifically, Qwest reserves its rights to challenge or continue to challenge at any state or federal legislature, regulatory commission, court or other appropriate government entity the application of local reciprocal compensation obligations to ISP traffic and to seek reimbursement for reciprocal compensation previously paid on ISP traffic. However, for Internet related traffic terminated by WorldCom for Qwest prior to July 31, 2000, Qwest will not seek reimbursement for compensation paid by Qwest to WorldCom under this Confidential Billing Settlement Agreement despite its reservation of rights to challenge or continue to challenge at any state or federal legislatiure, regulatory commission, court or other appropriate government entity the application of local reciprocal compensation obligations to Internet related traffic. Moreover, Qwest reserves the right to seek a true-up from July 31, 2000 to the date of any legislative, regulatory, or judicial action relating to the appropriate terminating compensation rate or methodology for Internet related traffic. Similarly, WorldCom reserves its rights to assert that reciprocal compensation obligations apply to ISP traffic and that reimbursement for reciprocal compensation previously paid on ISP traffic is inappropriate. Because this settlement agreement is the result of negotiations based upon various commission and other regulatory decisions, it does not reflect the views of Qwest and cannot be used against Qwest in any forum by WorldCom as an admission.

RELEASE

4. In consideration of the payments, credits and covenants and specific exclusions set forth herein, WorldCom releases Qwest with respect to all claims for traffic terminated by WorldCom for Qwest, and Qwest releases WorldCom with respect to the Billing Disputes, for the periods in each state as indicated in Exhibit A. Accordingly, Qwest and WorldCom hereby discharge and forever release each other, their predecessors, successors, assigns, parent company, affiliates, subsidiaries, directors, officers, employees and agents, from each and every past, present and future action, charge, obligation, costs, expenses, claim, right, liability or demand of any kind, known or unknown, which the Parties now have with respect to the for traffic terminated by WorldCom for Qwest and the Billing Disputes described herein, for the periods in each state as indicated in Exhibit A.

CONFIDENTIALITY

5. A. The Parties further agree that neither of them will disclose the contents of this Settlement Agreement or the fact of this settlement or any matters pertaining to this settlement, its negotiation or its terms, unless such disclosure is: (i) lawfully required by any governmental agency; (ii) otherwise required to be disclosed by law; or (iii) necessary in any legal proceeding in order to enforce any provision of this Settlement Agreement. The Parties agree that they will notify each other in writing within five (5) calendar days of the receipt of any subpoena, court order, or administrative order requiring disclosure of information subject to this non-disclosure provision. Any notices required under this paragraph shall be served upon the Parties via telecopier and overnight priority mail as follows:

For WorldCom:	For Qwest
Thomas F. O'Neil III, Esquire	General Counsel Interconnection
Chief Legal Counsel	
Mark B. Ehrlich	
Associate Legal Counsel	
MCI WorldCom, Inc.	Qwest Corporation
1133 19th Street, NW	1801 California Suite 3800
Washington, DC 20036	Denver, CO 80222
Telephone No. (202) 736-6412	(303) 672-2877
Telecopier No. (202) 736-6710	(303) 295-6973

B. In the event that a party breaches the terms of this confidentiality provision a party may seek to compel compliance, if the legal requirements have been met. All parties shall bear their own costs and attorneys fees and other expenses in seeking compliance with the agreement, or seeking an action pursuant to paragraph 15 below.

MISCELLANEOUS TERMS AND CONDITIONS

6. Except as otherwise provided in this Settlement Agreement, no amendment or waiver of any provision of this Settlement Agreement shall be effective unless the same is in writing and signed by an officer of the Party against whom such amendment, waiver or consent is claimed. In addition, no course of dealing or failure of a Party strictly to enforce any terms, rights or conditions of this Settlement Agreement shall be construed as a waiver by that Party.

7 This Settlement Agreement and any discussion made during the negotiations of this settlement are not, and shall not, in any way be construed to be an admission by either Party, or any of their former or current parent companies, successors, assigns, affiliates, subsidiaries, directors, officers, employees and agents, that any one of them may have acted wrongfully and/or illegally in any manner and the settlement set forth herein shall not be construed by any person or in any court, agency or tribunal whatsoever as a present or past admission of liability.

8. The Parties negotiated the terms and conditions of this Settlement Agreement as a total arrangement and it is intended to be taken as a whole. If any provision of this Agreement should be declared to be unenforceable by any administrative agency or court of law, the remainder of the Agreement shall remain in full force and effect, and shall be binding upon the Parties hereto as if the invalidated provision were not part of this Agreement.

9. Each Party represents that the person whose signature appears on this Settlement Agreement on behalf of such Party has authority to bind such Party.

10. This Settlement Agreement may be signed in counterparts.

11. This Settlement Agreement shall be binding on and inure to the benefit of the respective successors and permitted assigns of the Parties.

12. Any assignment by either Party of any right, obligation, or duty, in whole or in part, or of any interest hereunder, without the written consent of the other Party, shall be void, except that either Party may assign all of its rights, and delegate its obligations, liabilities and duties under this Settlement Agreement, either in whole or in part, to any entity that is a corporate affiliate of that Party without consent, but with written notification. The effectiveness of an assignment shall be conditioned upon the assignee's assumption of the rights, obligations, and duties of the assigning Party.

13. Qwest and WorldCom shall execute such further instruments and documents and shall perform such further acts as may be reasonably necessary or convenient to carry out and perform the terms and provisions of this Settlement Agreement.

14. This Settlement Agreement has been carefully and fully read by the Parties and by their counsel. The Parties understand the contents of this Settlement Agreement; have signed this Settlement Agreement of their own free act and deed; and understand

this Settlement Agreement shall be binding on them, their successors, heirs and assigns.

15. The Parties agree that in the event of any dispute, controversy or claim (individually and collectively, a "Dispute") arising under or related to this Settlement Agreement, and upon the written request of either Party, each Party shall appoint a designated representative who has authority to settle the Dispute. 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. The specific format for such discussions will be left to the discretion of the designated representatives. If the Parties are unable to resolve issues related to a Dispute within thirty (30) days after the Parties' appointment of designated representatives, a Party may pursue all available remedies in any appropriate forum . Any Party's attempt to remedy such Dispute shall be governed, in all respects, under the laws of the State of the chosen forum, irrespective of that forum's choice of law rules. Notwithstanding the foregoing, in no event shall the Parties permit a pending Dispute to disrupt service to any WorldCom or Qwest customer.

16. The Parties acknowledge that this Settlement Agreement is final with respect to the issues that it addresses and that this Settlement Agreement contains all of the understandings between the Parties with respect to these issues, and that there are no other agreements, conditions or understandings between them that are not incorporated into this Settlement Agreement.

17 This Confidential Billing Settlement Agreement constitutes an agreement between the Parties and can only be changed in a writing or writings executed by both Parties. Each of the Parties forever waives all right to assert that this Confidential Billing Settlement Agreement was the result of a mistake in law or in fact.

WITNESS the following signatures on the dates set forth.

QWEST	WORLDCOM, INC.
By:	
Name: [illegible]	Name: [illegible]
Title: Senior Vice-President – Wholesale Markets ~~Finance~~ Business Development	Title: Chief Legal Counsel Senior Vice-President
Date: 12/17/02	Date 12/1/2001

Market	Invoiced Usage Charges	Restated Usage Charges	ISP Dispute	ISP Payments Received	Usage Payments Received	Finance Charges	INP Adjustments	INP Payments Received	ISP Balance Due	Usage Balance Due	INP Balance Due	Settlement Due
BF-Minneapolis, MN	$ 6,696,923.28	$ 2,674,961.57	$ -		$ (2,020,203.71)	$ 98,165.07	$1,401.00	$ (1,401.00)	$ -	$ 654,657.66	$0.00	$ 750,842.94
BF-St. Paul, MN	$ 2,482,711.63	$ 1,113,856.50	$ -		$ (1,196,303.00)	$ 51,157.58			$ -	$ (81,646.44)	$0.00	$ (30,646.86)
BF-Tucson, AZ	$ 7,402,797.97	$ 785,986.34	$ 6,559,406.34	$ (6,225,567.21)		$ 89,930.84	$56,760.00	$ (56,734.00)	$ 333,849.13	$ 795,908.34	326.00	$ 1,199,804.26
BF-Albuquerque, NM	$ 208,136.22	$ 22,767.34	$ -			$ 1,782.38	$134,035.00	$ (136,973.00)	$ -	$ 22,767.34	$1,062.00	$ 25,611.64
BF-Salt Lake City, UT	$ 468,261.64	$ 407,721.32	$ -		$ (5,547.00)	$ 20,764.21	$0.00		$ -	$ 402,174.32	$0.00	$ 422,938.54
MCI-Minneapolis, MN	$ 4,647,216.91	$ 2,563,354.10	$ -			$ 221,649.67	$56,262.67		$ -	$ 2,563,354.10	$56,262.67	$ 2,843,266.45
MCI-Phoenix, AZ	$ 3,377,480.61	$ 477,568.73	$ 2,015,701.46		$ (427,969.44)	$ 49,741.06	$67,581.97		$ 2,015,701.46	$ 49,539.29	$67,581.97	$ 2,182,823.71
MCI-Denver, CO	$ 2,888,701.33	$ 452,655.18	$ 1,356,008.31	$ (1,355,008.31)	$ (224,868.94)	$ 30,244.49	$135,860.57		$ 0.00	$ 227,585.24	$135,860.57	$ 394,090.30
MCI-Seattle, WA	$ 534,310.84	$ 90,770.41	$ -			$ 10,363.82	$13,887.32		$0.00	$90,770.41	$13,887.32	$116,041.55
	$ 27,673,563.41	$ 8,599,153.55	$ 9,930,116.10	$ (7,580,565.52)	$ (3,873,890.09)	$ 551,899.05	$ 471,806.53	$ (196,108.00)	$ 2,349,550.58	$ 4,725,460.46	$ 274,700.53	$ 7,903,610.62

Summarization of Settlement Amount as depicted in Settlement Paragraph 1:

Usage Charges:	$	4,725,460.46
INP Access Rev Sharing:	$	66,268.13
Finance Charges:	$	551,899.05
Correct ISP Charges - BFP-AZ:	$	333,849.13
	$	5,677,476.76

Exhibit A

Qwest - Worldcom Confidential Billing Settlement Agreement

Internet/Modem related

	Dec-99			Jan-00			Feb-00			3 Month
Brooks	Total Traffic	ITI Report[1]	%	Total Traffic	ITI Report[1]	%	Total Traffic	ITI Report[1]	%	Avg %
AZ	60,926,065	72,194,240	89%	86,284,559	71,784,645	83%	74,157,250	71,543,723	96%	89.29%
MCI										
AZ	39,831,828	27,460,045	69%	52,023,825	43,657,547	84%	53,173,784	41,784,034	79%	77.83%
CO	16,045,568	11,398,071	71%	24,531,576	18,992,334	77%	38,164,881	30,462,307	80%	77.28%

Note 1

The ITI report is the output of USW's proprietary program which uses an algorithm to determine which calls are internet or modem related.

Confidential

WorldCom : Qwest Comp Settlement
Brooks Fiber Minneapolis

: Fiber Properties
cal Compensation Billing

BFP rate: [illegible] 0.00414

	Invoice Date	Invoice Number	Finance Charges	Current Charges Amount[1]	MOU Total	USWest Factors Local 82.143%	Toll 8.018%	Transit 17.840%	Adjusted Charges Local Rate 0.00451	Toll Rate 0.0227	Total	Payments[1]	Adjusted Balance Due	Recalculated Finance Charges 1.51%
ipolis, MN														
st	09/10/98	DMN0628BM0-98253		$ 287,310.97	35,209,877	28,922,139	6,255	6,281,284	$ 130,438.85	$ 141.98	$ 130,580.83		$ 130,580.83	
st	10/10/98	DMN0628BM0-98283	$ 4,338.40	$ 81,390.45	9,974,321	8,193,185	1,772	1,779,364	$ 36,951.17	$ 40.22	$ 36,991.40		$ 167,572.22	$ 1,971.77
st	11/10/98	DMN0628BM0-98314	$ 5,632.90	$ 105,047.75	12,769,553	10,489,241	2,268	2,278,044	$ 47,306.48	$ 51.49	$ 47,357.97		$ 214,930.19	$ 2,530.34
st	12/10/98	DMN0628BM0-98344	$ 7,304.18	$ 109,118.13	13,658,984	11,220,684	2,427	2,436,894	$ 50,605.19	$ 55.08	$ 50,660.26		$ 265,590.47	$ 3,245.45
st	01/10/99	DMN0628BM0-99010	$ 9,067.16	$ 119,069.14	13,680,474	11,237,495	2,430	2,440,549	$ 50,681.10	$ 55.17	$ 50,736.27		$ 316,326.73	$ 4,010.42
st	02/10/99	DMN0628BM0-99041	$ 10,996.94	$ 134,260.57	15,035,087	13,171,635	2,848	2,860,604	$ 59,404.07	$ 64.66	$ 59,468.73		$ 375,795.47	$ 4,776.53
st	3/10/99	DMN0628BM0-99069	$ 13,190.33	$ 125,245.16	14,975,338	12,301,130	2,660	2,671,548	$ 55,478.09	$ 60.39	$ 55,538.48		$ 431,333.95	$ 5,674.61
st	4/10/99	DMN0628BM0-99100	$ 15,280.70	$ 195,745.54	23,525,753	19,324,662	4,179	4,196,912	$ 87,154.72	$ 94.87	$ 87,249.09		$ 518,583.04	$ 8,513.14
st	5/10/99	DMN0628BM0-99130	$ 18,482.30	$ 247,714.11	29,663,721	24,366,547	5,269	5,291,904	$ 109,893.13	$ 119.62	$ 110,012.74		$ 628,595.78	$ 7,830.60
st	6/10/99	DMN0628BM0-99161	$ 22,501.87	$ 247,597.72	30,071,242	24,701,295	5,342	5,364,605	$ 111,402.84	$ 121.76	$ 111,524.10		$ 740,119.89	$ 9,491.80
st	7/10/99	DMN0628BM0-99191	$ 26,901.52	$ 251,611.63	30,935,818	25,411,481	5,495	5,518,842	$ 114,605.78	$ 124.75	$ 114,730.53		$ 854,850.41	$ 11,175.81
st	8/10/99	DMN0628BM0-99222	$ 30,602.54	$ 334,695.88	41,157,375	33,807,649	7,311	7,342,314	$ 152,472.50	$ 165.56	$ 152,638.46		$ 1,007,488.87	$ 12,908.24
st	9/10/99	DMN0628BM0-99253	$ 36,324.10	$ 304,087.81	37,371,635	30,698,670	6,639	6,667,328	$ 138,455.51	$ 150.71	$ 138,606.22	$(2,020,203.71)	$ (874,108.62)	$ - 15,213.08
st	10/10/99	DMN0628BM0-99283	$ 10,087.37	$ 259,838.84	31,971,035	26,262,656	5,679	5,703,700	$ 118,444.58	$ 128.92	$ 118,573.50		$ (755,535.12)	
st	11/10/99	DMN0628BM0-99314	$ 14,069.42	$ 285,289.97	35,121,177	28,849,443	6,239	6,265,495	$ 130,110.39	$ 141.62	$ 130,252.01		$ (625,282.51)	
st	12/10/99	DMN0628BM0-99344	$ 18,584.43	$ 268,621.49	33,073,459	27,167,394	5,875	5,900,190	$ 122,524.15	$ 133.37	$ 122,658.51		$ (502,624.20)	
st	1/10/00	DMN0628BM0-00010	$ 22,925.30	$ 272,670.84	33,557,507	27,565,004	5,961	5,986,542	$ 124,318.17	$ 135.32	$ 124,453.46		$ (378,170.71)	
st	2/10/00	DMN0628BM0-00041	$ 27,386.80	$ 449,005.11	55,183,750	45,329,359	9,803	9,844,589	$ 204,435.41	$ 222.52	$ 204,657.93		$ (173,512.78)	
st	3/10/00	DMN0628BM0-00070	$ 34,581.80	$ 406,155.07	49,915,794	41,002,123	8,867	8,904,504	$ 184,919.58	$ 201.28	$ 185,120.86		$ 11,608.08	
st	4/10/00	DMN0628BM0-00101	$ 41,231.94	$ 514,456.16	63,240,778	51,947,610	11,234	11,281,934	$ 234,283.72	$ 255.01	$ 234,538.73		$ 246,146.81	$ 115.28
st	5/10/00	DMN0628BM0-00131	$ 49,676.93	$ 460,699.78	57,757,427	47,443,443	10,260	10,303,724	$ 213,969.83	$ 232.90	$ 214,202.83		$ 460,349.64	$ 3,716.82
st	6/10/00	DMN0628BM0-00162	$ 57,470.78	$ 425,983.13	52,390,065	43,037,016	9,307	9,346,140	$ 194,096.95	$ 211.27	$ 194,308.22		$ 654,657.85	$ 6,951.28
			$ 476,484.72	$ 5,895,973.26	721,248,870	592,450,821	128,122	128,667,927	$ 2,671,953.20	$ 2,908.37	$ 2,674,861.57	$(2,020,203.71)		$ 96,185.07

ljustments and payments are not included.
ting with 7/10/00 invoice, the Minneapolis and St. Paul and suburbs were consolidated into one invoice - DMN0628600

WorldCom : Qwest Comp Settlement
Brooks Fiber St.Paul

ks Fiber Properties
rocal Compensation Billing

BFP rate: [illegible] 0.00319

Invoice Date	Invoice Number	Finance Charges	Current Charges Amount[1]	MOU Total	Local 82.141%	US West Factors Toll 0.018%	Transit 17.840%	Adjusted Charges Local Rate 0.00161	Toll Rate 0.0227	Total	Payments[1]	Adjusted Balance Due	Recalculated Finance Charges 1.81%
06/10/99	DMN0628BM0-99353		$ 45,787.54	5,611,218	4,609,199	997	1,001,022	$ 20,787.49	$ 22.63	$ 20,810.12		$ 20,810.12	
10/10/99	DMN0628B00-99383	$ 991.39	$ 40,921.31	5,002,811	4,109,274	889	892,448	$ 18,532.83	$ 20.17	$ 18,553.00		$ 39,363.11	$ 314.23
11/10/99	DMN0628B00-99314	$ 1,918.23	$ 66,889.71	10,617,658	8,721,763	1,886	1,894,189	$ 39,335.24	$ 42.82	$ 39,378.06		$ 78,741.17	$ 594.36
12/10/99	DMN0628B00-99344	$ 2,651.69	$ 104,655.06	12,783,060	10,500,328	2,271	2,280,452	$ 47,356.48	$ 51.55	$ 47,408.02		$ 126,149.19	$ 1,186.99
01/10/99	DMN0628B00-99010	$ 4,272.02	$ 149,580.78	17,663,612	14,418,917	3,118	3,131,467	$ 65,029.31	$ 70.78	$ 65,100.10		$ 191,249.29	$ 1,904.85
02/10/99	DMN0628B00-99041	$ 6,884.99	$ 163,383.75	18,718,967	15,373,730	-3,325	3,338,853	$ 69,335.82	$ 75.47	$ 69,410.99		$ 260,660.29	$ 2,887.86
3/10/99	DMN0628B00-99058	$ 9,010.87	$ 100,885.28	12,296,619	10,100,925	2,184	2,193,710	$ 45,555.17	$ 49.59	$ 45,604.76		$ 306,265.04	$ 3,995.97
4/10/99	DMN0628B00-99100	$ 10,670.00	$ 116,347.25	14,203,294	11,668,878	2,523	2,533,602	$ 52,617.62	$ 57.27	$ 52,674.90		$ 358,939.94	$ 4,614.60
5/10/99	DMN0628B00-99130	$ 12,687.98	$ 123,589.04	15,092,318	12,397,221	2,681	2,692,417	$ 55,911.47	$ 60.85	$ 55,972.32		$ 414,912.26	$ 5,419.99
6/10/99	DMN0628B00-99161	$ 14,844.23	$ 123,538.64	15,138,667	12,435,309	2,689	2,700,689	$ 56,083.24	$ 61.05	$ 58,144.29		$ 471,056.55	$ 6,265.18
7/10/99	DMN0628B00-99191	$ 16,709.63	$ 127,919.26	15,704,597	12,900,162	2,790	2,801,645	$ 58,179.73	$ 63.33	$ 58,243.06		$ 529,299.61	$ 7,112.95
8/10/99	DMN0628B00-99222	$ 18,693.53	$ 140,290.57	17,208,943	14,135,870	3,057	3,070,015	$ 63,752.77	$ 69.39	$ 63,822.17		$ 593,121.78	$ 7,992.42
9/10/99	DMN0628B00-99253	$ 21,297.21	$ 25,360.31	3,108,130	2,849,991	651	553,668	$ 11,495.95	$ 12.51	$ 11,508.46	$(1,195,303.00)	$ (590,872.76)	$ 8,956.14
10/10/99	DMN0628B00-99283	$ 3,427.81	$ 17,626.73	2,167,169	1,780,119	388	386,605	$ 8,028.34	$ 8.74	$ 8,037.08	- - -	$ (582,835.68)	
11/10/99	DMN0628B00-99314	$ 3,687.63	$ 15,713.45	1,939,648	1,593,307	345	346,033	$ 7,185.82	$ 7.82	$ 7,193.64		$ (575,642.06)	
12/10/99	DMN0628B00-99344	$ 3,660.88	$ 18,481.98	2,268,473	1,879,611	407	408,256	$ 8,477.95	$ 9.23	$ 8,487.18		$ (566,954.87)	
1/10/00	DMN0628B00-00010	$ 4,319.77	$ 20,060.82	2,461,763	2,038,584	441	442,738	$ 9,194.02	$ 10.01	$ 9,204.02		$ (557,750.86)	
2/10/00	DMN0628B00-00041	$ 4,688.22	$ 22,190.72	2,735,624	2,247,030	486	488,008	$ 10,134.11	$ 11.03	$ 10,145.14		$ (547,605.71)	
3/10/00	DMN0628B00-00070	$ 5,094.09	$ 23,150.40	2,858,840	2,348,787	508	509,675	$ 10,584.06	$ 11.52	$ 10,595.58		$ (537,010.13)	
4/10/00	DMN0628B00-00101	$ 5,520.58	$ 26,291.23	3,128,841	2,568,920	555	557,785	$ 11,583.12	$ 12.61	$ 11,595.73		$ (525,414.40)	
5/10/00	DMN0628B00-00131	$ 5,965.84	$ 24,230.62	2,998,418	2,462,978	533	534,907	$ 11,108.03	$ 12.09	$ 11,120.12		$ (514,294.28)	
6/10/00	DMN0628B00-00162	$ 6,442.11	$ 23,894.84	2,974,010	2,442,929	528	530,553	$ 11,017.61	$ 11.99	$ 11,029.60		$ (503,264.68)	
7/10/00	DMN0628B00-00192	$ 6,901.75	$ 448,895.96	55,400,663	45,507,852	9,841	9,883,310	$ 205,239.51	$ 223.40	$ 205,467.91		$ (297,801.77)	
8/10/00	DMN0628B00-00223	$ 76,570.29	$ 472,638.48	58,229,969	47,831,602	10,344	10,388,023	$ 215,720.52	$ 234.81	$ 215,955.33		$ (81,846.44)	
		$247,680.08	$ 2,482,711.63	300,231,254	246,617,717	53,333	53,580,210	$1,112,245.90	$ 1,210.66	$1,113,456.56	$(1,195,303.00)		$ 51,187.58

djustments and payments are not included.
ning with 7/10/00 invoice, the Minneapolis and St. Paul end offices were consolidated into one invoice - DMN0628B00

WorldCom ; Qwest , omp Settlement
Brooks Fiber Tucson

› Fiber Properties
ocal Compensation Billing

	Invoice Date	Invoice Number	Finance Charges	Current Charges Amount[1]	MOU Total	Local 98.833%	WWest Factors Toll 0.018%	Transit 1.351%	Local Rate 0.00301	Toll Rate 0.0415	Adjusted Charges Intermediaries related Withholding 88.3%	Total Local To Pay	Total	Payments[1]	Adjusted Balance Due	Recalculated Finance Charges 1.60%
, AZ																
	01/1999	DAZ0668800-99019		$ 9,421.02	92,901,572	91,843,761	7,879	710,930	$ 283,964.43	$ 330.07	$ 239,334.68	$ 38,227.78	$ 38,664.82			
	02/1999	DAZ0668800-99041	$ 64.21	$ 1,300.81	88,217,030	84,406,706	6,878	903,248	$ 254,716.22	$ 277.49	$ 364,877.93	$ 31,778.31	$ 32,150.60		$ 28,884.62	
	3/1999	DAZ0668800-99048	$ 97.76	$ 1,944.48	84,008,898	83,268,881	6,166	729,930	$ 370,809.91	$ 339.71	$ 241,624.03	$ 28,851.58	$ 29,321.03		$ 60,701.42	$ 290.60
	4/1999	DAZ0668800-99130	$ 98.56	$ 18,332.50	83,280,060	82,415,326	6,591	858,143	$ 317,069.84	$ 304.04	$ 283,111.87	$ 33,956.18	$ 34,356.22		$ 90,031.02	$ 607.09
	5/1999	DAZ0668800-99130	$ 245.32	$ 18,441.40	83,848,380	83,075,485	6,893	864,198	$ 320,423.47	$ 402.25	$ 286,108.13	$ 34,317.36	$ 34,719.60		$ 124,381.26	$ 800.31
	6/1999	DAZ0668800-99181	$ 412.19	$ 17,822.13	47,309,820	94,340,821	10,202	939,897	$ 337,280.29	$ 423.39	$ 301,138.73	$ 36,120.58	$ 36,643.06		$ 186,104.85	$ 1,243.87
	7/1999	DAZ0668800-99181	$ 601.03	$ 18,212.46	78,062,971	88,106,267	10,619	944,801	$ 351,064.67	$ 440.70	$ 313,454.72	$ 37,697.94	$ 38,838.66		$ 195,924.91	$ 1,861.87
	8/1999	DAZ0668800-99222	$ 700.13	$ 18,743.12	71,846,921	79,504,120	10,834	964,960	$ 364,190.31	$ 448.93	$ 319,803.90	$ 38,358.64	$ 38,808.66		$ 233,086.47	$ 1,866.53
	9/1999	DAZ0668800-99253	$ 978.30	$ 19,798.02	74,819,157	73,692,413	11,365	1,012,380	$ 378,373.44	$ 471.22	$ 335,170.96	$ 40,202.60	$ 40,873.73		$ 272,486.16	$ 2,206.83
	10/1999	DAZ0668800-99283	$ 1,177.91	$ 19,119.08	74,500,881	73,482,898	11,282	1,008,774	$ 373,291.84	$ 469.92	$ 330,312.14	$ 39,478.54	$ 40,448.19		$ 313,171.47	$ 2,724.68
	11/1999	DAZ0668800-99314	$ 1,360.79	$ 19,505.80	76,913,543	78,864,843	11,412	1,030,327	$ 383,978.84	$ 481.91	$ 342,785.18	$ 41,113.39	$ 41,865.30		$ 353,620.03	$ 3,151.72
	12/1999	DAZ0668800-99344	$ 1,549.00	$ 20,671.88	80,113,462	79,916,898	12,143	1,042,633	$ 401,414.84	$ 503.93	$ 358,423.43	$ 42,981.64	$ 43,466.47		$ 395,215.33	$ 3,534.20
	1/2000	DAZ0668800-00010	$ 1,811.27	$ 21,342.19	82,272,749	81,146,473	12,470	1,111,802	$ 412,334.24	$ 517.51	$ 368,063.96	$ 44,150.29	$ 44,667.80		$ 438,710.80	$ 3,952.16
	2/2000	DAZ0668800-00041	$ 2,042.86	$ 4,830,640.82	86,626,110	84,259,047	12,848	1,154,421	$ 428,035.84	$ 537.34	$ 382,193.31	$ 45,842.66	$ 46,380.00		$ 483,371.69	$ 4,347.11
	3/2000	DAZ0668800-00070	$ 88,368.64	$ 418,870.44	79,850,874	77,782,340	11,863	1,066,663	$ 395,133.71	$ 494.04	$ 352,811.96	$ 42,318.93	$ 42,814.87		$ 525,734.59	$ 4,873.79
	4/2000	DAZ0668800-00101	$ 63,011.03	$ 468,041.29	90,829,844	88,842,313	13,181	1,173,372	$ 435,042.05	$ 546.17	$ 388,447.71	$ 46,565.24	$ 47,141.41		$ 572,873.49	$ 5,297.56
	5/2000	DAZ0668800-00131	$ 54,121.78	$ 427,306.68	91,484,998	90,341,761	13,348	1,190,887	$ 438,186.06	$ 612.41	$ 364,479.17	$ 43,718.82	$ 44,225.25		$ 618,714.07	$ 5,723.73
	6/2000	DAZ0668800-00162	$ 93,976.63	$ 426,428.00	81,109,361	79,994,264	12,293	1,094,044	$ 408,391.09	$ 610.17	$ 362,969.89	$ 43,528.46	$ 44,034.66		$ 663,844.12	$ 6,137.16
	7/2000	DAZ0668800-00192	$ 67,842.71	$ 408,427.19	79,191,220	77,833,962	11,838	1,053,431	$ 391,322.47	$ 491.27	$ 349,420.77	$ 41,911.71	$ 42,402.98		$ 705,876.77	$ 6,531.44
	8/2000	DAZ0668800-00223	$ 72,636.81	$ 448,694.78	86,020,318	82,872,165	12,735	1,133,419	$ 420,060.86	$ 574.50	$ 379,803.60	$ 45,060.09	$ 45,616.28	$ 9,223,857.21	$ 750,341.75	$ 7,079.79
				$ 7,472,797.87	1,446,133,318	1,438,063,515	232,222	19,612,184	$ 7,344,192.44	$ 8,222.20	$ 1,356,406.34	$ 164,776.14	$ 165,899.34	$ 9,223,857.21	$ 7,023,080.85	$ 7,803.87

Statements and payments are not included.
ry 10, 2000 Invoice included prior period usage for Jan-Dec 99 local traffic.

Confidential

WorldCom : Qwest Comp Settlement
Brooks Fiber Albuquerque

ks Fiber Properties
rocal Compensation Billing

>	Invoice Date	Invoice Number	Finance Charges	Current Charges Amount[1]	MOU Total	Local 99.979%	USWest Factors Toll 0.033%	Transit 2.938%	Local Rate $ -	Adjusted Charges Toll Rate 0.0461	Total	Payments[1]	Adjusted Balance Due	Recalculated Finance Charges 1.00%
uerque, NM														
est	01/10/99	DNM0664B00-99010		$ 19,048.96	17,261,268	16,758,705	14,772	507,811	$ -	$ 710.54	$ 710.54		$ 710.54	
est	02/10/99	DNM0664B00-99041	$ 190.49	$ 7,123.98	18,850,372	19,058,100	16,797	577,425	$ -	$ 807.94	$ 807.94		$ 1,518.48	$ 7.11
est	3/10/99	DNM0664B00-99069	$ 283.63	$ 6,379.56	18,252,294	17,700,348	15,602	536,344	$ -	$ 750.46	$ 750.46		$ 2,268.95	$ 15.16
est	4/10/99	DNM0664B00-99100	$ 330.06	$ 8,770.75	27,947,844	27,102,725	23,890	821,249	$ -	$ 1,149.11	$ 1,149.11		$ 3,418.05	$ 22.69
est	5/10/99	DNM0664B00-99130	$ 431.07	$ 8,413.88	27,069,647	26,251,104	23,139	795,443	$ -	$ 1,113.00	$ 1,113.00		$ 4,531.05	$ 34.18
est	6/10/99	DNM0664B00-99161	$ 528.52	$ 9,844.43	26,367,844	25,570,485	22,539	774,620	$ -	$ 1,084.14	$ 1,084.14		$ 5,615.19	$ 45.31
est	7/10/99	DNM0664B00-99191	$ 633.26	$ 7,832.60	21,402,316	20,755,123	18,295	628,904	$ -	$ 879.98	$ 879.98		$ 6,495.17	$ 56.15
est	8/10/99	DNM0664B00-99222	$ 729.14	$ 11,396.31	32,334,495	31,368,618	27,640	950,147	$ -	$ 1,329.46	$ 1,329.46		$ 7,824.63	$ 64.95
est	9/10/99	DNM0664B00-99253	$ 850.42	$ 10,706.53	27,082,761	26,273,461	23,159	796,121	$ -	$ 1,113.95	$ 1,113.95		$ 8,938.58	$ 78.25
est	10/10/99	DNM0664B00-99283	$ 858.08	$ 10,266.23	27,857,847	27,015,430	23,813	818,604	$ -	$ 1,145.41	$ 1,145.41		$ 10,083.99	$ 89.39
est	11/10/99	DNM0664B00-99314	$ 969.31	$ 10,222.82	28,648,197	27,816,745	24,659	847,702	$ -	$ 1,186.12	$ 1,186.12		$ 11,270.11	$ 100.84
est	12/10/99	DNM0664B00-99344	$ 1,081.23	$ 10,842.50	31,173,222	30,232,489	26,649	916,065	$ -	$ 1,281.80	$ 1,281.80		$ 12,551.91	$ 112.70
est	1/10/00	DNM0664B00-00010	$ 1,200.47	$ 11,317.65	30,694,111	29,869,330	26,143	898,717	$ -	$ 1,257.50	$ 1,257.50		$ 13,809.41	$ 125.52
est	2/10/00	DNM0664B00-00041	$ 1,325.65	$ 11,816.57	32,713,524	31,724,273	27,964	961,268	$ -	$ 1,345.05	$ 1,345.05		$ 15,154.46	$ 138.09
est	3/10/00	DNM0664B00-00070	$ 1,450.07	$ 11,427.72	32,212,001	31,237,945	27,535	946,551	$ -	$ 1,324.43	$ 1,324.43		$ 16,478.89	$ 151.54
est	4/10/00	DNM0664B00-00101	$ 1,584.83	$ 12,117.94	34,397,168	33,550,956	29,574	1,016,639	$ -	$ 1,422.50	$ 1,422.50		$ 17,901.39	$ 164.79
est	5/10/00	DNM0664B00-00131	$ 1,723.99	$ 10,554.26	31,881,953	30,723,605	27,082	930,956	$ -	$ 1,302.62	$ 1,302.62		$ 19,204.02	$ 178.01
est	6/10/00	DNM0664B00-00162	$ 1,846.79	$ 10,124.16	30,433,522	29,513,218	26,015	894,290	$ -	$ 1,251.31	$ 1,251.31		$ 20,455.33	$ 192.04
est	7/10/00	DNM0664B00-00192	$ 1,986.47	$ 9,275.42	28,115,364	27,265,189	24,033	826,172	$ -	$ 1,155.99	$ 1,155.99		$ 21,611.32	$ 204.55
st	8/10/00	DNM0664B00-00223	$ 2,078.89	$ 8,991.95	28,118,864	27,265,635	24,034	826,185	$ -	$ 1,156.01	$ 1,156.01		$ 22,767.34	
			$20,053.43	$ 208,136.22	553,733,304	536,984,604	473,333	16,271,487	$ -	$ 22,767.34	$ 22,767.34	$ -		$ 1,782.30

[1]Adjustments and payments are not included.

WorldCom : Qwes. Comp Settlement
Brooks Fiber Salt Lake

ks Fiber Properties
rocal Compensation Billing

e	Invoice Date	Invoice Number	Finance Charges	Current Charges Amount[1]	MOU Total	USWest Factors Local 98.058%	USWest Factors Toll 8.104%	Transit 3.839%	Adjusted Charges Local Rate 0.90330	Adjusted Charges Toll Rate 0.6303	Total	Payments[1]	Adjusted Balance Due	Recalculated Finance Charges 1.00%
Lake City, UT														
est	01/10/99	DNM0664800-99010		$ 5,058.80	415,236						$ 5,058.80		$ 5,058.80	
est	02/10/99	DNM0664800-99041	$ 50.59	$ 2,988.10	187,165						$ 2,988.10		$ 8,044.90	$ 50.59
est	3/10/99	DUT0660800-99069	$ 80.95	$ 1,869.41	85,647						$ 1,869.41		$ 9,914.31	$ 0.45
est	4/10/99	DUT0660800-99100	$ 100.46	$ 2.33	-						$ 2.33		$ 9,916.64	$ 99.14
est	5/10/99	DUT0660800-99130	$ 101.49	$ 3.05	-						$ 3.05		$ 9,919.69	$ 98.17
est	6/10/99	DUT0660800-99161	$ 102.83	$ 382.89	213,800						$ 382.89	$ (5,547.00)	$ 4,755.58	$ 98.20
est	7/10/99	DUT0660800-99191	$ 107.39	$ 19,725.94	11,122,014						$ 18,225.64		$ 22,981.42	$ 47.56
est	8/10/99	DUT0660800-99222	$ 290.74	$ 22,409.53	9,282,061						$ 22,409.53		$ 45,390.95	$ 229.61
est	9/10/99	DUT0660800-99253	$ 517.74	$ 34,218.03	8,887,940						$ 34,218.03		$ 79,608.98	$ 453.91
est	10/10/99	DUT0660800-99283	$ 818.64	$ 34,884.26	8,690,234						$ 34,884.26		$ 114,491.24	$ 796.07
est	11/10/99	DUT0660800-99314	$ 1,175.86	$ 14,142.12	5,605,154						$ 14,142.12		$ 128,633.36	$ 1,144.91
est	12/10/99	DUT0660800-99344	$ 1,329.64	$ 7,878.98	5,803,858						$ 7,878.98		$ 136,512.34	$ 1,296.23
est	1/10/00	DUT0660800-00010	$ 1,420.92	$ 22,050.33	8,875,852						$ 22,050.33		$ 158,562.67	$ 1,365.12
est	2/10/00	DUT0660800-00041	$ 1,656.63	$ 18,488.69	5,687,320						$ 18,488.69		$ 177,051.56	$ 1,685.63
est	3/10/00	DUT0660800-00070	$ 1,857.07	$ 14,067.42	4,897,106						$ 14,067.42		$ 191,118.98	$ 1,770.52
est	4/10/00	DUT0660800-000101	$ 2,018.32	$ 16,703.56	5,430,864						$ 16,703.56		$ 207,822.64	$ 1,911.19
est	5/10/00	DUT0660800-000131	$ 2,203.52	$ 14,812.88	4,844,852						$ 14,812.88		$ 222,635.42	$ 2,078.23
est	6/10/00	DUT0660800-000162	$ 2,373.68	$ 12,444.15	4,043,841						$ 12,444.15		$ 235,079.57	$ 2,226.35
est	7/10/00	DUT0660800-000192	$ 2,521.66	$ 104,624.74	33,796,356	32,434,772	35,268	1,296,717	$ 74,547.54	$ 1,280.25	$ 75,847.79		$ 310,927.36	$ 2,350.80
est	8/10/00	DUT0660800-000223	$ 3,693.33	$ 123,010.33	40,921,852	39,019,818	42,429	1,569,505	$ 89,706.73	$ 1,540.17	$ 91,246.96		$ 402,174.32	$ 3,199.27
			$ 22,317.35	$ 468,261.64	155,881,208	71,454,690	77,697	2,855,822	$ 164,274.33	$ 2,820.42	$ 167,721.33	$ (5,547.00)		$ 20,784.24

djustments and payments are not included.

Confidential

WorldCom : Qwest Comp Settlement
MCim Minneapolis

rocal Compensation Billing

MCim rate [redacted]

	Invoice Date	Invoice Number	Current Charge Amount[1]	MCim recorded Billed MOU Total	U8West Factors Local 82.143%	Toll 0.610%	Trank 17.840%	Adjusted Charges Local Rate [redacted]	Toll Rate 0.0611	Total	Payments[1]	Adjusted Balance Due	Recalculated Finance Charges 1.50%
aspolis, MN													
est	02/10/99	DMN0628M00-99041	$ 165,902.04	17,093,825	14,041,145	3,037	3,049,443	$ 63,325.67	$ 155.17	$ 63,480.73		$ 63,480.73	
est	03/10/99	DMN0628M00-99066	$ 118,710.10	12,388,875	10,176,298	2,201	2,210,079	$ 45,895.10	$ 112.46	$ 46,007.56		$ 109,488.29	$ 952.21
est	04/10/99	DMN0628M00-99100	$ 129,889.76	15,370,000	12,625,315	2,730	2,741,954	$ 56,940.17	$ 139.52	$ 57,079.69		$ 166,567.98	$ 1,842.32
est	05/10/99	DMN0628M00-99130	$ 129,260.23	15,628,210	12,756,273	2,758	2,770,179	$ 57,528.26	$ 140.96	$ 57,667.24		$ 224,236.22	$ 2,499.82
est	06/10/99	DMN0628M00-99161	$ 125,936.61	15,276,974	12,550,544	2,714	2,725,719	$ 56,602.65	$ 138.69	$ 56,741.65		$ 280,978.87	$ 3,363.53
est	7/10/99	DMN0628M00-99191	$ 84.13	14,173,714	11,642,656	2,516	2,529,641	$ 52,508.37	$ 128.66	$ 52,637.03		$ 333,613.90	$ 4,214.65
est	8/10/99	DMN0628M00-99222	$ 175,951.06	15,385,281	12,621,438	2,729	2,741,113	$ 56,922.69	$ 139.46	$ 57,062.17		$ 390,676.07	$ 9,094.21
est	9/10/99	DMN0628M00-99253	$ 112,744.40	24,751,828	20,331,791	4,397	4,415,640	$ 91,696.38	$ 224.66	$ 91,921.06		$ 482,597.13	$ 6,640.14
est	10/10/99	DMN0628M00-99283	$ 174,992.24	24,664,500	20,261,844	4,380	4,398,277	$ 91,335.91	$ 223.80	$ 91,559.61		$ 574,156.74	$ 7,238.96
est	11/10/99	DMN0628M00-99314	$ 179,836.52	27,311,365	22,434,261	4,852	4,872,252	$ 101,176.52	$ 247.92	$ 101,424.43		$ 675,583.17	$ 9,612.39
est	12/10/99	DMN0628M00-99344	$ 189,312.86	30,703,020	32,613,087	7,053	7,082,860	$ 147,085.02	$ 360.40	$ 147,445.42		$ 823,028.64	$ 10,135.79
est	1/10/00	DMN0628M00-00010	$ 193,091.91	28,100,693	23,904,061	5,169	5,191,462	$ 107,807.32	$ 264.16	$ 108,071.47		$ 931,100.07	$ 12,345.43
est	2/10/00	DMN0628M00-00041	$ 291,038.34	37,898,049	31,213,401	6,750	6,778,898	$ 140,772.44	$ 344.93	$ 141,117.37		$1,072,217.44	$ 13,948.50
est	3/10/00	DMN0628M00-00070	$ 272,378.90	48,389,041	33,189,852	7,171	7,201,619	$ 149,649.66	$ 366.44	$ 149,915.11		$1,222,132.56	$ 16,883.28
est	4/10/00	DMN0628M00-00101	$ 358,070.16	53,209,256	43,707,458	9,452	9,492,346	$ 197,120.64	$ 483.00	$ 197,603.64		$1,419,736.18	$ 19,331.99
est	5/10/00	DMN0628M00-00131	$ 675,743.66	65,769,073	70,469,362	15,240	15,304,471	$ 317,816.82	$ 778.74	$ 318,595.56		$1,738,331.74	$ 21,296.04
est	6/10/00	DMN0628M00-00162	$ 473,797.48	70,853,624	68,036,713	12,651	12,694,360	$ 261,745.56	$ 641.35	$ 262,386.93		$2,000,718.68	$ 26,874.96
est	7/10/00	DMN0628M00-00192	$ 480,063.00	71,972,460	69,120,085	12,798	12,839,639	$ 266,631.45	$ 653.32	$ 267,284.77		$2,268,003.45	$ 30,810.78
est	8/10/00	DMN0628M00-00223	$ 691,053.61	79,628,884	85,337,878	14,128	14,187,849	$ 294,628.73	$ 721.92	$ 295,350.65		$2,563,354.10	$ 34,820.05
			$ 4,847,218.81	850,241,188	586,081,934	122,614	123,136,817	$2,557,064.53	$ 6,245.56	$2,563,354.10	$ -		$ 221,649.87

adjustments and payments are not included.

WorldCom : Qwes[illegible]omp Settlement
MCim [illegible]enix

[illegible]eal Compensation Billing

Mcim's rate: $1.[illegible] per MOU

[illegible], AZ	Invoice Date	Invoice Number	Current Charges Amount[1]	MCIm Records Billed MOU Total	USWest Factors Local 84.354%	Toll 8.014%	Transit 8.932%	Local Rate [illegible]	Adjusted Charges Interexchange related Withholding 77.63%	Total Local To Pay	Toll Rate 0.067712	Total	Payments[1]	Adjusted Balance Due	Recalculated Finance Charge 1.50%
[illegible]	02/10/99	DAZ0666M00-66041	$ 6,967.10	32,068,166	30,277,415	4,606	1,807,273	$ 64,776.93	$ 50,933.30	$ 14,843.73	$ 254.39	$ 15,098.12		$ 15,098.12	
[illegible]	03/10/99	DAZ0666M00-66099	$ 8,731.56	27,827,316	26,256,248	3,822	1,567,244	$ 79,917.50	$ 66,645.20	$ 12,672.30	$ 220.60	$ 13,092.90		$ 28,191.02	$ 229.47
[illegible]	04/10/99	DAZ0666M00-66100	$ 13,793.09	36,963,540	34,829,649	8,041	2,066,870	$ 96,954.42	$ 79,976.66	$ 16,975.84	$ 290.83	$ 17,266.67		$ 45,457.69	$ 423.87
[illegible]	05/10/99	DAZ0666M00-66130	$ 10,646.66	31,420,116	30,023,610	4,371	1,792,120	$ 84,099.13	$ 69,346.68	$ 14,718.27	$ 252.28	$ 14,971.53		$ 60,429.42	$ 461.87
[illegible]	06/10/99	DAZ0666M00-66191	$ 22,942.10	32,548,643	30,930,380	4,443	1,823,770	$ 85,458.96	$ 70,484.18	$ 14,962.80	$ 256.43	$ 15,219.23		$ 75,648.64	$ 606.44
[illegible]	7/10/99	DAZ0666M00-66191	$ 10,947.19	34,650,129	32,893,862	4,766	1,951,500	$ 91,542.61	$ 75,514.44	$ 16,028.38	$ 274.69	$ 16,303.07		$ 91,951.71	$ 1,134.73
[illegible]	8/10/99	DAZ0666M00-66223	$ 11,964.07	48,070,885	42,631,768	6,193	2,836,735	$ 119,088.95	$ 84,237.46	$ 20,851.47	$ 357.35	$ 21,208.82		$ 113,160.54	$ 1,376.26
[illegible]	9/10/99	DAZ0666M00-66253	$ 14,980.64	44,562,060	43,049,207	6,121	2,509,732	$ 117,729.38	$ 97,115.85	$ 20,613.42	$ 353.27	$ 20,966.69		$ 134,127.23	$ 1,697.41
[illegible]	10/10/99	DAZ0666M00-66283	$ 997,298.22	20,279,427	19,131,966	2,786	1,141,978	$ 53,586.67	$ 44,168.24	$ 9,378.42	$ 160.74	$ 9,540.17		$ 143,667.40	$ 2,011.93
[illegible]	11/10/99	DAZ0666M00-66314	$ 290,161.95	72,287,063	66,206,900	8,830	4,071,233	$ 190,978.52	$ 157,538.14	$ 33,439.38	$ 573.06	$ 34,011.45		$ 177,678.84	$ 2,488.01
[illegible]	12/10/99	DAZ0666M00-66344	$ 191,734.60	47,066,262	44,429,794	6,486	2,632,029	$ 124,403.43	$ 102,621.43	$ 21,781.99	$ 373.30	$ 22,155.29		$ 199,834.13	$ 2,855.16
[illegible]	1/10/00	DAZ0666M00-00019	$ 184,088.77	50,228,804	47,582,812	6,800	2,628,893	$ 132,809.67	$ 108,465.24	$ 23,234.43	$ 398.19	$ 23,632.62		$ 223,466.96	$ 2,987.81
[illegible]	2/10/00	DAZ0666M00-00041	$ 187,465.43	54,068,309	51,034,963	7,438	3,048,278	$ 142,997.06	$ 117,878.98	$ 25,020.07	$ 428.79	$ 25,448.86		$ 248,915.82	$ 3,352.00
[illegible]	3/10/00	DAZ0666M00-00070	$ 190,980.80	54,843,933	51,746,343	7,838	3,088,787	$ 144,889.79	$ 118,820.78	$ 25,968.98	$ 434.77	$ 26,403.75		$ 274,719.57	$ 3,733.74
[illegible]	4/10/00	DAZ0666M00-00101	$ 207,357.80	73,007,063	68,908,838	10,118	4,148,008	$ 194,624.75	$ 160,647.59	$ 34,077.19	$ 564.01	$ 34,641.17		$ 309,360.74	$ 4,120.79
[illegible]	5/10/00	DAZ0666M00-00131	$ 246,348.80	88,007,970	84,184,112	9,342	3,830,316	$ 179,870.71	$ 138,844.18	$ 38,826.54	$ 539.14	$ 39,365.67		$ 349,746.41	$ 4,660.71
[illegible]	6/10/00	DAZ0666M00-00162	$ 249,001.68	87,377,889	83,573,653	9,253	3,794,781	$ 178,007.01	$ 136,549.30	$ -39,457.77	$ 534.14	$ 39,991.91		$ 389,738.32	$ 5,196.20
[illegible]	7/10/00	DAZ0666M00-00192	$ 273,702.38	78,017,407	71,725,838	10,443	4,281,337	$ 200,831.79	$ 156,314.60	$ 44,517.19	$ 602.53	$ 45,119.63		$ 434,858.14	$ 6,648.07
[illegible]	8/10/00	DAZ0666M00-00223	$ 197,843.25	71,858,343	67,889,754	8,665	4,052,721	$ 190,108.12	$ 147,967.99	$ 42,140.13	$ 570.60	$ 42,710.73	$ 427,969.44	$ 905,538.17	$ 8,972.87
			$ 3,377,496.61	840,911,264	787,788,655	128,248	53,997,492	$ 2,465,611.03	$ 2,015,701.48	$ 470,109.56	$ 7,459.16	$ 477,568.73	$ 427,969.44		$ 49,741.08

[1]Investments and payments are not included.

WorldCom : Qwe... Comp Settlement
/ MCh. ...ver

cal Compensation Billing

MCim billed rate: $ 0.003164

Invoice Date	Invoice Number	Current Charges Amount[1]	MCim recorded Billed ROU Total	USWest Factors Local 94.663%	Toll 0.123%	Transit 0.209%	Adjusted Charges Local Rate 0.00293	Internet/Modem related Withholding 17.3%	Total Local To Pay	Tel Rate 0.064593	Total	Payments[1]	Adjusted Balance Due	Recalculated Finance Charges 1.00%
; CO														
03/10/98	DCO0856M00-98041	$ 31,971.84	19,983,587	18,127,608	24,607	1,841,154	$ 51,301.69	$ 39,646.52	$ 11,655.17	$ 1,589.17	$ 13,244.35		$ 13,244.35	
03/10/98	DCO0856M00-98088	$ 39,000.16	17,616,754	15,972,793	21,841	1,622,260	$ 45,203.00	$ 34,933.38	$ 10,269.62	$ 1,400.25	$ 11,669.87		$ 24,914.22	$ 132.44
04/10/98	DCO0856M00-98100	$ 74,143.41	26,734,838	24,309,384	25,524	1,909,770	$ 53,213.60	$ 41,124.07	$ 12,089.54	$ 1,648.40	$ 13,737.94		$ 38,652.16	$ 219.14
05/10/98	DCO0856M00-98130	$ 68,104.45	21,700,242	19,675,218	26,707	1,998,317	$ 56,660.67	$ 43,030.79	$ 13,630.07	$ 1,724.83	$ 14,374.90		$ 53,027.06	$ 386.52
06/10/98	DCO0856M00-98161	$ 46,698.17	21,857,575	19,808,537	27,024	2,022,014	$ 58,341.18	$ 43,541.07	$ 14,800.09	$ 1,745.28	$ 14,545.37		$ 67,572.43	$ 530.27
7/10/98	DCO0856M00-98191	$ 771.70	20,896,318	18,948,128	25,770	1,974,470	$ 53,623.20	$ 41,440.61	$ 12,182.60	$ 1,661.09	$ 13,843.69		$ 81,416.11	$ 678.72
8/10/98	DCO0856M00-98222	$ 138,158.68	22,844,807	20,713,065	28,119	2,100,729	$ 56,617.07	$ 43,300.62	$ 13,317.35	$ 1,815.81	$ 15,133.16		$ 96,549.27	$ 814.16
9/10/98	DCO0856M00-98253	$ 152,782.43	26,701,754	24,209,996	33,683	2,458,889	$ 66,814.29	$ 52,948.61	$ 13,865.69	$ 2,122.37	$ 17,988.06		$ 114,237.33	$ 955.49
10/10/98	DCO0856M00-98283	$ 146,945.41	28,975,068	25,908,496	36,186	2,631,401	$ 73,321.04	$ 56,663.32	$ 16,657.73	$ 2,271.27	$ 18,928.99		$ 133,164.32	$ 1,142.37
11/10/98	DCO0856M00-98314	$ 181,380.76	36,387,792	32,992,154	44,784	3,350,636	$ 90,967.60	$ 72,155.67	$ 21,212.13	$ 2,892.29	$ 24,104.38		$ 157,270.70	$ 1,331.88
12/10/98	DCO0856M00-98344	$ 185,694.84	38,282,798	34,874,056	47,067	3,521,877	$ 96,127.56	$ 75,834.09	$ 22,293.49	$ 3,039.70	$ 25,333.19		$ 182,603.60	$ 1,572.71
1/10/00	DCO0856M00-00010	$ 167,638.30	34,977,232	31,713,225	43,049	3,220,860	$ 88,746.43	$ 69,356.59	$ 20,389.85	$ 2,780.14	$ 23,169.99		$ 205,773.58	$ 1,879.04
2/10/00	DCO0856M00-00041	$ 200,318.82	41,816,272	37,914,059	51,468	3,850,749	$ 107,296.79	$ 83,920.18	$ 24,376.61	$ 3,323.73	$ 27,700.37		$ 233,474.28	$ 2,057.74
3/10/00	DCO0856M00-00070	$ 145,242.03	30,119,706	27,402,909	37,804	2,669,192	$ 78,144.93	$ 95,754.40	$ 18,390.53	$ 2,734.64	$ 19,825.30		$ 253,098.62	$ 2,334.74
4/10/00	DCO0856M00-00101	$ 266,829.53	51,234,641	46,453,324	65,056	4,718,061	$ 131,483.47	$ 101,599.43	$ 29,887.04	$ 4,072.35	$ 33,939.39		$ 290,036.00	$ 2,921.00
5/10/00	DCO0856M00-00131	$ 206,835.84	45,056,886	40,851,397	56,452	4,149,077	$ 115,608.37	$ 85,344.21	$ 30,265.16	$ 3,561.23	$ 29,846.40		$ 315,985.40	$ 2,860.39
6/10/00	DCO0856M00-00162	$ 370,642.99	47,068,030	61,344,314	83,268	6,230,467	$ 173,604.41	$ 134,163.42	$ 39,440.99	$ 5,377.75	$ 44,818.74		$ 360,704.14	$ 3,158.85
7/10/00	DCO0856M00-00192	$ 248,218.42	79,124,340	64,487,155	87,533	6,549,650	$ 182,496.65	$ 141,039.98	$ 41,461.86	$ 5,653.28	$ 47,114.93		$ 407,819.07	$ 3,607.04
8/10/00	DCO0856M00-00223	$ 192,618.06	67,084,248	61,368,066	83,301	6,232,682	$ 173,671.68	$ 134,215.40	$ 39,456.28	$ 5,379.83	$ 44,836.11	$(1,879,678.25)	##########	$ 4,078.19
		$ 2,884,701.30	665,325,828	619,554,389	840,864	62,925,556	$ 1,753,346.93	$ 1,365,004.31	$ 388,341.62	$ 54,313.56	$ 432,655.18	$(1,879,678.25)		$ 30,244.49

Instalments and payments are not included.

Confidential

WorldCom : Qwest Recip Comp Settlement
MCIm Seattle

ıcal Compensation Billing

	Invoice Date	Invoice Number	Current Charges Amount[1]	MOU Total	USWest Factors Local 97.111%	Toll 9.224%	Transit 2.665%	Local Rate 0.0009	Adjusted Charges Toll Rate 0.0101	Total	Payments[1]	Adjusted Balance Due	Recalculated Finance Charges 1.50%
le, WA													
ıst	02/10/99	DWA0674M00-99041	$ 14,144.77	31,335,006	30,432,370	70,241	832,394	$ -	$ 2,816.68	$ 2,816.68		$ 2,816.68	
ıst	03/10/99	DWA0674M00-99069	$ 14,132.85	31,219,101	30,319,804	69,982	829,315	$ -	$ 2,808.28	$ 7,808.28		$ 5,622.95	$ 42.25
ıst	04/10/99	DWA0674M00-99100	$ 95,232.73	48,229,619	46,840,316	108,113	1,281,182	$ -	$ 4,335.33	4,335.33		$ 9,958.28	$ 84.34
ıst	05/10/99	DWA0674M00-99130	$ 82,089.40	44,044,541	42,777,737	98,798	1,170,068	$ -	$ 3,959.31	$ 3,959.31		$ 13,917.59	$ .149.37
ıst	06/10/99	DWA0674M00-99161	$ 73,817.72	43,979,082	42,712,221	98,585	1,168,278	$ -	$ 3,953.25	$ 3,953.25		$ 17,870.84	$ 208.76
ıst	7/10/99	DWA0674M00-99191	$ 582.24	40,514,279	39,347,323	90,818	1,076,239	$ -	$ 3,641.61	$ 3,641.61		$ 21,512.85	$ 268.08
st	8/10/99	DWA0674M00-99222	$ 102,086.06	43,652,845	42,395,382	97,853	1,159,609	$ -	$ 3,923.93	$ 3,923.93		$ 25,436.58	$ 322.69
st	9/10/99	DWA0674M00-99253	$ 3,631.18	48,110,512	44,782,254	103,363	1,224,889	$ -	$ 4,144.84	$ 4,144.84		$ 29,581.42	$ 381.55
st	10/10/99	DWA0674M00-99282	$ 7,269.25	44,835,903	43,350,122	100,057	1,185,724	$ -	$ 4,012.28	$ 4,012.28		$ 33,593.71	$ 443.72
st	11/10/99	DWA0674M00-99314	$ 6,539.83	49,527,191	48,100,512	111,022	1,315,658	$ -	$ 4,451.97	$ 4,451.97		$ 38,045.68	$ 503.91
st	12/10/99	DWA0674M00-99344	$ 7,001.88	47,791,950	46,419,258	107,132	1,269,582	$ -	$ 4,295.99	$ 4,295.99		$ 42,341.68	$ 570.69
st	1/10/00	DWA0674M00-00010	$ 6,017.34	50,881,860	49,416,158	114,058	1,351,844	$ -	$ 4,573.74	$ 4,573.74		$ 46,915.40	$ 635.12
st	2/10/00	DWA0674M00-00041	$ 12,217.93	63,976,313	62,133,413	143,411	1,699,459	$ -	$ 5,750.79	$ 5,750.79		$ 52,666.19	$ 703.73
st	3/10/00	DWA0674M00-00070	$ 16,116.97	66,604,732	64,686,117	149,303	1,769,311	$ -	$ 5,987.06	$ 5,987.06		$ 58,653.24	$ 789.68
st	4/10/00	DWA0674M00-00101	$ 18,701.54	72,250,739	70,159,468	161,959	1,919,294	$ -	$ 6,494.57	$ 6,494.57		$ 65,147.81	$ 879.80
st	5/10/00	DWA0674M00-00131	$ 18,122.86	58,280,575	56,601,748	130,643	1,548,164	$ -	$ 5,238.80	$ 5,238.80		$ 70,386.62	$ 977.22
st	6/10/00	DWA0674M00-00162	$ 17,812.22	56,291,050	54,669,531	126,184	1,495,335	$ -	$ 5,059.97	$ 5,059.97		$ 75,446.58	$ 1,055.80
st	7/10/00	DWA0674M00-00192	$ 19,537.40	78,894,855	74,487,527	171,928	2,037,402	$ -	$ 6,894.23	$ 6,894.23		$ 82,340.81	$ 1,131.70
st	8/10/00	DWA0674M00-00223	$ 19,036.61	93,777,522	91,076,169	210,214	2,491,139	$ -	$ 8,429.60	$ 8,429.60		$ 90,770.41	$ 1,236.11
			$ 534,310.84	1,008,801,775	980,713,448	2,263,601	26,824,729	$ -	$ 90,770.41	$ 90,770.41	$ -		$ 10,383.82

ljustments and payments are not included.

28. <u>XO formerly Nextlink</u>
Confidential Billing Settlement Agreement with US West dated 5/12/00

SUBJECT TO RULE OF EVIDENCE 408

CONFIDENTIAL BILLING SETTLEMENT AGREEMENT

This Confidential Billing Settlement Agreement ("Agreement"), dated May 12, 2000, is between U S WEST Communications, Inc. ("U S WEST") and NEXTLINK Communications, Inc., on behalf of itself and its operating subsidiaries (collectively "NEXTLINK") who hereby enter into this Confidential Billing Settlement Agreement with regard to the following:

RECITALS

1. U S WEST is an incumbent local exchange provider operating in the states of Arizona, Colorado, Idaho, Iowa, Minnesota, Montana, Nebraska, New Mexico, North Dakota, Oregon, South Dakota, Utah, Washington, and Wyoming.

2. NEXTLINK is a competitive local exchange provider that operates in several states within U S WEST's operating region.

3. Whereas both U S WEST and NEXTLINK have entered into interconnection agreements pursuant to the federal Telecommunications Act of 1996 ("Act"), under Section 251 and 252 of that Act, and those agreements have been approved by the appropriate state commissions where those agreements were filed pursuant to the Act. U S WEST and NEXTLINK operate under those agreements.

4. Disputes between the Parties have arisen in a number of states under the interconnection agreements regarding a number of billing issues, including interim number portability and terminating switched access, reciprocal compensation, enduser customer billing disputes, Washington collocation billing and Spokane/Seattle BAN claims.

5. In an attempt to finally resolve those issues in dispute and to avoid delay and costly litigation, and for valuable consideration, the Parties voluntarily enter into this Confidential Billing Settlement Agreement to resolve all disputes, claims and controversies between the Parties, as of the date of this Agreement that relate to the matters addressed herein and release all claims related to those matters.

CONFIDENTIAL BILLING SETTLEMENT AGREEMENT

1. INTERIM NUMBER PORTABILITY/TERMINATING SWITCHED ACCESS/800 ORIGINATING AND TERMINATING RECORDS

U S WEST and NEXTLINK agree to resolve all Market Expansion Line ("MEL") charges outstanding through April 30, 2000, incurred and owed by NEXTLINK in the states of Utah and Washington in the manner described in the last paragraph of this section 1.

In consideration for NEXTLINK's agreement to convert any remaining unconverted lines from INP to LNP, U S WEST agrees with NEXTLINK to resolve the Parties' dispute regarding terminating switched access charges in the manner described in the last paragraph of this section 1.

U S WEST and NEXTLINK agree to resolve the Parties' dispute regarding the 800 number originating and terminating records issue in the manner described in the last paragraph of this section 1.

The form of settlement for the interim number portability/terminating switched access/800 originating and terminating records issues will be a combination of bill credits and a cash payment to NEXTLINK, in an amount totaling $2,417,000. This settlement amount will be disbursed to NEXTLINK as a bill credit and cash payment

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within thirty (30) business days following the Parties' execution of this Agreement. This settlement term is subject to this Confidential Billing Settlement Agreement.

2. RECIPROCAL COMPENSATION FOR NON-TOLL TRAFFIC

The Parties agree that in the states of Arizona, Minnesota and Oregon, for the period of January 1, 2000 through December 31, 2002, both Parties will use a reciprocal compensation rate for internet-related/modem traffic of .001 per minute of use ("MOU"). Either Party can opt out of this reciprocal compensation arrangement at any time upon ninety (90) days written notice to the other Party. For the state of Arizona only, the Parties agree not to bill each other for reciprocal compensation for internet-related/modem traffic and non internet-related/modem traffic through March 31, 2000.

Effective January 1, 2000, for non internet-related/modem traffic and internet-related/modem traffic that originates from U S WEST, in all states except for Washington and Utah, U S WEST agrees to pay NEXTLINK at the end office rate. In Utah, and subject to the terms of the Parties' Interconnection Agreements, U S WEST agrees to pay NEXTLINK at the tandem rates for the non internet-related/modem traffic and internet-related/modem traffic originated by U S WEST that is routed through a U S WEST tandem and terminated by NEXTLINK—approximately 11% of U S WEST's traffic terminating to NEXTLINK according to U S WEST measurements.

For billing purposes, in Utah, NEXTLINK will recalculate the MOUs for both internet-related/modem traffic and non internet-related/modem traffic billed to U S WEST between January 1, 1999 and March 31, 2000 using the 11% factor and will provide U S WEST with a trued-up bill based on that recalculation. For the period between April 1, 2000 and September 30, 2000, NEXTLINK will use the 11% factor

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applied to total non internet-related/modem traffic and internet-related/modem traffic to calculate local MOUs for such traffic to be billed to U S WEST at the tandem rates. In Utah, for billing at the tandem rates local MOUs for non internet-related/modem traffic and internet-related/modem traffic to U S WEST beginning September 30, 2000, and at six (6) month intervals thereafter, the 11% factor will be updated based on actual usage, and per mutual agreement.

These settlement terms are subject to this Confidential Billing Settlement Agreement.

3. ENDUSER CUSTOMER BILLING DISPUTES

In consideration for NEXTLINK's agreement to adhere to applicable disconnection processes, the Parties agree to evenly split the difference for the disputed charges associated with endusers. As of May 1, 2000, the total disputed amount is $144,089.00. The form of settlement will be a bill credit (to the endusers or NEXTLINK, as appropriate) in the amount of $72,044.50. For NEXTLINK's part, it agrees to immediately begin following U S WEST's disconnection processes and standards for endusers that elect to switch service providers from U S WEST to NEXTLINK. NEXTLINK expressly agrees that U S WEST is not responsible for initiating the termination of any service or facilities U S WEST is providing to endusers, including but not limited to, placing disconnect orders with U S WEST. If NEXTLINK or its enduser fail to initiate the termination of services or facilities U S WEST is providing to the enduser, NEXTLINK or its enduser will be solely responsible for any continuing U S WEST charges incurred by the enduser and will not be entitled to any bill credits or write-offs from U S WEST. These settlement terms will fully resolve the outstanding

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disputes between NEXTLINK and U S WEST regarding the enduser disputes and are subject to this Confidential Billing Settlement Agreement.

4. WASHINGTON COLLOCATION BILLING DISPUTE

U S WEST and NEXTLINK agree, in the state of Washington and for any collocation charges incurred through April 30, 2000, that NEXTLINK will pay $80,000 in nonrecurring charges per new collocation site (excluding augments) and that U S WEST will provide NEXTLINK with a bill credit for the difference between what NEXTLINK has been billed for collocation and $80,000 per new collocation site. U S WEST agrees to provide such bill credit to NEXTLINK within thirty (30) days of the execution of this Agreement and NEXTLINK agrees to pay any outstanding balance owed for such collocations within thirty (30) days of receiving the bill credit. Regarding monthly recurring charges for collocation incurred by NEXTLINK in the state of Washington through April 30, 2000, the Parties agree that the monthly recurring charges paid by NEXTLINK satisfy its payment obligations (subject to verification that NEXTLINK has paid such charges for each month through April 30, 2000 and for each collocation site) and that U S WEST will provide NEXTLINK with a bill credit for the difference, if any, between what NEXTLINK has been billed for monthly recurring charges and the amount of monthly recurring charges for collocation it has paid. U S WEST agrees to provide any such bill credit to NEXTLINK within thirty (30) days of the execution of this Agreement and NEXTLINK agrees to pay any outstanding balance owed for such monthly recurring charges within thirty (30) days of receiving the bill credit.

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U S WEST and NEXTLINK agree, for the period beginning May 1, 2000 and going-forward in the state of Washington, that U S WEST will bill, and NEXTLINK will pay, $80,000 in nonrecurring charges per new collocation site (excluding augments) or such other rate as may be ordered by the Washington Commission. To the extent that the Washington Commission orders collocation rates different from the nonrecurring charge of $80,000 per new collocation site specified in this Agreement, the Parties agree that a true-up will apply to any collocation charges incurred by NEXTLINK between May 1, 2000 and such date as the Washington Commission-ordered collocation rates are effective. Any such true-up will be applied to NEXTLINK within thirty (30) days after a final order is issued by the Washington Commission regarding collocation rates. Regarding monthly recurring charges for collocation, for the period beginning May 1, 2000 and going-forward in the state of Washington, the Parties agree that U S WEST will bill, and NEXTLINK will pay, monthly recurring charges for collocation at the U S WEST TELRIC rate or such other rate as may be ordered by the Washington Commission. To the extent that the Washington Commission orders recurring rates for collocation different from the U S WEST TELRIC rate, the Parties agree that a true-up will apply to any monthly recurring charges for collocation incurred by NEXTLINK between May 1, 2000 and such date as the Washington Commission-ordered collocation recurring rates are effective. Any such true-up will be applied to NEXTLINK within thirty (30) days after a final order is issued by the Washington Commission regarding collocation recurring rates.

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Regarding collocation augments, U S WEST and NEXTLINK agree to work together, on a business-to-business basis, to address any questions or issues concerning augment pricing or intervals.

These settlement terms are subject to this Confidential Billing Settlement Agreement.

5. SPOKANE/SEATTLE BAN CLAIMS

U S WEST agrees to correct the Spokane/Seattle BANs and tax exempt status as specified by NEXTLINK. The corrections will appear in NEXTLINK's May billing invoice. Such corrections will include a bill credit in the amount of $1,528.59. This settlement term is subject to this Confidential Billing Settlement Agreement.

6. For valuable consideration, the receipt and sufficiency of which are hereby acknowledged, NEXTLINK and U S WEST do hereby release and forever discharge the other and the other's associates, owners, stockholders, predecessors, successors, agents, directors, officers, partners, employees, representatives, employees of affiliates, employees of parents, employees of subsidiaries, affiliates, parents, subsidiaries, insurance carriers, bonding companies and attorneys, from any and all manner of action or actions, causes or causes of action, in law, under statute, or in equity, suits, appeals, petitions, debts, liens, contracts, agreements, promises, liability, claims, affirmative defenses, offsets, demands, damages, losses, costs, claims for restitution, and expenses, of any nature whatsoever, fixed or contingent, known or unknown, past and present asserted or that could have been asserted or could be asserted in any way relating to or arising out of the billing disputes/matters addressed herein.

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7. The terms and conditions contained in this Confidential Billing Settlement Agreement shall inure to the benefit of, and be binding upon, the respective successors, affiliates and assigns of the Parties.

8. Each Party hereby covenants and warrants that it has not assigned or transferred to any person any claim, or portion of any claim which is released or discharged by this Confidential Billing Settlement Agreement.

9. The Parties expressly agree that they will keep the substance of the negotiations and or conditions of the settlement and the terms or substance of this Confidential Billing Settlement Agreement strictly confidential. The Parties further agree that they will not communicate (orally or in writing) or in any way disclose the substance of negotiations and/or conditions of the settlement and the terms or substance of this Agreement to any person, judicial or administrative agency or body, business, entity or association or anyone else for any reason whatsoever, without the prior express written consent of the other Party unless compelled to do so by law. It is expressly agreed that this confidentiality provision is an essential element of this Confidential Billing Settlement Agreement. The Parties agree that this Confidential Billing Settlement Agreement and negotiations, and all matters related to these two matters, shall be subject to the Rule 408 of the Rules of Evidence, at the federal and state level.

10. In the event either Party has a legal obligation which requires disclosure of the terms and conditions of this Confidential Billing Settlement Agreement, the Party having the obligation shall immediately notify the other Party in writing of the nature, scope and source of such obligation so as to enable the other Party, at its option, to take such action as may be legally permissible so as to protect the confidentiality provided for in

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this Agreement.

11. This Confidential Billing Settlement Agreement constitutes the entire agreement between the Parties and can only be changed in a writing or writings executed by both of the Parties. Each of the Parties forever waives all right to assert that this Confidential Billing Settlement Agreement was a result of a mistake in law or in fact.

12. This Confidential Billing Settlement Agreement shall be interpreted and construed in accordance with the laws of the State of Colorado, and shall not be interpreted in favor or against any Party to this Agreement except as expressly provided herein.

13. The Parties have entered into this Confidential Billing Settlement Agreement after conferring with legal counsel.

14. If any provision of this Confidential Billing Settlement Agreement should be declared to be unenforceable by any administrative agency or court of law, the remainder of the Confidential Billing Settlement Agreement shall remain in full force and effect, and shall be binding upon the Parties hereto as if the invalidated provision were not part of this Confidential Billing Settlement Agreement.

15. Any claim, controversy or dispute between the Parties in connection with this Confidential Billing Settlement Agreement shall be resolved by private and confidential arbitration conducted by a single arbitrator engaged in the practice of law, under the then current rules of the American Bar Association. The Federal Arbitration Act, 9 U.S.C. §§ 1-16, not state law, shall govern the arbitrability of all disputes. The arbitrator shall only have the authority to determine breach of this Agreement, but shall not have the authority to award punitive damages. The arbitrator's decision shall be final and

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binding and may be entered in any court having jurisdiction thereof. Each Party shall bear its own costs and attorneys' fees and shall share equally in the fees and expenses of the arbitrator.

16. The Parties acknowledge and agree that they have a legitimate billing dispute about the issues described in this Confidential Billing Settlement Agreement and that the resolution reached in this Agreement represents a compromise of the Parties' positions. Therefore, the Parties agree that resolution of the issues contained in this Agreement cannot be used against the other Party.

17. This Confidential Billing Settlement Agreement may be executed in counterparts and by facsimile.

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IN WITNESS THEREOF, the Parties have caused this Confidential Billing Settlement Agreement to be executed as of this 12 day of May 2000.

NEXTLINK Communications, Inc.

By: _____

Title: _____

Date: _____

U S WEST Communications, Inc.

By: Cindy McKenny

Title: Vice President - Wholesale Markets - Finance

Date: 5/12/00

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IN WITNESS THEREOF, the Parties have caused this Confidential Billing Settlement Agreement to be executed as of this 12th day of May 2000.

NEXTLINK Communications, Inc.

By: _____
R. Gerard Salemme

Title: Senior Vice President External Affairs

Date: 5-12-00

U S WEST Communications, Inc.

By: _____

Title: _____

Date: _____

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